UGI CORPORATION

DELIVERING POSITIVE ENERGY EVERY DAY

2025 ANNUAL REPORT

UGI Corporation (NYSE: UGI), headquartered in King of Prussia, PA, is a distributor and marketer of energy products and services, including natural gas, LPG, electricity, and renewable energy solutions.

For over 143 years, UGI has delivered value to its shareholders through sustained business growth, balanced capital deployment, and disciplined financial management. We are focused on operating a high-performing, customer-centric and results driven organization, sustaining robust investment in its natural gas businesses, primarily in infrastructure replacement and betterment at the utilities, and creating sustainable value for its stakeholders.

Our Purpose

Delivering Positive Energy Every Day

2030 Vision

Customers Love Our Energy

Our Core Values

Problem Solvers

Ethical

Innovative

Owners

Together

Courageous

Our Stands

Everyone and everything is always safe

Every customer matters

Employees thrive at UGI

UGI advances a sustainable future

OUR BUSINESSES[1]

Natural Gas

- Second largest regulated gas utility in Pennsylvania[2]
- Largest regulated gas utility in West Virginia[2]
- Attractive historical rate base CAGR and ROE

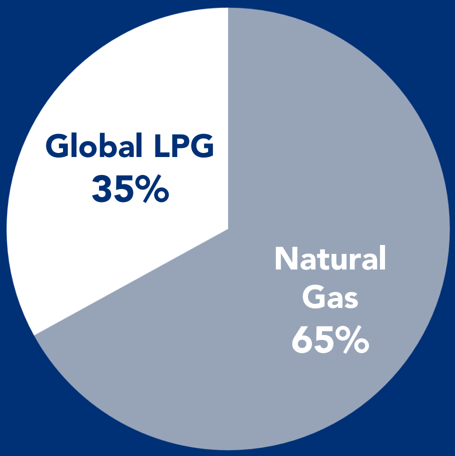
- Strategic midstream assets and energy marketing business
- Significant fee-based income

Global LPG

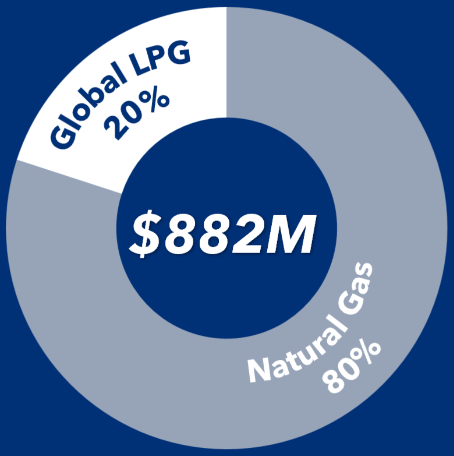
- LPG distributor in 15 countries throughout Europe
- Largest LPG distributor in France, Belgium, Denmark, and Luxembourg[3]

- Largest retail LPG distributor in the US based on the volume of propane gallons distributed annually
- Broad geographic footprint with ~1,390 distribution locations serving customers in all 50 states

FY25 ADJUSTED DILUTED EPS BUSINESS CONTRIBUTION



FY25 CAPITAL EXPENDITURES[4]



1. As of September 30, 2025
2. Based on total customers
3. UGI International estimate based on the annual volume of distributed propane gallons
4. Includes investments in equity method investees

KEY FACTS[1]

16
Countries

~9,400
Employees

~2.4M
Customers

~19,000
Miles of Gas Mains

~4.6 bcf/day
Natural Gas Pipeline Capacity

$4.5B
Rate Base

141 YEARS OF CONSECUTIVELY PAYING DIVIDENDS

1. As of September 30, 2025

A MESSAGE TO OUR SHAREHOLDERS,

Fiscal 2025 marked a turning point for UGI Corporation. We delivered record financial performance, strengthened our balance sheet with leverage declining to 3.9x at the corporate level, and returned approximately $320 million to shareholders through dividends.

Yet what truly sets this year apart is the fundamental change in how we operate and our positioning for the future. Demand for natural gas continues to grow across our service territories, driven by data center expansion, industrial growth, and the ongoing need for reliable and affordable energy. UGI is well positioned to capture this growth through our strategically located natural gas infrastructure.

FY25 Highlights

$3.32
Adjusted Diluted EPS[1]

$3.09
GAAP Diluted EPS

$500M+
Free Cash Flow[1]

42%
Total Shareholder Return
vs S&P 500: 19%

Building a Performance-Driven Culture

In Fiscal 2025, we began an intentional journey to reshape how our business operates. We are creating an environment that drives extraordinary outcomes through accountability, operational discipline, and a relentless focus on excellence.

This transformation touches every aspect of our company. We are investing in our people, fostering transparency, innovation, and ownership at every level. We are breaking down silos, challenging assumptions, and instilling a performance-driven mindset throughout the organization.

This transformation is most visible at AmeriGas. The team has embraced five strategic pillars: an unwavering commitment to safety, customer centricity, operational efficiency, workforce development, and financial discipline. We have deployed stringent project management discipline and are conducting business process analysis to drive more efficient operations. Our teams are embracing technology, including artificial intelligence, to enhance capabilities and effectiveness.

"Early returns confirm the significant opportunity to unlock intrinsic value."

FY25 Energy Delivered

594 bcf
Natural Gas Delivered

988 gwh
Electricity Delivered

1.6B+
LPG Gallons Sold

This year AmeriGas achieved a 17% EBIT growth and a 30% reduction in recordable safety incidents. We optimized our supply chain, began reshoring call centers to improve customer service, and implemented new routing processes that delivered fuel cost savings during initial pilots. We also made the strategic decision to exit the break-even wholesale business, allowing us to focus resources where they create the most value.

Strategic Progress across Our Portfolio

As we focus on areas where we can generate the highest returns, we advanced our portfolio optimization strategy, achieving approximately $150 million from LPG territory divestitures.

1. Adjusted Diluted EPS and Free Cash Flow are non-GAAP measures. See our filings with the SEC for more information.

This same discipline extends to our natural gas businesses, where continued strategic investment is fueling growth. In Fiscal 2025, our natural gas businesses deployed approximately **$900 million in capital** to enhance infrastructure and expand capabilities. At our regulated utilities, this investment and focus on operational excellence enabled the replacement of nearly 130 miles of pipeline, addition of over 11,500 new customers, and achievement of record EBIT. In Midstream & Marketing, we successfully completed several new liquefied natural gas and renewable natural gas facilities while expanding our revenue-generating capabilities for future growth.

Commitment to Our Communities

Our commitment extends beyond financial performance. In Fiscal 2025, our employees contributed more than **40,000 volunteer hours** and we provided approximately **$3 million in charitable donations**, supporting critical programs in education, health and human services, and community development.

Path Forward

Building on the foundation laid in Fiscal 2025, we are raising our long-term earnings per share growth expectations to a **compound annual growth rate of 5-7% for fiscal years 2026 through 2029.** This outlook is supported by a robust capital investment program, rate base growth of 9% or higher at our utilities and continued operational momentum at AmeriGas. We remain committed to maintaining financial discipline while retaining flexibility to pursue attractive investment opportunities.

Four strategic priorities will drive our momentum

AmeriGas Transformation

Execute the operational transformation to establish AmeriGas as the **premier propane company** with a reliable and cost-efficient business model

UGI International Excellence

Maintain operational discipline while positioning **propane as a viable alternative fuel**

Natural Gas Leadership

Positioning UGI as a **key player in regional energy expansion** to capitalize on prolific Pennsylvania investment

Financial Strength & Flexibility

Maintaining a **strong balance sheet** that enables disciplined growth and strategic investments with continued portfolio optimization

The opportunities before us are substantial, and I am confident in our team's ability to execute our strategic priorities. Thank you for your continued investment in and support of UGI Corporation.

Robert C. Flexon
President and Chief Executive Officer

OUR COMMITMENT TO SUSTAINABILITY & RESPONSIBILITY

MSCI **AAA** Rating & ISS Corporate **Prime** Rating

2025 Ruby Payne Cook Award Recipient for community service

Environmental

~$400M
Spent annually on pipeline modernization

55%
Scope 1 emissions reduction target (FY20-25)[3]

95%+
Reduction in fugitive Methane emission at UGI Utilities (using 1999 as the base year)

Social

~$3M
Contribution to literacy, STEM, & community initiatives

40,000+
Volunteer hours

30+
Years partnering with Reading Is Fundamental

Governance[1]

90%
Independent board representation[2]

80%
Independent committees[2]

5 Years
Board tenure average

For more information on our Environmental, Social, and Governance (ESG) program, please see our 2024 Sustainability Report available on our website. The information included in our Sustainability Reports is not intended to be incorporated by reference into this Annual Report.

1. As of September 30, 2025
2. As defined under the rules of the New York Stock Exchange
3. Achievement of this goal is in progress. For more information on UGI's ESG initiatives, please see UGI's sustainability reports and visit www.ugiesg.com.

COMMUNITY ENGAGEMENT

UGI has a long history of strengthening the communities we serve by providing financial assistance and supporting employee volunteer efforts. Our employees actively participate in their communities by serving on nonprofit boards, acting as mentors and coaches, and volunteering, among other activities. In addition, UGI offers paid volunteer leave for full-time eligible employees.

BRINGING WORLD-CLASS CYCLING HOME

The Return of the Philadelphia Cycling Classic - Fueled by AmeriGas

After a 10-year absence, the Philadelphia Cycling Classic will return in August 2026 with AmeriGas Propane L.P as title sponsor. The 2026 Philadelphia Cycling Classic presented by AmeriGas®, a UGI company, marks both the return of world-class professional cycling to Philadelphia and a celebration of American resilience as the nation approaches its 250th anniversary. The original Philadelphia Cycling Classic was first held in 1985 and quickly became one of the premier professional cycling events in North America. Once again, cycling stars will tackle the legendary Manayunk Wall.

"Just as AmeriGas invests in the communities where our employees live and work, we're also heavily investing in upgrading our service standards, enhancing our delivery systems, and ensuring that every customer interaction reflects our dedication to excellence. This race represents everything we stand for - being the best competitor, bringing people together, honoring our regional roots, and supporting the neighborhoods that have supported us for generations while we fuel America's future."

Michael Sharp, President of AmeriGas

100,000+
SPECTATORS

14.4 Mile
CIRCUIT

200+
ELITE CYCLISTS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

☐ **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	23-2668356
(State or Other Jurisdiction of Incorporation or Organization)	**(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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of UGI Corporation Common Stock held by non-affiliates of the registrant on March 31, 2025 was $7,075,625,221.

At November 14, 2025, there were 214,527,913 shares of UGI Corporation Common Stock issued and outstanding.

Portions of the Proxy Statement for the Annual Meeting of Shareholders to be held on January 30, 2026 are incorporated by reference into Part III of this Form 10-K.

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GLOSSARY OF TERMS AND ABBREVIATIONS

Terms and abbreviations used in this Form 10-K 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

***General Partner* -** AmeriGas Propane, Inc., the general partner of AmeriGas Partners

***GHI* -** GHI Energy, LLC, a Houston-based renewable natural gas company and indirect wholly owned subsidiary of Energy Services.

***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 Holdings, B.V. - An indirect wholly owned subsidiary of UGI International, LLC

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

UGI Pine Run, LLC - A wholly owned subsidiary of Energy Services that holds a 49% membership interest in Pine Run

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 in September 2024

UniverGas - UniverGas Italia S.r.l, an indirect wholly owned subsidiary of UGI International, LLC prior to its sale in June 2025

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

2013 OICP - UGI Corporation 2013 Omnibus Incentive Compensation Plan

5.10% Senior Note - A private placement of $150 million principal amount of senior notes due November 2030, issued by UGI Utilities

5.24% Senior Note - A private placement of $50 million principal amount of senior notes due November 30, 2029, 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

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

5.68% Senior Note - A private placement of $125 million principal amount of senior notes due November 2035, issued by UGI Utilities

5.875% Senior Notes - An underwritten private offering of senior notes due August 2026, co-issued by AmeriGas Partners and AmeriGas Finance Corp

6.11% Senior Note - A private placement of $50 million principal amount of senior notes due June 1, 2035, issued by Mountaineer

6.21% Senior Note - A private placement of $20 million principal amount of senior notes due June 1, 2037, issued by Mountaineer

9.375% Senior Notes - An underwritten private offering of senior notes due May 2028, co-issued by AmeriGas Partners and AmeriGas Finance Corp.

9.5% Senior Notes - An underwritten private offering of $550 million aggregate principal amount of notes due June 2030, co-issued by AmeriGas Partners and AmeriGas Finance Corp

2021 IAP - UGI Corporation 2021 Incentive Award Plan

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 Common Stock from the Company on June 1, 2024

ABO **-** Accumulated Benefit Obligation

ACE **-** AmeriGas Cylinder Exchange

AFUDC **-** Allowance for Funds Used During Construction

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"

ASC 820 **-** ASC 820, "Fair Value Measurement"

ASC 980 **-** ASC 980, "Regulated Operations"

ASU **-** Accounting Standards Update

ASU 2020-06 **-** An amendment of FASB ASC, "Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)"

Bcf **-** Billions of cubic feet

Board of Directors **-** The board of directors of UGI

Btu **-** British thermal unit

CARES **-** Coronavirus Aid, Relief, and Economic Security Act

CERCLA **-** Comprehensive Environmental Response, Compensation and Liability Act

CFTC **-** Commodity Futures Trading Commission

COA **-** Consent Order and Agreement

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

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

Common Units **-** Limited partnership ownership interests in AmeriGas Partners

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

Core market **-** Comprises (1) firm residential, commercial and industrial customers to whom Utilities has a statutory obligation to provide service who purchase their natural gas or electricity from Utilities; and (2) residential, commercial and industrial customers to whom Utilities has a statutory obligation to provide service who purchase their natural gas or electricity from others

DOT **-** U.S. Department of Transportation

DS **-** Delivery Service

DSIC **-** Distribution System Improvement Charge

EBITDA **-** Earnings before Interest, Taxes, Depreciation and Amortization

Energy Services Credit Agreement **-** Revolving credit agreement entered into by Energy Services on March 6, 2020, as amended, scheduled to expire in May 2028

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

EPACT 2005 **-** Energy Policy Act of 2005

ERISA **-** Employee Retirement Income Security Act of 1974

ERO **-** Electric Reliability Organization

EU **-** European Union

Equity Unit Agreements **-** Collection of agreements governing the rights, privileges and obligations of the holders of the Equity Units and UGI as issuer of the Equity Units, which were filed with the SEC on Form 8-K on May 25, 2021

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

FDIC **-** Federal Deposit Insurance Corporation

FERC **-** Federal Energy Regulatory Commission

FIFO **-** First-in, first-out inventory valuation method

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

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

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

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

Fiscal 2027 **-** The fiscal year ending September 30, 2027

Fiscal 2028 **-** The fiscal year ending September 30, 2028

Fiscal 2029 **-** The fiscal year ending September 30, 2029

Fiscal 2030 **-** The fiscal year ending September 30, 2030

FTC **-** Foreign Tax Credit

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

GDPR **-** General Data Protection Regulation

GHG **-** Greenhouse gas

GILTI **-** Global Intangible Low Taxed Income

Gwh **-** Millions of kilowatt hours

Hunlock - Hunlock Creek Energy Center located near Wilkes-Barre, Pennsylvania, a 174-megawatt natural gas-fueled electricity generating station

ICE **-** Intercontinental Exchange

IRC **-** Internal Revenue Code

IREP **-** Infrastructure Replacement and Expansion Plan

IRPA **-** Interest rate protection agreement

IRS **-** Internal Revenue Service

IT **-** Information technology

LNG **-** Liquefied natural gas

LPG **-** Liquefied petroleum gas

LTIIP **-** Long-term infrastructure improvement plans

MD&A **-** Management's Discussion and Analysis of Financial Condition and Results of Operations

MDPSC **-** Maryland Public Service Commission

MGP **-** Manufactured gas plant

Mountaineer Acquisition **-** Acquisition of Mountaintop Energy Holdings LLC, which closed on September 1, 2021

Mountaineer 2023 Credit Agreement **-** Revolving credit agreement entered into by Mountaineer on November 26, 2019, as amended, terminated in May 2025

Mountaineer 2025 Credit Agreement - Revolving credit agreement entered into by Mountaineer on May 16, 2025 scheduled to expire in May 2030

NAV **-** Net asset value

NOAA **-** National Oceanic and Atmospheric Administration

NOL **-** Net operating loss

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

PBO **-** Projected benefit obligation

PGA - Purchased gas adjustment

PGC - Purchased gas costs

PJM - PJM Interconnection, LLC

PRP - Potentially responsible party

PUHCA 2005 - Public Utility Holding Company Act of 2005

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

ROU - Right-of-use

ROD - Record of Decision

SARs - Stock Appreciation Rights

SEC - U.S. Securities and Exchange Commission

SERC - Safety, Environmental, and Regulatory Compliance

SOFR - Secured Overnight Financing Rate

Stock Unit - Unit awards that entitle the grantee to shares of Common Stock or cash subject to service conditions

TCJA - Tax Cuts and Jobs Act

TSR - Total Shareholder Return

U.K. - United Kingdom

U.S. - United States of America

UGI comparator group - The Russell Midcap Utility Index, excluding telecommunications companies, and beginning in Fiscal 2021, a custom UGI performance peer group

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 - An amended and restated secured senior facilities agreement entered into by UGI Corporation in October 2024, and amended in August 2025, comprising (1) a $475 million revolving credit facility, with a maturity date of October, 11, 2028, (2) a $400 million term loan facility with a maturity date of October 11, 2027, and (3) a $300 million revolving credit facility, with a maturity date of August 2026

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

UGI Performance Units - Unit awards that entitle the grantee to shares of Common Stock or cash subject to service and market performance conditions

UGI Utilities 2023 Credit Agreement - Revolving credit agreement entered into by UGI Utilities on November 9, 2023, as amended, scheduled to expire in November 2028

USD - U.S. dollar

U.S. Pension Plans - Consists of (1) a defined benefit pension plan for employees hired prior to January 1, 2009 of UGI, UGI Utilities and certain of UGI's other domestic wholly owned subsidiaries; and (2) a defined benefit pension plan for employees of Mountaineer hired prior to January 1, 2023

VEBA - Voluntary Employees' Beneficiary Association

WVPSC - Public Service Commission of West Virginia

FORWARD-LOOKING INFORMATION

Information contained in this Annual Report on Form 10-K 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 Report 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 our Risk Factors included in Item 1A herein 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, natural gas, and electricity, 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, trade restrictions and policies, such as tariffs and related sanctions, and environmental matters, such as regulatory responses to climate change; (4) inability to timely recover costs through utility rate proceedings; (5) increased customer conservation measures due to high energy prices and improvements in energy efficiency and technology resulting in reduced demand; (6) adverse labor relations and our ability to address existing or potential workforce shortages; (7) the impact of pending and future legal or regulatory proceedings, inquiries or investigations; (8) competitive pressures from the same and alternative energy sources; (9) failure to acquire new customers or retain current customers, thereby reducing or limiting any increase in revenues; (10) liability for environmental claims; (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, the adoption and expansion of tariffs or other trade restrictions and policies, 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 changes in governmental policies related to tariffs, reciprocal and retaliatory tariffs, and other tariff-related measures, trade agreements, or policies; (29) the impact of declines in the stock market or bond market, and a low interest rate environment, on our pension liability; (30) our ability to protect our intellectual property; (31) 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 (32) our ability to control operating costs and realize cost savings.

These factors 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.

PART I:

ITEMS 1. AND 2. BUSINESS AND PROPERTIES

CORPORATE OVERVIEW

UGI Corporation is a holding company that, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services. In the U.S., we own and operate (1) natural gas and electric distribution utilities, (2) energy marketing (including RNG), midstream infrastructure, storage, natural gas gathering and processing, natural gas production and energy services businesses, and (3) a retail propane marketing and distribution business. In Europe, we market and distribute propane and other LPG, and market other energy products and services. Our subsidiaries and affiliates operate principally in the following four business segments:

- Utilities
- Midstream & Marketing
- UGI International
- AmeriGas Propane

The Utilities segment consists of the regulated natural gas (PA Gas Utility) and electric (Electric Utility) distribution businesses of our wholly owned subsidiary, UGI Utilities, and the regulated natural gas distribution business of our indirect, wholly owned subsidiary, Mountaineer. PA Gas Utility serves customers in eastern and central Pennsylvania and in portions of one Maryland county, and Mountaineer 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. Mountaineer is subject to regulation by the WVPSC and FERC. Electric Utility is subject to regulation by the PAPUC and FERC.

The Midstream & Marketing segment consists of energy-related businesses conducted by our indirect, wholly owned subsidiary, Energy Services. These businesses (i) conduct energy marketing, including RNG, in the Mid-Atlantic region of the United States, (ii) own and operate natural gas liquefaction, storage and vaporization facilities and propane-air mixing assets, (iii) manage natural gas pipeline and storage contracts, (iv) develop, own and operate pipelines, gathering infrastructure and gas storage facilities in the Marcellus and Utica Shale regions of Pennsylvania, eastern Ohio, and the panhandle of West Virginia, and (v) develop, own and operate RNG production facilities. Energy Services and its subsidiaries' storage, LNG and portions of its midstream transmission operations are subject to regulation by FERC.

The UGI International segment consists of LPG distribution businesses conducted by our subsidiaries and affiliates in Austria, Belgium, the Czech Republic, Denmark, Finland, France, Hungary, Luxembourg, the Netherlands, Norway, Poland, Romania, Slovakia, Sweden and the United Kingdom. Based on reported market volumes for 2024, which is the most recent information available, UGI International believes that it is the largest distributor of LPG in France, Belgium, Denmark and Luxembourg and one of the largest distributors of LPG in Austria, Hungary, Norway, Poland, the Czech Republic, Slovakia, the Netherlands, Sweden and Finland. During Fiscal 2025, as part of our ongoing global LPG business portfolio optimization efforts, we completed the divestiture of our LPG distribution business in Italy and recently announced we entered into a definitive agreement to divest our LPG distribution business in Austria.

The AmeriGas Propane segment consists of the propane distribution business of AmeriGas Partners, an indirect, wholly owned subsidiary of UGI. The Partnership conducts its domestic propane distribution business through its principal operating subsidiary, AmeriGas OLP, and is the nation's largest retail propane distributor based on the volume of propane gallons distributed annually. The general partner of AmeriGas Partners is our wholly owned subsidiary, AmeriGas Propane, Inc. In September 2025, AmeriGas OLP completed the sale of its propane business located in Hawaii. The transaction included the sale of approximately 750,000 gallons of propane storage facilities and multiple delivery fleet assets.

Business Strategy

Our business strategy is to grow the Company by focusing on our core competencies of distributing, storing, transporting and marketing energy products. We utilize our core competencies from our existing diversified businesses and our international experience, extensive asset base and access to customers to accelerate both organic growth in our existing businesses as well as in related and complementary businesses. We strive to be the preferred provider in all markets we serve and to return value to our shareholders.

In Fiscal 2025, the Company was focused on enhancing its operations and financial profile to unlock greater value for shareholders. This included optimizing the Company's operating model, establishing a culture of high performance, pursuing operational excellence through continuous improvement, and driving reliable earnings growth. Specifically, we continue to focus on (1) driving reliable earnings growth in the base businesses, primarily through strong operational performance and robust investments in our regulated utilities businesses; (2) executing on a suite of operational improvements at AmeriGas Propane; (3) achieving operational efficiencies to improve cost agility; (4) pursuing opportunities to optimize our portfolio; and (5) enhancing our capital structure and credit metrics to provide greater financial flexibility.

ESG Strategy

At UGI, we are committed to advancing a sustainable future by equipping communities and customers with safe, affordable, and reliable energy solutions while creating long-term value through responsible stewardship of our operations, people, and the environment.

The three pillars that comprise UGI's environmental, social and governance ("ESG") approach are:

- Environmental Compliance & Stewardship: Meet regulatory requirements and industry benchmarks for GHG emissions reduction, energy efficiency, and environmental stewardship across operations while proactively managing environmental performance across our operations.

- Social Responsibility: Enrich the lives of customers, communities, and employees through strong service delivery, strengthened partnerships, and enhanced well-being initiatives. Maintain competitive employee programs, community engagement initiatives, and customer satisfaction metrics aligned with sector standards.

- Governance Excellence: Maintain strong governance, risk management practices, transparent and auditable reporting and ongoing stakeholder communication while integrating ESG considerations into strategic decision-making.

To support this strategy, we have made the following ESG-related commitments which remain on track for completion within the timeline stated:

- **Scope 1 GHG Emissions Reduction Commitment** – Reduce Scope 1 GHG emissions by 55% by 2025 (using Fiscal 2020 as a baseline).

- **Methane Emissions Reduction Commitment** – 92% reduction by 2030, and 95% reduction by 2040.

- **Pipeline Replacement and Betterment Commitment** – Replace all cast iron pipelines by 2027 and all bare steel by 2041. Our pipeline replacement and betterment activities better enable us to achieve our GHG emissions reductions goals by not only enhancing safety but also minimizes methane leaks and improves overall system efficiency.

- **Renewable Investment Commitment** – Invest $500 million by 2025 into renewable energy solutions. Some investments include natural gas projects that capture fugitive methane from dairy farms, landfills, and food waste facilities, thereby preventing GHG emissions while producing pipeline-quality renewable fuel.

We report our progress on the environmental goals and commitments annually in our Sustainability Reports, including our Scope 1, 2 and 3 GHG emissions, air quality impact, and water management efforts. Our Scope 3 GHG emissions stem primarily from the extraction (upstream) and combustion (downstream) of the molecules we distribute, and from our supply chain. Our Sustainability Reports may be accessed on our website under "ESG - Resources - Sustainability Reports." Information published in our Sustainability Reports is not incorporated by reference in this Report.

In formulating our environmental strategy, our management and Board of Directors consider certain risks and uncertainties that may materially impact our financial condition and results of operations. For more information on these risks and uncertainties, see "Risk Factors - The potential effects of climate change may affect our business, operations, supply chain and customers, which could adversely impact our financial condition and results of operations."

Corporate Information

UGI was incorporated in Pennsylvania in 1991. The Company is not subject to regulation by the PAPUC but, following completion of the Mountaineer Acquisition, is a regulated “holding company” under PUHCA 2005. PUHCA 2005 and the implementing regulations of FERC give FERC access to certain holding company books and records and impose certain accounting, record-keeping, and reporting requirements on holding companies. PUHCA 2005 also provides state utility regulatory commissions with access to holding company books and records in certain circumstances.

Our executive offices are located at 500 North Gulph Road, King of Prussia, Pennsylvania 19406, and our telephone number is (610) 337-1000. In this Report, the terms “Company” and “UGI,” as well as the terms “our,” “we,” “us,” and “its” are sometimes used as abbreviated references to UGI Corporation or, collectively, UGI Corporation and its consolidated subsidiaries. For further information on the meaning of certain terms used in this Report, see “Glossary of Terms and Abbreviations.”

The Company’s corporate website can be found at www.ugicorp.com. Information on our website, including the information published in our Sustainability Reports, is not incorporated by reference in this Report. The Company makes available free of charge at this website (under the “Investors - Financial Reports - SEC Filings and Proxies” caption) copies of its reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, including its Annual Reports on Form 10-K, its Quarterly Reports on Form 10-Q, and its Current Reports on Form 8-K. The Company’s Principles of Corporate Governance, Code of Business Conduct and Ethics, Supplier Code of Business Conduct and Ethics, and Information Security Program Policy are available on the Company’s website under the caption “Company - Leadership and Governance - Governance Documents.” The charters of the Audit, Corporate Governance, Compensation and Talent Development Committee, and Safety, Environmental and Regulatory Compliance Committees of the Board of Directors are available on the Company’s website under the caption “Company - Leadership and Governance - Committees & Charters.” All of these documents are also available free of charge by writing to VP, Investor Relations & ESG, UGI Corporation, P.O. Box 858, Valley Forge, PA 19482.

UTILITIES

PA GAS UTILITY

PA Gas Utility consists of the regulated natural gas distribution business of our subsidiary, UGI Utilities. PA Gas Utility serves customers in eastern and central Pennsylvania and in portions of one Maryland county, and therefore is regulated by the PAPUC and, with respect to its customers in Maryland, the MDPSC.

Service Area; Revenue Analysis

PA Gas Utility provides natural gas distribution services to approximately 694,000 customers in certificated portions of 46 eastern and central Pennsylvania counties through its distribution system. Contemporary materials, such as plastic or coated steel, comprise approximately 93% of PA Gas Utility’s 12,700 miles of gas mains, with bare steel pipe comprising approximately 6% and cast and wrought iron pipe comprising less than 1% of PA Gas Utility’s gas mains. In accordance with PA Gas Utility’s agreement with the PAPUC, PA Gas Utility will replace the cast iron portion of its gas mains by March 2027 and the bare steel portion of its gas mains by September 2041. Located in PA Gas Utility’s service area are major production centers for basic industries such as specialty metals, aluminum, glass, paper product manufacturing and several power generation facilities. PA Gas Utility also distributes natural gas to 570 customers in portions of one Maryland county.

System throughput (the total volume of gas sold to or transported for customers within PA Gas Utility’s distribution system) for Fiscal 2025 was approximately 322 Bcf. System sales of gas accounted for approximately 19% of system throughput, while gas transported for residential, commercial and industrial customers who bought their gas from others accounted for approximately 81% of system throughput.

Sources of Supply and Pipeline Capacity

PA Gas Utility is permitted to recover all prudently incurred costs of natural gas it sells to its customers. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures" and Note 9 to Consolidated Financial Statements. PA Gas Utility meets its service requirements by utilizing a diverse mix of natural gas purchase contracts with marketers and producers, along with storage and transportation service contracts. These arrangements enable PA Gas Utility to purchase gas from Marcellus, Gulf Coast, Mid-Continent, and Appalachian sources. For its transportation and storage functions, PA Gas Utility has long-term agreements with a number of pipeline companies, including Texas Eastern Transmission, LP, Columbia Gas Transmission, LLC, Transcontinental Gas Pipeline Company, LLC, Eastern Gas Transmission and Storage, Inc., Tennessee Gas Pipeline Company, L.L.C., and Energy Services and its subsidiaries (including UGI Storage Company and UGI Sunbury, LLC).

Gas Supply Contracts

During Fiscal 2025, PA Gas Utility purchased approximately 88 Bcf of natural gas for sale to retail core-market customers (principally comprised of firm residential, commercial and industrial customers that purchase their gas from PA Gas Utility) and off-system sales customers. Approximately 97% of the volumes purchased were supplied under agreements with ten suppliers, with the remaining volumes supplied primarily by 24 producers and marketers. Gas supply contracts for PA Gas Utility vary in length by counterparty and type of supply. Typically, pipeline and storage contracts range from one to five years in length. PA Gas Utility also has long-term contracts with suppliers for natural gas peaking supply during the months of November through March.

Seasonality

Because many of its customers use natural gas for heating purposes, PA Gas Utility's sales are seasonal. For Fiscal 2025, approximately 60% of PA Gas Utility's sales volume was supplied, and approximately 93% of PA Gas Utility's operating income was earned, during the peak heating season from October through March.

Competition

Natural gas is a fuel that competes with electricity and oil and, to a lesser extent, with propane and coal. Competition among these fuels is primarily a function of their comparative price and the relative cost and efficiency of the equipment. Natural gas generally benefits from a competitive price advantage over oil, electricity and propane. Fuel oil dealers compete for customers in all categories, including industrial customers. PA Gas Utility responds to this competition with marketing and sales efforts designed to retain, expand and grow its customer base.

In substantially all of its service territories, PA Gas Utility is the only regulated gas distribution utility having the right, granted by the PAPUC or by law, to provide gas distribution services. All of PA Gas Utility's customers, including core-market customers, have the right to purchase gas supplies from entities other than natural gas distribution utility companies.

A number of PA Gas Utility's commercial and industrial customers have the ability to switch to an alternate fuel at any time and, therefore, are served on an interruptible basis under rates that are competitively priced with respect to the alternate fuel. Margin from these customers, therefore, is affected by the difference or "spread" between the customers' delivered cost of gas and the customers' delivered cost of the alternate fuel, the frequency and duration of interruptions, and alternative firm service options. See "Utilities Regulation - State Utility Regulation - PA Gas Utility."

Approximately 73% of PA Gas Utility's annual throughput volume for commercial and industrial customers includes customers at locations that afford them the opportunity of seeking transportation service directly from interstate pipelines, thereby bypassing PA Gas Utility. During Fiscal 2025, PA Gas Utility had 17 such customers, 15 of which have transportation contracts extending beyond Fiscal 2026. The majority of these customers are served under transportation contracts having three to 20-year terms and all are among the largest customers for PA Gas Utility in terms of annual volumes. No single customer represents, or is anticipated to represent, more than five percent of PA Gas Utility's total revenues.

Outlook for Gas Service and Supply

PA Gas Utility anticipates having adequate pipeline capacity, peaking services and other sources of supply available to it to meet the full requirements of all firm customers on its system through Fiscal 2026. Supply mix is diversified, market priced and delivered pursuant to a number of long-term and short-term primary firm transportation and storage arrangements, including transportation contracts held by some of PA Gas Utility's larger customers and natural gas suppliers serving customers on PA Gas Utility's distribution system.

During Fiscal 2025, PA Gas Utility supplied transportation service to 11 electric generation facilities and 30 major co-generation facilities. PA Gas Utility continues to seek new residential, commercial and industrial customers for both firm and interruptible service. In Fiscal 2025, PA Gas Utility connected more than 1,260 new commercial and industrial customers. In the residential market sector, PA Gas Utility added more than 9,000 residential heating customers during Fiscal 2025. More than 55% of these customers converted to natural gas heating from other energy sources, mainly oil and electricity. New home construction and existing non-heating gas customers who added gas heating systems to replace other energy sources primarily accounted for the other residential heating connections in Fiscal 2025.

PA Gas Utility continues to monitor and participate, where appropriate, in rulemaking and individual rate and tariff proceedings before FERC affecting the rates and the terms and conditions under which PA Gas Utility transports and stores natural gas using interstate natural gas pipelines. Among these proceedings are those arising out of certain FERC orders and/or pipeline filings that relate to (i) the pricing of pipeline services in a competitive energy marketplace, (ii) the flexibility of the terms and conditions of pipeline service tariffs and contracts, and (iii) pipelines' requests to increase their base rates, or change the terms and conditions of their storage and transportation services.

PA Gas Utility's objective in negotiations with providers of gas supply resources, and in proceedings before regulatory agencies, is to ensure availability of supply, transportation and storage alternatives to serve market requirements at the lowest cost possible, taking into account the need for safety, security, and reliability of supply. Consistent with that objective, PA Gas Utility negotiates certain terms of firm transportation capacity on all pipelines serving it, arranges for appropriate storage and peak-shaving resources, negotiates with producers for competitively priced gas purchases and participates in regulatory proceedings related to transportation rights and costs of service.

At September 30, 2025, PA Gas Utility had approximately 1,590 employees, of which approximately 670 were represented by unions under collective bargaining agreements.

MOUNTAINEER

Mountaineer provides a regulated natural gas distribution business to approximately 210,000 customers in 50 of West Virginia's 55 counties. Mountaineer's system is comprised of approximately 6,200 miles of distribution, transmission and gathering pipelines. Contemporary materials, such as plastic or coated steel, comprise approximately 78% of Mountaineer's gas mains, with bare steel pipe comprising the remaining 22%.

As of September 30, 2025, Mountaineer's customer base was approximately 90% residential, and 10% commercial and industrial customers, with throughput volumes consisting of approximately 24% residential, 31% commercial and 45% industrial and other. Because many of its customers use gas for heating purposes, Mountaineer's sales are seasonal. For Fiscal 2025, approximately 65% of Mountaineer's sales volume (including transport volumes) was supplied, and all of Mountaineer's operating income was earned, during the peak heating season from October through March. No single customer represents, or is anticipated to represent, more than five percent of Mountaineer's total revenues.

System throughput (the total volume of gas sold to or transported for customers within Mountaineer's distribution system) for Fiscal 2025 was approximately 56 Bcf. Retail core-market sales of gas accounted for approximately 38% of system throughput, while gas transported for commercial and industrial customers who bought their gas from others accounted for approximately 62% of system throughput. Mountaineer anticipates having adequate pipeline capacity, peaking services and other sources of supply available to it to meet the full requirements of all firm customers on its system through Fiscal 2026.

Approximately 53% of Mountaineer's annual throughput volume for commercial and industrial customers represents customers who are served under interruptible rates and are also in a location near an interstate pipeline. As of September 30, 2025, Mountaineer had 19 such customers, one of which has a transportation contract extending beyond September 30, 2026. The majority of these customers, including 10 of Mountaineer's largest customers in terms of annual volumes, are served under evergreen transportation contracts having a 30- to 180-day termination notice.

Mountaineer meets its service requirements by utilizing a diverse mix of natural gas purchase contracts with marketers and producers, along with storage and transportation service contracts. During Fiscal 2025, Mountaineer purchased approximately 23 Bcf of natural gas for sale to retail core-market customers (principally comprised of firm- residential, commercial and industrial customers that purchase their gas from Mountaineer). Approximately 84% of the volume purchased was supplied under agreements with 10 suppliers, with the remaining volumes supplied by various producers and marketers. Gas supply contracts for Mountaineer are generally evergreen agreements with a 30-day termination notice.

At September 30, 2025, Mountaineer had approximately 500 employees, of which approximately 280 were represented by unions under collective bargaining agreements.

ELECTRIC UTILITY

Electric Utility supplies electric service to approximately 62,900 customers in portions of Luzerne and Wyoming counties in northeastern Pennsylvania through a system consisting of approximately 2,700 miles of transmission and distribution lines and 14 substations. For Fiscal 2025, approximately 57% of sales volume came from residential customers, 33% from commercial customers and 10% from industrial and other customers. During Fiscal 2025, 11 retail electric generation suppliers provided energy for customers representing approximately 21% of Electric Utility's sales volume. At September 30, 2025, UGI Utilities' electric utility operations had approximately 80 employees, of which approximately 30 were represented by unions under collective bargaining agreements.

UTILITIES REGULATION

State Utility Regulation

PA Gas Utility

PA Gas Utility is subject to regulation by the PAPUC as to rates, terms and conditions of service, accounting matters, issuance of securities, contracts and other arrangements with affiliated entities, gas safety and various other matters. Rates that PA Gas Utility may charge for gas service come in two forms: (i) rates designed to recover PGCs; and (ii) rates designed to recover costs other than PGCs. Rates designed to recover PGCs are reviewed in PGC proceedings. Rates designed to recover costs other than PGCs are primarily established in general base rate proceedings.

Act 11 of 2012 authorized the PAPUC to permit electric and gas distribution companies, between base rate cases and subject to certain conditions, to recover reasonable and prudent costs incurred to repair, improve or replace eligible property through a DSIC assessed to customers. Among other requirements, DSICs are subject to quarterly reconciliation of over-/under-collection and are capped at five percent of total customer charges absent a PAPUC-granted exception. In addition, Act 11 requires affected utilities to obtain approval of LTIIPs from the PAPUC. Act 11 also authorized electric and gas distribution companies to utilize a fully projected future test year when establishing rates in base rate cases before the PAPUC.

On August 16, 2024, PA Gas Utility filed its third LTIIP covering calendar years 2025-2029. PA Gas Utility projects spending approximately $1.7 billion on DSIC-eligible property identified within the five year LTIIP period. On December 5, 2024, the PAPUC entered an Order approving the LTIIP.

On September 11, 2025, the PAPUC issued a final order approving a settlement of a base rate proceeding by PA Gas Utility that permitted PA Gas Utility to implement a $69.5 million annual base distribution rate increase beginning October 28, 2025. In accordance with the terms of the final order, PA Gas Utility modified its weather normalization adjustment rider to address other party concerns regarding its impact on low-income customers. Additionally, under the terms of the final order, PA Gas Utility is authorized to implement a DSIC once its total property, plant and equipment less accumulated depreciation reached approximately $6.2 billion.

In addition to base distribution rates and various surcharges designed to recover specified types of costs, PA Gas Utility's tariff also includes a uniform PGC rate applicable to firm retail rate schedules for customers who do not obtain natural gas supply service from an alternative supplier. The PGC rate permits recovery of all prudently incurred costs of natural gas that PA Gas Utility sells to its retail customers. PGC rates are reviewed and approved annually by the PAPUC. PA Gas Utility may request quarterly or, under certain conditions, monthly adjustments to reflect the actual cost of gas. Quarterly adjustments become effective on one day's notice to the PAPUC and are subject to review during the next annual PGC filing. Each proposed annual PGC rate is required to be filed with the PAPUC six months prior to its effective date. During this period, the PAPUC investigates and may hold hearings to determine whether the proposed rate reflects a least-cost fuel procurement policy consistent with the obligation to provide safe, adequate and reliable service. After completion of these hearings, the PAPUC issues an order permitting the collection of gas costs at levels that meet such standard. The PGC mechanism also provides for an annual reconciliation and for the payment or collection of interest on over and under collections. On September 25, 2025, the PAPUC entered an Order approving a settlement of PA Gas Utility's recent annual PGC filing.

PA Gas Utility's gas service tariff also contains a state tax surcharge clause. The surcharge is recomputed whenever any of the tax rates included in their calculation are changed. These clauses protect PA Gas Utility from the effects of increases in certain of the Pennsylvania taxes to which it is subject.

Mountaineer

Mountaineer is subject to regulation of rates and other aspects of its business by the WVPSC. When necessary, Mountaineer seeks general base rate increases to recover increased operating costs and a fair return on rate base investments. Base rates are determined by the cost-of-service by rate class, and the rate design methodology allocates the majority of operating costs through volumetric charges.

Mountaineer makes routine filings with the WVPSC to reflect changes in the costs of purchased gas. These purchased gas costs are subject to rate recovery through a mechanism that provides dollar-for-dollar recovery of prudently incurred costs. Costs in excess of revenues that are expected to be recovered in future rates are deferred as regulatory assets; conversely, revenues in excess of costs are deferred as a regulatory liability. The PGA filings generally cover a prospective 12-month period. By orders issued on November 29, 2022 and December 1, 2022 the WVPSC created for Mountaineer's residential customers only, a new monthly fixed charge of $11.08 to levelize the collection of the pipeline demand charges. On July 31, 2025, Mountaineer submitted its annual PGA filing to the WVPSC requesting an increase in volumetric rates and to increase the monthly residential pipeline demand charge to $20.59. On October 7, 2025, the WVPSC issued an interim recommended decision approving the rates on an interim basis and ordered the WVPSC staff to file its final substantive recommendation by December 19, 2025. The final PGA rate order is not expected until the first quarter of 2026.

As permitted by West Virginia law, the WVPSC has also approved a standalone cost recovery rider to recover specified costs and a return on infrastructure projects between general base rate cases in accordance with its IREP. Mountaineer makes an annual IREP filing, which is subject to an over/under-recovery mechanism similar to purchased gas costs. In October 2024, the WVPSC issued a final order approving a settlement in Mountaineer's 2025 IREP filing, including a revenue increase of $8.9 million effective January 1, 2025. In July 2025, Mountaineer submitted its annual IREP filing to the WVPSC requesting a revenue increase of $5.2 million effective January 1, 2026, based on the forecasted 2026 calendar year IREP-eligible capital investments of $77 million and recovery of eligible costs. An order from the WVPSC is expected in December, with new rates to be effective January 1, 2026.

Mountaineer filed a base rate proceeding on March 6, 2023. By statute, the WVPSC suspended the rate increase until December 31, 2023. On October 6, 2023, Mountaineer filed a joint stipulation and agreement for settlement of the base rate case, which included a net revenue increase of approximately $13.9 million. On December 21, 2023, the WVPSC issued a final order approving the stipulated net revenue increase that provided an overall increase in total revenues of 4.16%. The WVPSC also approved Mountaineer's filed five-year Weather Normalization Adjustment Program with the requirement that Mountaineer provide further justification or modification for some elements of the program. On March 28, 2024, Mountaineer filed its response recommending limited modifications to the program. By order entered April 11, 2024, the WVPSC approved Mountaineer's WNA incorporating the proposed modifications and revised tariff language filed by Mountaineer. Mountaineer's WNA was implemented for service rendered on and after October 1, 2024.

Electric Utility

Electric Utility is permitted to recover prudently incurred electricity costs, including costs to obtain supply to meet its customers' energy requirements, pursuant to a supply plan filed with and approved by the PAPUC. Electric Utility distributes electricity that it purchases from wholesale markets and electricity that customers purchase from other suppliers.

On January 27, 2023, Electric Utility filed for a base rate increase with the PAPUC. On July 14, 2023, Electric Utility filed a joint petition for settlement of the rate case, which included a revenue increase of approximately $8.5 million. In an order dated September 21, 2023, the PAPUC approved the settlement and authorized the increased rate to become effective October 1, 2023.

Electric Utility's tariff includes rates, applicable to so-called "default service" customers who do not obtain electric generation service from an alternative supplier, incurred pursuant to a PAPUC-approved supply plan. These default service rates are reconcilable, may be adjusted quarterly, and are designed to permit Electric Utility to recover the full costs of providing default service in a full and timely manner. Electric Utility's default service rates include recovery of costs associated with compliance with the Alternative Energy Portfolio Standards Act, which requires Electric Utility to directly or indirectly acquire certain percentages of its supplies from designated alternative energy sources.

In an order dated February 20, 2025, the PAPUC authorized Electric Utility to implement its current default service plan for the period June 1, 2025 through May 31, 2029, which is the subject of an appeal before the Commonwealth Court.

Electric Utility's tariff also includes a DSIC surcharge mechanism that was authorized by the PAPUC in 2019. Electric Utility's first LTIIP, approved in 2017, provided the basis for its current DSIC charges through September 30, 2022. That authority was extended by order of the PAPUC issued August 25, 2022, in which Electric Utility's second LTIIP filing was approved, authorizing the expenditure of $50.6 million of DSIC-eligible plant over the five-year period ending September 30, 2027.

With the implementation of new base rates on October 1, 2023 pursuant to the PAPUC's September 21, 2023 order in the 2023 Electric Utility base rate case, Electric Utility's DSIC-eligible plant associated revenue requirement was rolled into Electric Utility's base rates. The final order issued by the PAPUC approved the settlement of the base rate proceeding and authorized Electric Utility to implement a new DSIC surcharge once Electric Utility's total gross plant balance exceeds $275 million. This threshold was achieved in November 2024 and Electric Utility implemented a new DSIC effective January 1, 2025. In an Order dated September 25, 2025, the PAPUC approved the Electric Utility's request to modify its LTIIP.

Utility Franchises

PA Gas Utility and Electric Utility hold certificates of public convenience issued by the PAPUC and certain "grandfather rights" predating the adoption of the Pennsylvania Public Utility Code and its predecessor statutes, which authorize it to carry on its business in the territories in which it renders gas service. Under applicable Pennsylvania law, PA Gas Utility and Electric Utility also have certain rights of eminent domain as well as the right to maintain their facilities in public streets and highways in their respective territories. PA Gas Utility also holds certain franchise rights issued by the Maryland Public Service Commission, which authorizes it to carry on its business in Maryland.

Similarly, Mountaineer holds certificates of public convenience issued by the WVPSC, which authorize it to carry on its business in substantially all of the territories in which it now renders gas service. Under applicable West Virginia law, Mountaineer also has certain rights of eminent domain as well as the right to maintain its facilities in public streets and highways in its territories.

Federal Energy Regulation

With the acquisition of Mountaineer on September 1, 2021, UGI and its subsidiaries became subject to FERC regulation under PUHCA 2005 pertaining to record-keeping and affiliate service pricing requirements. UGI provided notice of its non-exempt status on September 17, 2021.

Utilities is subject to Section 4A of the Natural Gas Act, which prohibits the use or employment of any manipulative or deceptive devices or contrivances in connection with the purchase or sale of natural gas or natural gas transportation subject to the jurisdiction of FERC, and FERC regulations that are designed to promote the transparency, efficiency, and integrity of gas markets.

Similarly, UGI Utilities is also subject to Section 222 of the Federal Power Act, which prohibits the use or employment of any manipulative or deceptive devices or contrivances in connection with the purchase or sale of electric energy or transmission service subject to the jurisdiction of FERC, and FERC regulations that are designed to promote the transparency, efficiency, and integrity of electric markets.

FERC has jurisdiction over the rates and terms and conditions of service of electric transmission facilities used for wholesale or retail choice transactions. Electric Utility owns electric transmission facilities that are within the control area of PJM and are dispatched in accordance with a FERC-approved open access tariff and associated agreements administered by PJM. PJM is a regional transmission organization that regulates and coordinates generation, supply and the wholesale delivery of electricity. Electric Utility receives certain revenues collected by PJM, determined under a formulary rate schedule that is adjusted in June of each year to reflect annual changes in Electric Utility's electric transmission revenue requirements, when its transmission facilities are used by third parties. FERC has jurisdiction over the rates and terms and conditions of service of wholesale sales of electric capacity and energy. Electric Utility has a tariff on file with FERC pursuant to which it may make power sales to wholesale customers at market-based rates.

Under provisions of EPACT 2005, Electric Utility is subject to certain electric reliability standards established by FERC and administered by an ERO. Electric Utility anticipates that substantially all the costs of complying with the ERO standards will be recoverable through its PJM formulary electric transmission rate schedule.

EPACT 2005 also granted FERC authority to impose substantial civil penalties for the violation of any regulations, orders or provisions under the Federal Power Act and Natural Gas Act and clarified FERC's authority over certain utility or holding company mergers or acquisitions of electric utilities or electric transmitting utility property valued at $10 million or more.

Other Government Regulation

In addition to state and federal regulation discussed above, Utilities is subject to various federal, state and local laws governing environmental matters, occupational health and safety, pipeline safety and other matters. Each is subject to the requirements of the Resource Conservation and Recovery Act, CERCLA and comparable state statutes with respect to the release of hazardous substances. See Note 16 to Consolidated Financial Statements.

MIDSTREAM & MARKETING

Retail Energy Marketing

Our retail energy marketing business is conducted through Energy Services and its subsidiaries, and sells natural gas, RNG, liquid fuels and electricity to approximately 9,700 residential, commercial, and industrial customers at approximately 37,000 locations. In Fiscal 2025, we (i) served customers in all or portions of Pennsylvania, New Jersey, Delaware, New York, Ohio, Maryland, Virginia, North Carolina, South Carolina, Massachusetts, New Hampshire, Rhode Island, Vermont, Connecticut, California, and the District of Columbia, (ii) distributed natural gas through the use of the distribution systems of 38 local gas utilities, and (iii) supplied power to customers through the use of the transmission and distribution lines of 20 utility systems.

Historically, a majority of Energy Services' commodity sales have been made under fixed-price agreements, which typically contain a take-or-pay arrangement that permits customers to purchase a fixed amount of product for a fixed price during a specified period, and requires payment even if the customer does not take delivery of the product. However, a growing number of Energy Services' commodity sales are currently being made under requirements contracts, under which Energy Services is typically an exclusive supplier and will supply as much product at a fixed price as the customer requires. Energy Services manages supply cost volatility related to these agreements by (i) entering into fixed-price supply arrangements with a diverse group of suppliers, (ii) holding its own interstate pipeline transportation and storage contracts to efficiently utilize gas supplies, (iii) entering into exchange-traded futures contracts on NYMEX and ICE, (iv) entering into over-the-counter derivative arrangements with major international banks and major suppliers, (v) utilizing supply assets that it owns or manages, and (vi) utilizing financial transmission rights to hedge price risk against certain transmission costs. Energy Services also bears the risk for balancing and delivering natural gas and power to its customers under various gas pipeline and utility company tariffs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

Midstream Assets

LNG

Our LNG assets, which are owned by Energy Services and its subsidiaries, comprise a natural gas liquefaction, storage and vaporization facility in Temple, Pennsylvania, a natural gas liquefaction and storage facility in Mehoopany, Pennsylvania, liquefied natural gas vaporization and storage facilities in Steelton and Bethlehem, Pennsylvania, and three small mobile facilities located in Reading, Mount Carmel and Stroudsburg, Pennsylvania.

In addition, Energy Services sells LNG to customers for use by trucks, drilling rigs, other motor vehicles and facilities located off the natural gas grid. In Fiscal 2025, our Midstream & Marketing segment managed natural gas pipeline and storage contracts for utility company customers, including UGI Utilities.

Natural Gas and Propane Storage

Energy Services and its subsidiaries own propane storage and propane-air mixing stations in Bethlehem, Reading, Hunlock Creek and White Deer, Pennsylvania. Energy Services and its subsidiaries also operate propane storage, rail transshipment terminals and propane-air mixing stations in Steelton and Williamsport, Pennsylvania. These assets are used in Midstream & Marketing's energy peaking business that provides supplemental energy, primarily LNG and propane-air mixtures, to gas utilities at times of high demand (generally during periods of coldest winter weather).

A wholly owned subsidiary of Energy Services owns and operates underground natural gas storage and related high pressure pipeline facilities, which have FERC approval to sell storage services at market-based rates. The storage facilities are located in the Marcellus Shale region of north-central Pennsylvania and have a total storage capacity of 15 million dekatherms and a maximum daily withdrawal quantity of 224,000 dekatherms. In Fiscal 2025, Energy Services leased approximately 90% of the firm capacity at its underground natural gas facilities to third parties.

Gathering Systems and Pipelines

Energy Services operates the Auburn gathering system in the Marcellus Shale region of northeastern Pennsylvania with a total pipeline system capacity of 635,000 dekatherms per day. The gathering system delivers into both the Tennessee Gas and Transcontinental Gas pipelines and receives gas from Tennessee Gas Pipeline as part of a capacity lease with UGI Utilities. Energy Services also operates a 6.5-mile pipeline, known as the Union Dale pipeline, that gathers gas in Susquehanna County and has a capacity of 100,000 dekatherms per day. In addition, Energy Services owns and operates approximately 95 miles of natural gas gathering lines, dehydration and compression facilities, known as Texas Creek, Marshlands, and Ponderosa, located in Bradford, Tioga, Lycoming, Potter and Clinton Counties, Pennsylvania. The combined capacity of these three systems is more than 250,000 dekatherms per day.

Energy Services and its subsidiaries also own and operate a 35-mile, 20-inch pipeline, known as the Sunbury pipeline, with related facilities located in Snyder, Union, Northumberland, Montour, and Lycoming Counties, Pennsylvania, which has a design capacity of 200,000 dekatherms per day. In addition, Energy Services owns and operates the Mt. Bethel pipeline, which runs 12.5 miles in Northampton County, Pennsylvania and is designed to provide 72,000 dekatherms per day.

Including its joint venture with Stonehenge Energy Holdings III LLC in Pine Run Midstream, Energy Services' subsidiary, UGI Appalachia, consists of 11 natural gas gathering systems with approximately 375 miles of natural gas gathering pipelines and gas compressors and one processing plant in southwestern Pennsylvania, eastern Ohio, and the panhandle of West Virginia. The UGI Appalachia assets provide natural gas gathering and processing services in the Appalachian Basin with gathering capacity of approximately 3,500,000 dekatherms per day and processing capacity of approximately 240,000 dekatherms per day.

Electric Generation Asset

UGID Solar, a wholly owned subsidiary of Energy Services, owns and operates 13.5 megawatts of solar-powered generation capacity in Pennsylvania, Maryland and New Jersey.

Renewable Natural Gas

GHI, a wholly owned subsidiary of Energy Services, purchases gas produced from landfills and biodigesters and resells the gas to fleet operators. Environmental credits are generated through this process, which are then sold to various third parties for an additional revenue stream.

Competition

Our Midstream & Marketing segment competes with other midstream operators to sell gathering, compression, storage and pipeline transportation services. Our Midstream & Marketing segment competes in both the regulated and non-regulated environment against interstate and intrastate pipelines that gather, compress, process, transport and market natural gas. Our Midstream & Marketing segment sells midstream services primarily to producers, marketers and utilities on the basis of price, customer service, flexibility, reliability and operational experience. The competition in the midstream segment is significant as more competitors seek opportunities offered by the development of the Marcellus and Utica Shales.

Our Midstream & Marketing segment also competes with other marketers, consultants and local utilities to sell natural gas, liquid fuels, electric power and related services to customers in its service area principally on the basis of price, customer service and reliability. Midstream & Marketing's midstream asset base is relatively well-established, though still faces competition from large, national competitors that can offer a suite of services across all customer segments.

Through our wholly owned subsidiary, GHI, Energy Services has the capability to source and deliver RNG to customers throughout the U.S. GHI currently delivers RNG to transportation fleets for utilization in their compressed natural gas and LNG fueled vehicles, resulting in the creation and monetization of California Low Carbon Fuel Standard credits and Renewable Fuel Standard Renewable Identification Number credits. GHI competes with other RNG marketers and brokers on the basis of price, customer service and reliability. Further, our Midstream & Marketing segment competes with other RNG project developers, which is a more competitive environment. We compete to acquire the projects from the feedstock generators, which are typically farmers (for manure digesters) and landfill operators, including through offerings of joint venture ownership interests, feedstock payments and royalties. In addition, there has been significant consolidation over the past few years with both agricultural and landfill RNG project owners/developers.

Government Regulation

FERC has jurisdiction over the rates and terms and conditions of service of wholesale sales of electric capacity and energy, as well as the sales for resale of natural gas and related storage and transportation services. Energy Services has a tariff on file with FERC, pursuant to which it may make power sales to wholesale customers at market-based rates, to the extent that Energy Services purchases power in excess of its retail customer needs. Two subsidiaries of Energy Services, UGI LNG, Inc. and UGI Storage Company, currently operate natural gas storage facilities under FERC certificate approvals and offer services to wholesale customers at FERC-approved market-based rates. Two other Energy Services subsidiaries operate natural gas pipelines that are subject to FERC regulation. UGI Mt. Bethel Pipeline Company, LLC operates a 12.5-mile, 12-inch pipeline located in Northampton County, Pennsylvania, and UGI Sunbury, LLC operates the Sunbury Pipeline, a 35-mile, 20-inch diameter pipeline located in central Pennsylvania. Both pipelines offer open-access transportation services at cost-based rates approved by FERC. Energy Services and its subsidiaries undertake various activities to maintain compliance with the FERC Standards of Conduct with respect to pipeline operations. Energy Services is also subject to FERC reporting requirements, market manipulation rules and other FERC enforcement and regulatory powers with respect to its wholesale commodity business.

Midstream & Marketing's midstream assets include natural gas gathering pipelines and compression and processing in northeastern Pennsylvania, southwestern Pennsylvania, eastern Ohio and the panhandle of West Virginia that are regulated under federal pipeline safety laws and subject to operational oversight by both the Pipeline and Hazardous Materials Safety Administration and the state public utility commissions for the states in which the specific pipelines are located.

Certain of our Midstream & Marketing and RNG businesses are subject to various federal, state and local environmental, safety and transportation laws and regulations governing the storage, distribution and transportation of propane and the operation of bulk storage LPG terminals. These laws include, among others, the Resource Conservation and Recovery Act, CERCLA, the Clean Air Act, OSHA, the Homeland Security Act of 2002, the Emergency Planning and Community Right-to-Know Act, the Clean Water Act and comparable state statutes. CERCLA imposes joint and several liability on certain classes of persons considered to have contributed to the release or threatened release of a "hazardous substance" into the environment without regard to fault or the legality of the original conduct. With respect to the operation of natural gas gathering and transportation pipelines, Energy Services also is required to comply with the provisions of the Pipeline Safety Improvement Act of 2002 and the regulations of the DOT.

Employees

At September 30, 2025, Midstream & Marketing had approximately 360 employees, substantially all of whom are not represented by unions under collective bargaining agreements.

UGI INTERNATIONAL

UGI International, through its subsidiaries and affiliates, conducts an LPG distribution business in 15 countries throughout Europe (Austria, Belgium, the Czech Republic, Denmark, Finland, France, Hungary, Luxembourg, the Netherlands, Norway, Poland, Romania, Slovakia, Sweden and the United Kingdom). Based on reported market volumes for 2024, which is the most recent information available, UGI International believes that it is the largest distributor of LPG in France, Belgium, Denmark and Luxembourg and one of the largest distributors of LPG in Austria, Hungary, Norway, Poland, the Czech Republic, Slovakia, the Netherlands, Sweden and Finland.

During Fiscal 2025, as part of our ongoing global LPG business portfolio optimization efforts, we completed the divestiture of our LPG distribution business in Italy and recently announced we entered into a definitive agreement to divest our LPG distribution business in Austria.

Products, Services and Marketing

LPG Distribution Business

During Fiscal 2025, UGI International sold approximately 820 million gallons of LPG throughout Europe. UGI International operates under five distinct LPG brands, and its customer base primarily consists of residential, commercial, industrial, agricultural, wholesale and automobile fuel ("autogas") customers that use LPG for space heating, cooking, water heating, motor fuel, leisure activities, crop drying, irrigation, construction, power generation, manufacturing and as an aerosol propellant. For Fiscal 2025, approximately 48% of UGI International's LPG volume was sold to commercial and industrial customers, 16% was sold to residential, 13% was sold to agricultural and 24% was sold to wholesale and other customers (including autogas). UGI International supplies LPG to its customers in small, medium and large bulk tanks at their locations.

In addition to bulk sales, UGI International sells LPG in cylinders through retail outlets, such as supermarkets, individually owned stores and gas stations and directly to businesses that operate LPG-powered forklifts. Sales of LPG are also made to service stations to fuel vehicles that run on LPG. UGI International's Fiscal 2025 LPG sales were attributed to bulk, cylinder, wholesale, and autogas. For Fiscal 2025, no single customer represented more than 5% of UGI International's revenues.

Bulk

Approximately 65% of UGI International's Fiscal 2025 LPG sales (based on volumes) were attributed to bulk customers. UGI International classifies its bulk customers as small, medium, or large bulk, depending upon volume consumed annually at the customer locations. Based on volumes consumed, small bulk customers are primarily residential and small business users, such as restaurants, that use LPG mainly for heating and cooking. Medium bulk customers consist mainly of large residential housing developments, hospitals, hotels, municipalities, medium-sized industrial enterprises and poultry brooders. Large bulk customers include agricultural customers (including crop drying) and companies that use LPG in their industrial processes. UGI International had approximately 400,000 bulk LPG customers and sold approximately 534 million gallons of bulk LPG during Fiscal 2025.

Cylinder

Approximately 15% of UGI International's Fiscal 2025 LPG sales (based on volumes) were attributed to cylinder customers. UGI International sells LPG in both steel and composite cylinders and typically owns the cylinders in which the LPG is sold. The principal end-users of cylinders are residential customers who use LPG for domestic applications, such as cooking and heating. Non-residential uses include fuel for forklift trucks, road construction and welding. At September 30, 2025, UGI International had more than 20 million cylinders in circulation and sold approximately 126 million gallons of LPG in cylinders during Fiscal 2025. UGI International also delivers LPG to wholesale and retail customers in cylinders, including through the use of vending machines.

Wholesale, Autogas and Other Services

Approximately 15% of UGI International's Fiscal 2025 LPG sales (based on volumes) were to wholesale customers (including small competitors and large industrial customers), and approximately 5% of Fiscal 2025 LPG sales (based on volumes) were to autogas customers. UGI International also provides logistics, storage, and other services to third-party LPG distributors.

LPG Supply, Storage and Transportation

UGI International is typically party to term contracts, with approximately 50 different suppliers, including producers and international oil and gas trading companies, to meet LPG supply requirements throughout Europe. LPG supply is transported via rail and sea, and by road for shorter distances. Agreements are generally one-year terms with pricing based on internationally quoted market prices. Additionally, LPG is purchased on the European spot markets to manage supply needs. In certain geographic areas, such as Austria, Denmark, Finland and France a single supplier may provide more than 50% or more of UGI International's requirements. Because UGI International's profitability is sensitive to changes in wholesale LPG costs, UGI International generally seeks to pass on increases in the cost of LPG to its customers. There can be no assurance, however, that UGI International will always be able to pass on product cost increases fully, or keep pace with such increases, particularly when product costs rise rapidly. Product cost increases can be triggered by periods of severe cold weather, supply interruptions, increases in the prices of base commodities such as crude oil and natural gas, or other unforeseen events.

The significant increase in European natural gas prices have resulted in refineries substituting a portion of their natural gas refinery fuels with LPG, leading to a decrease in some areas in the availability of LPG. In addition, gas processing plants supplying the United Kingdom and Norway markets are injecting LPG into the natural gas grid, decreasing the overall supply of LPG from the gas processing plants.

UGI International stores LPG at various storage facilities and terminals located across Europe and has interests in both primary storage facilities and secondary storage facilities. LPG stored in primary storage facilities is transported by rail and road to secondary storage facilities where LPG is loaded into cylinders or trucks equipped with tanks and then is delivered to customers. UGI International also manages an extensive logistics and transportation network and has access to seaborne import facilities.

UGI International transports LPG to customers primarily through outsourced transportation providers to serve both bulk and cylinder markets. UGI International has long-term relationships with many providers of logistics and transportation services in most of its markets, and is not dependent on the services of any single transportation provider.

Trade Names, Trade and Service Marks

UGI International protects its intellectual property rights through tradenames, trade and service marks and foreign intellectual property laws. UGI International and its subsidiaries utilize a variety of tradenames, including, but not limited to, AmeriGas (Poland), Antargaz, AvantiGas, FLAGA and Kosan Gas, and related service marks to market its LPG products and services. UGI International and its subsidiaries currently have tradenames, trade and service marks registered in various countries. UGI International's trademarks, tradenames and other proprietary rights are valuable assets and we believe that they have significant value in the marketing of our products and services.

Competition and Seasonality

The LPG markets in western and northern Europe are mature, with modest declines in total demand due to competition with other fossil fuels and other energy sources, conservation and macroeconomic conditions. Sales volumes are affected principally by the severity of the weather and customer migration to alternative energy forms, including natural gas, electricity, heating oil and wood. High LPG prices also may result in slower than expected growth due to customer conservation and customers seeking less expensive alternative energy sources. Conversely, high natural gas prices versus LPG prices over a period of time will result in customers seeking to migrate to LPG. In addition, government policies and incentives that favor alternative energy sources, such as heat pumps as well as wind and solar sources, can result in customers migrating to energy sources other than LPG. In addition to price, UGI International competes for customers in its various markets based on contract terms. UGI International competes locally as well as regionally in many of its service territories. Additionally, particularly in France, although UGI International supplies certain supermarket chains, it also competes with some of these supermarket chains that affiliate with LPG distributors to offer their own brands of cylinders. UGI International seeks to increase demand for its LPG cylinders through marketing and product innovations, such as the use of automatic vending machines.

Because many of UGI International's customers use LPG for heating, sales volumes are affected principally by the severity of the temperatures during the heating season months and traditionally fluctuates from year-to-year in response to variations in weather, prices and other factors, such as conservation efforts and the economic environment. During Fiscal 2025, approximately 60% of UGI International's retail sales volumes occurred during the peak heating season from October through March. As a result of this seasonality, revenues are typically higher in UGI International's first and second fiscal quarters (October 1 through March 31). For historical information on weather statistics for UGI International, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations".

Government Regulation

UGI International's business is subject to various laws and regulations at the country and local levels, as well as at the EU level, with respect to matters such as protection of the environment, the storage, transportation and handling of hazardous materials and flammable substances (including the Seveso II Directive), regulations specific to bulk tanks, cylinders and piped networks, competition, pricing, regulation of contract terms, anti-corruption (including the U.S. Foreign Corrupt Practices Act, Sapin II and the U.K. Bribery Act), data privacy and protection, and the safety of persons and property.

Environmental

Environmental laws and regulations may require expenditures over a long timeframe to control environmental effects. Estimates of liabilities for environmental response costs are difficult to determine with precision because of the various factors that can affect their ultimate level. These factors include, but are not limited to, the following: (i) the complexity of the site; (ii) changes in environmental laws and regulations; (iii) the number of regulatory agencies or other parties involved; (iv) new technology that renders previous technology obsolete or experience with existing technology that proves ineffective; (v) the level of remediation required; and (vi) variation between the estimated and actual period of time required to respond to an environmentally-contaminated site.

EU Carbon Neutral Target

In December 2019, EU leaders endorsed the objective of achieving a climate-neutral EU by 2050, with net-zero GHG emissions, and in July 2021, the European Commission adopted the European Climate Law to write this target into the law. The European Climate Law also includes a 2030 GHG reduction target of at least 55% below 1990 levels as an intermediate target. These targets are legally binding and based on an impact assessment conducted by the Commission. In 2023, the EU member states adopted a revision of the Emission Trading System (ETS) Directive, which aims for a 62% reduction in emissions by 2030. UGI International will also be subject to a new Emission Trading System, known as ETS 2, which will become operational in 2027.

Data Privacy

The EU adopted the GDPR, which became effective in May 2018. The GDPR expanded the EU data protection laws to all companies processing data of EU residents. It primarily focuses on unifying and strengthening the regulations dealing with the collection, processing, use and security of personal and sensitive data.

Properties

In addition to regional headquarter locations and sales offices throughout its service territory, UGI International has interests in eight primary storage facilities and more than 60 secondary storage facilities.

Employees

At September 30, 2025, UGI International had approximately 2,000 employees, of which a limited number of employees were covered by works councils or trade union agreements in accordance with European labor laws.

AMERIGAS PROPANE

Products, Services and Marketing

Our domestic propane distribution business is conducted through AmeriGas Propane. AmeriGas Propane serves over 1.0 million customers in all 50 states from approximately 1,390 propane distribution locations. Typically, propane distribution locations are in suburban and rural areas where natural gas is not readily available. Our local offices generally consist of operations facilities and propane storage. As part of its overall transportation and distribution infrastructure, AmeriGas Propane operates as an interstate carrier in all states throughout the continental U.S.

AmeriGas Propane sells propane primarily to residential, commercial/industrial, motor fuel, agricultural and wholesale customers. AmeriGas Propane distributed approximately 801 million gallons of propane in Fiscal 2025. Approximately 92% of AmeriGas Propane's Fiscal 2025 sales (based on gallons sold) was to retail accounts and approximately 8% was to wholesale accounts. Sales to residential customers in Fiscal 2025 represented approximately 28% of retail gallons sold; commercial/industrial customers 42%; motor fuel customers 22%; and agricultural customers 3%. Transport gallons, which are large-scale deliveries to retail customers other than residential, accounted for more than 5% of Fiscal 2025 retail gallons. With the exception of one customer representing 5% of AmeriGas Propane's consolidated revenues, no other single customer represents more than 5% of AmeriGas Propane's consolidated revenues.

The ACE program continued to be an important element of AmeriGas Propane's business in Fiscal 2025. At September 30, 2025, ACE cylinders were available at over 41,500 retail locations throughout the U.S. Sales of our ACE cylinders to retailers are included in commercial/industrial sales. The ACE program enables consumers to purchase or exchange propane cylinders at various retail locations such as home centers, gas stations, mass merchandisers and grocery and convenience stores. In addition, our Cynch propane home delivery service was available in 20 cities as of September 30, 2025. We also supply retailers with large propane tanks to enable them to replenish customers' propane cylinders directly at the retailers' locations.

Residential and commercial customers use propane primarily for home heating, water heating and cooking purposes. Commercial users include hotels, restaurants, churches, warehouses and retail stores. Industrial customers use propane to fire furnaces, as a cutting gas and in other process applications. Other industrial customers are large-scale heating accounts and local gas utility customers that use propane as a supplemental fuel to meet peak load deliverability requirements. As a motor fuel, propane is burned in internal combustion engines that power school buses and other over-the-road vehicles, forklifts and stationary engines. Agricultural uses include tobacco curing, chicken brooding, crop drying and orchard heating. In its wholesale operations, AmeriGas Propane principally sells propane to large industrial end-users and other propane distributors.

Retail deliveries of propane are usually made to customers by means of bobtail and rack trucks. Propane is pumped from the bobtail truck, which generally holds 2,400 to 3,000 gallons of propane, into a stationary storage tank on the customer's premises. AmeriGas Propane owns most of these storage tanks and leases them to its customers. The capacity of these tanks ranges from approximately 120 gallons to approximately 1,200 gallons. AmeriGas Propane also delivers propane in portable cylinders, including ACE and motor fuel cylinders. Some of these deliveries are made to the customer's location where cylinders are either picked up or replenished in place.

During Fiscal 2025, we made technology and other investments to promote the safety of our employees and the communities we serve. We implemented a new safety management system in Fiscal 2025, and we advanced key improvement initiatives designed to drive continuous safety enhancement.

Propane Supply and Storage

The U.S. propane market has approximately 175 domestic and international sources of supply, including the spot market. Supplies of propane from AmeriGas Propane's sources historically have been readily available. In recent years, certain geographies experienced varying levels of reduced propane availability as a result of transportation issues within the supply chain. In response to these supply and transportation challenges, AmeriGas Propane utilized a combination of increased regional storage as well as rail and transport supply from different origins to offset localized supply/demand imbalances.

In addition to these factors, the availability and pricing of propane supply has historically been dependent upon, among other things, the severity of winter weather, the price and availability of competing fuels such as natural gas and crude oil, and the amount and availability of exported supply and, to a much lesser extent, imported supply. For more information on risks relating to our supply chain, see "Risk Factors - Risks Relating to Our Supply Chain and Our Ability to Obtain Adequate Quantities of LPG."

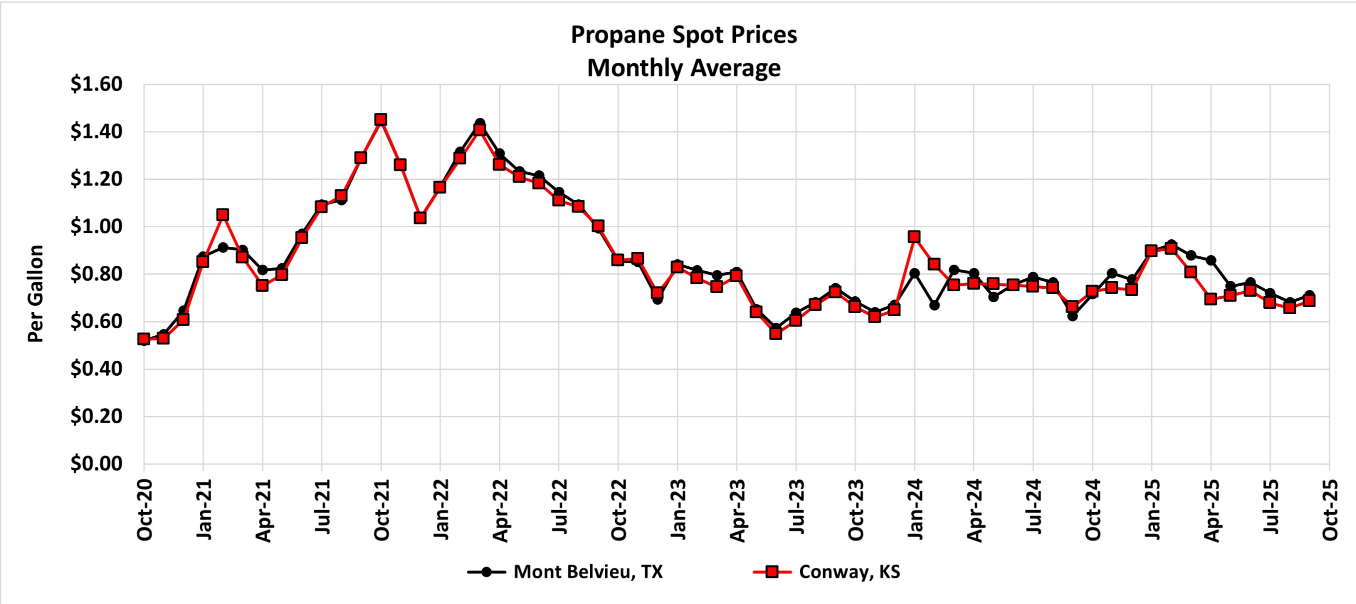
During Fiscal 2025, approximately 93% of AmeriGas Propane's propane supply was purchased under supply agreements with terms of one to three years. Although no assurance can be given that supplies of propane will be readily available in the future, management currently expects to be able to secure adequate supplies during Fiscal 2026. If supply from major sources were interrupted, however, the cost of procuring replacement supplies and transporting those supplies from alternative locations might be materially higher and, at least on a short-term basis, margins could be adversely affected. In Fiscal 2025, AmeriGas Propane derived approximately 18% of its propane supply from Enterprise Products Operating LLC and approximately 12% of its propane supply from Crestwood Services LLC. No other single supplier provided more than 10% of AmeriGas Propane's total propane supply in Fiscal 2025. In certain geographic areas, however, a single supplier provides more than 50% of AmeriGas Propane's requirements. Disruptions in supply in these areas could also have an adverse impact on AmeriGas Propane's margins.

AmeriGas Propane's supply contracts typically provide for pricing based upon (i) index formulas using the current prices established at a major storage point such as Mont Belvieu, Texas, or Conway, Kansas, or (ii) posted prices at the time of delivery. In addition, some agreements provide maximum and minimum seasonal purchase volume guidelines. The percentage of contract purchases, and the amount of supply contracted for at fixed prices, will vary from year to year. AmeriGas Propane uses a number of interstate pipelines, as well as railroad tank cars, delivery trucks and barges, to transport propane from suppliers to storage and distribution facilities. AmeriGas Propane stores propane at various storage facilities and terminals located in strategic areas across the U.S.

Because AmeriGas Propane's profitability is sensitive to changes in wholesale propane costs, AmeriGas Propane generally seeks to pass on increases in the cost of propane to customers. There is no assurance, however, that AmeriGas Propane will always be able to pass on product cost increases fully, or keep pace with such increases, particularly when product costs rise rapidly. Product cost increases can be triggered by periods of severe cold weather, supply interruptions, increases in the prices of base commodities, such as crude oil and natural gas, or other unforeseen events. AmeriGas Propane has supply acquisition and product cost risk management practices to reduce the effect of volatility on selling prices. These practices currently include the use of summer storage, forward purchases and derivative commodity instruments, such as propane price swaps. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

The following graph shows the average prices of propane on the propane spot market during the last five fiscal years at Mont Belvieu, Texas, and Conway, Kansas, both major storage areas.

Average Propane Spot Market Prices



General Industry Information

Propane is separated from crude oil during the refining process and also extracted from natural gas or oil wellhead gas at processing plants. Propane is normally transported and stored in a liquid state under moderate pressure or refrigeration for economy and ease of handling in shipping and distribution. When the pressure is released or the temperature is increased, it is usable as a flammable gas. Propane is colorless and odorless; an odorant is added to allow for its detection. Propane is considered a clean alternative fuel under the Clean Air Act Amendments of 1990.

Competition

Propane competes with other sources of energy, some of which are less costly for equivalent energy value. Propane distributors compete for customers with suppliers of electricity, fuel oil and natural gas, principally on the basis of price, service, availability and portability. Electricity is generally more expensive than propane on a Btu equivalent basis, but the convenience and efficiency of electricity make it an attractive energy source for consumers and developers of new homes. Fuel oil, which is also a major competitor of propane, is a less environmentally attractive energy source. Furnaces and appliances that burn propane will not operate on fuel oil, and vice versa, and, therefore, a conversion from one fuel to the other requires the installation of new equipment. Propane serves as an alternative to natural gas in rural and suburban areas where natural gas is unavailable or portability of product is required. Natural gas is generally a significantly less expensive source of energy than propane, although in areas where natural gas is available, propane is used for certain industrial and commercial applications and as a standby fuel during interruptions in natural gas service. The gradual expansion of the nation’s natural gas distribution systems has resulted in the availability of natural gas in some areas that previously depended upon propane. However, natural gas pipelines are not present in many areas of the country where propane is sold for heating and cooking purposes.

For motor fuel customers, propane competes with gasoline, diesel fuel, electric batteries, fuel cells and, in certain applications, LNG and compressed natural gas. Wholesale propane distribution is a highly competitive, low margin business. Propane sales to other retail distributors and large-volume, direct-shipment industrial end-users are price sensitive and frequently involve a competitive bidding process.

Retail propane industry volumes have been flat for several years and no or modest growth in total demand is foreseen in the next several years. AmeriGas Propane’s ability to grow within the industry is dependent on the success of its sales and marketing programs designed to attract and retain customers, the success of business transformation initiatives, and its ability to achieve internal growth, which includes the continuation of ACE and National Accounts (through which multi-location propane users enter into a single AmeriGas Propane supply agreement rather than agreements with multiple suppliers). Any failure of

AmeriGas Propane to retain and grow its customer base would have an adverse effect on its long-term results.

The domestic propane retail distribution business is highly competitive. AmeriGas Propane competes in this business with other large propane marketers, including other full-service marketers, and thousands of small independent operators. Some farm cooperatives, rural electric cooperatives and fuel oil distributors include propane distribution in their businesses and AmeriGas Propane competes with them as well. The ability to compete effectively depends on providing high quality customer service, maintaining competitive retail prices and controlling operating expenses. AmeriGas Propane also offers customers various payment and service options, including guaranteed price programs, fixed price arrangements and pricing arrangements based on published propane prices at specified terminals.

In Fiscal 2025, AmeriGas Propane's retail propane sales totaled approximately 733 million gallons. Based on the most recent annual survey by the Propane Education & Research Council, 2024 domestic retail propane sales (annual sales for other than chemical uses) in the U.S. totaled approximately 8.8 billion gallons. Based on LP-GAS magazine rankings, 2024 sales volume of the ten largest propane distribution companies (including AmeriGas Propane) represented approximately 33% of domestic retail propane sales.

Properties

As of September 30, 2025, AmeriGas Propane owned approximately 87% of its nearly 530 local offices throughout the country. The transportation of propane requires specialized equipment. The trucks and railroad tank cars utilized for this purpose carry specialized steel tanks that maintain the propane in a liquefied state. As of September 30, 2025, the Partnership operated a transportation fleet with the following assets:

Approximate Quantity & Equipment Type		% Owned	% Leased
960	Trailers	69%	31%
300	Tractors	1%	99%
510	Railroad tank cars	0%	100%
2,500	Bobtail trucks	2%	98%
280	Rack trucks	5%	95%
2,900	Service and delivery trucks	6%	94%

Other assets owned at September 30, 2025 included approximately 840,000 stationary storage tanks with typical capacities of more than 120 gallons, approximately 3.6 million portable propane cylinders with typical capacities of 1 to 120 gallons, 21 terminals and 11 transflow units.

Trade Names, Trade and Service Marks

AmeriGas Propane markets propane and other services principally under the "AmeriGas®," "America's Propane Company®," and "Cynch®" trade names and related service marks. AmeriGas Propane owns, directly or indirectly, all the right, title and interest in the "AmeriGas" name and related trade and service marks. AmeriGas Polska Sp. z.o.o. has an exclusive, royalty-free license from AmeriGas Propane to use the "AmeriGas®" name and related service marks in Poland and Germany and with respect thereto on the Internet. The term of the license is in perpetuity.

Seasonality

Because many customers use propane for heating purposes, AmeriGas Propane's retail sales volume is seasonal. During Fiscal 2025, approximately 65% of the Partnership's retail sales volume occurred, and substantially all of AmeriGas Propane's operating income was earned, during the peak heating season from October through March. As a result of this seasonality, revenues are typically higher in AmeriGas Propane's first and second fiscal quarters (October 1 through March 31). Cash receipts are generally greatest during the second and third fiscal quarters when customers pay for propane purchased during the winter heating season. For more information on the risks associated with the seasonality of our business, see "Risk Factors - Our business is seasonal and decreases in the demand for our energy products and services because of warmer-than-normal heating season weather or unfavorable weather conditions may adversely affect our results of operations."

Sales volume for AmeriGas Propane traditionally fluctuates from year-to-year in response to variations in weather, prices, competition, customer mix and other factors, such as conservation efforts and general economic conditions. For information on national weather statistics, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Government Regulation

AmeriGas Propane is subject to various federal, state and local environmental, health, data privacy, safety and transportation laws and regulations governing the storage, distribution and transportation of propane and the operation of bulk storage propane terminals.

Environmental

Generally, applicable environmental laws impose limitations on the discharge of pollutants, establish standards for the handling of solid and hazardous substances, and require the investigation and cleanup of environmental contamination. These laws include, among others, the Resource Conservation and Recovery Act, CERCLA, the Clean Air Act, the Clean Water Act, the Homeland Security Act of 2002, the Emergency Planning and Community Right-to-Know Act, comparable state statutes and any applicable amendments. The Partnership incurs expenses associated with compliance with its obligations under federal and state environmental laws and regulations, and we believe that the Partnership is in material compliance with its obligations. The Partnership maintains various permits that are necessary to operate its facilities, some of which may be material to its operations. AmeriGas Propane continually monitors its operations with respect to potential environmental issues, including changes in legal requirements.

AmeriGas Propane is investigating and remediating contamination at a number of present and former operating sites in the U.S., including sites where its predecessor entities operated MGPs. CERCLA and similar state laws impose joint and several liability on certain classes of persons considered to have contributed to the release or threatened release of a “hazardous substance” into the environment without regard to fault or the legality of the original conduct. Propane is not a hazardous substance within the meaning of CERCLA.

Health and Safety

AmeriGas Propane is subject to the requirements of OSHA and comparable state laws that regulate the protection of the health and safety of our workers. These laws require the Partnership, among other things, to maintain information about materials utilized, stored, transported, or sold, in accordance with OSHA’s Hazard Communications Standard. Certain portions of this information must be provided to employees, federal and state and local governmental authorities, emergency responders, commercial and industrial customers and local citizens in accordance with the Environmental Protection Agency’s Emergency Planning and Community Right-to-Know Act requirements.

All states in which AmeriGas Propane operates have adopted fire and life safety codes that regulate the storage, distribution, and use of propane. In some states, these laws are administered by state agencies, and in others they are administered on a municipal level. AmeriGas Propane conducts training programs to help ensure that its operations comply with applicable governmental regulations. With respect to general operations, AmeriGas Propane is subject in all jurisdictions in which it operates to rules and procedures governing the safe handling of propane, including those established by National Fire Protection Association (“NFPA”) in the Liquefied Petroleum Gas Code (NFPA 58) and National Fuel Gas Code (NFPA 54), the International Code Council’s International Fuel Gas Code and International Fire Code, as well as various state and local codes. Management believes that the policies and procedures currently in effect at all of its facilities for the handling, storage, distribution and use of propane are consistent with industry standards and are in compliance, in all material respects, with applicable laws and regulations.

With respect to the transportation of propane, AmeriGas Propane is subject to regulations promulgated under federal legislation, including the Federal Motor Carrier Safety Regulations and Pipeline Hazardous Materials Regulations which fall under the enforcement and supervision of the DOT, Pipeline Hazardous Materials Safety Administration, Federal Railroad Administration, Federal Motor Carrier Safety Administration, and the Federal Aviation Administration. AmeriGas Propane facilities and containers are equally regulated by these agencies regarding security standards as well as the Cybersecurity and Infrastructure Security Agency’s Chemical Facility Anti-Terrorism Standards. AmeriGas Propane’s programs related to the transportation and security of hazardous materials are regularly inspected and meet all applicable standards and regulations.

AmeriGas Propane maintains jurisdictional pipeline systems as defined by the Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards as regulated by the Pipeline Hazardous Materials Safety Administration and multiple State Public Utility Commissions under the authority and authorization of the Pipeline Hazardous Materials Safety Administration. These pipeline safety regulations apply to, among other things, propane gas systems that supplies 10 or more residential customers or two or more commercial customers from a single source and to a propane gas system any portion of which is located in a public place. The DOT’s pipeline safety regulations require operators of all gas systems to provide operator qualification standards and training and written instructions for employees and third-party contractors working on covered pipelines and facilities, establish written procedures to minimize the hazards resulting from gas pipeline emergencies, and conduct and keep records of inspections and testing. Operators are subject to the Pipeline Safety Improvement Act of 2002. Management believes that the procedures currently in effect at all of AmeriGas Propane's facilities for the handling, storage, transportation and distribution of propane are consistent with industry standards and are in compliance, in all material respects, with applicable laws and regulations.

Climate Change

There continues to be increased legislative and regulatory activity related to climate change and the contribution of GHG emissions, most notably carbon dioxide, to global warming. Because propane is considered a clean alternative fuel under the federal Clean Air Act Amendments of 1990, the Partnership believes this provides it with a competitive advantage over other sources of energy, such as fuel oil and coal. At the same time, however, increasing regulations of GHG emissions, especially in the transportation and building sectors, could restrict the use of fossil fuels and could impose significant additional costs on AmeriGas Propane, its suppliers, its vendors and its customers. There has been an increase in state initiatives aimed at regulating GHG emissions, including the California Low Carbon Fuel Standard, the Washington Cap and Invest Program and the New York Climate Leadership and Community Protection Act. Compliance with these types of regulations may increase our operating costs if we are unable to pass on these costs to our customers.

Employees

The Partnership does not directly employ any persons responsible for managing or operating the Partnership. The General Partner provides these services and is reimbursed for its direct and indirect costs and expenses, including all compensation and benefit costs. At September 30, 2025, the General Partner had nearly 4,600 employees, including approximately 70 part-time, seasonal, and temporary employees, working on behalf of the Partnership, substantially all of whom are not represented by unions under collective bargaining agreements. UGI also performs, and is reimbursed for, certain financial and administrative services on behalf of the Partnership and AmeriGas OLP.

BUSINESS SEGMENT INFORMATION

The table stating the amounts of revenues, operating income and identifiable assets attributable to each of UGI's reportable business segments, and to information regarding the geographic areas in which we operate, for Fiscal 2025, Fiscal 2024 and Fiscal 2023 appears in Note 22 to Consolidated Financial Statements included in Item 15 of this Report and is incorporated herein by reference.

EMPLOYEES

At September 30, 2025, UGI and its subsidiaries had approximately 9,400 employees.

HUMAN CAPITAL MANAGEMENT

We are committed to the attraction, development, retention and safety of our employees. The following is an overview of some of our key human capital initiatives that are designed to ensure the overall well-being of our employees and other stakeholders as well as to promote talent development and retention.

UGI publishes annual sustainability reports, which are available free of charge on its corporate website under "ESG - Resources - Sustainability Reports." Information included in these sustainability reports is not intended to be incorporated into this Report.

Workplace Safety

At UGI, safety is our foundation which guides every aspect of our operations and business decisions. We uphold a robust safety culture and are committed to providing the leadership, programs, training, and resources necessary to protect our employees, contractors, customers, communities, and assets. This unwavering commitment to safety is championed by our Board of Directors and leadership team and is embedded throughout our organization. As a result, safety is a component of our short-term incentive plan for both executives and non-executives within the Company. We continuously strive to strengthen our safety culture, enhance our safety management systems, and improve our safety performance through a comprehensive approach that combines robust governance, innovative programs, and a focus on leading indicators.

The Board of Directors, through its SERC Committee, is responsible for the governance and oversight of environmental, health, and safety matters, including compliance with applicable laws and regulations. The SERC Committee meets quarterly to review safety metrics, programs, and initiatives.

Our leadership team begins meetings with safety moments and regularly conducts safety field visits to reinforce safety as our top priority. Each of our businesses has a safety team that is responsible for overseeing safety of our operations, reinforcing our values, and enhancing our safety culture. UGI also maintains a Health, Safety, Security, and the Environment ("HSSE") Policy, which is available on our website under "Company - Company Policies - HSSE Policy". The HSSE Policy provides the framework for integrating safety performance into core business activities.

Public safety also is of utmost importance for UGI. Education and engagement with stakeholders helps prevent safety incidents and keeps our employees and communities safe. UGI employees undergo a multi-phase progressive training curriculum beginning with New Employee Orientation training and continuing through advanced training. In addition, each UGI business unit has robust Emergency Response Plans ("ERP") to account for products, assets, applicable legal requirements, and geography of operations. The key elements of our business units' ERPs are consistent across the Company. Protocols for communications with external stakeholders, including our customers and the communities we serve, varies by business unit but includes instructions to report emergencies.

Emergency training for employees and communities, including regular testing of existing ERPs, also vary by business unit, but ERPs are typically reviewed annually while training of first responders, where appropriate, usually occurs at least every two years. UGI employs several mechanisms to allow our communities to report emergencies. These include emergency phone numbers that can be called to report an emergency, which are dispatched to a First Responder. There is a process in place for follow-up and review of response activities as well.

Talent Retention and Development

UGI relies on our leadership and human resources teams to attract and retain exceptional talent. We focus on creating an environment where employees feel supported in both their professional and personal growth.

Building a Strong Talent Pipeline

Building a strong talent pipeline remains essential to our continued success and forms a critical component of our organization-wide succession planning. We recognize that competition for talent has intensified in recent years, and we're committed to addressing this challenge.

With respect to employee development, we prioritize competitive compensation and benefits packages, technical skills training, professional growth opportunities, and multiple career advancement paths. We invest in our employees' future through several ways, including tuition reimbursement programs, access to LinkedIn Learning's online courses, and leadership development.

Throughout Fiscal 2025, the Company conducted enterprise-wide leadership training sessions focused on breakthrough thinking to strengthen the Company's culture and drive superior performance across its domestic and international business units.

UGI's Employee Resource Groups

At UGI, we are committed to cultivating an inclusive and equitable workplace where employees feel a profound sense of belonging, promoting meaningful dialogue and equity as fundamental principles that enhance our business success and community impact. Our employee resource groups are voluntary employee-led, self-directed groups that play a vital role in helping UGI cultivate an inclusive environment and promote employee engagement. Our employee resource groups are open to all UGI employees.

- **BOLD:** fosters education, cultural awareness and community building through inclusive dialogue and social networking opportunities for all interested employees.
- **VET:** promotes awareness of veteran perspectives and experiences through educational programming and community building.
- **WIN:** facilitates opportunities for connection, education, and relationship building for all interested employees.

Diversity in Our Leadership

We believe that diversity in our Board of Directors is critical for effective governance. In assessing the Board of Directors' composition, the Board of Directors and its Corporate Governance Committee ensure that our Board of Directors and its standing committees have the appropriate qualifications, skills, and experience, including diversity of perspectives, to support our business. In assessing director candidates, the Board of Directors and Corporate Governance Committee consider a number of qualifications, including independence, knowledge, judgment, character, leadership skills, education, experience, financial literacy, standing in the community and diversity of backgrounds and views. Our Board of Directors is representative of a diverse range of experiences, perspectives, skills, and qualifications that align with the Company's strategy. Our Board of Directors is currently comprised of ten directors, nine of whom are independent.

Similarly, we believe diversity of management is crucial to position our business for continued success. UGI is committed to considering all qualified applicants in our hiring process.

ITEM 1A. RISK FACTORS

There are many factors that may affect our business, financial condition and results of operations, many of which are not within our control, including the following risks relating to: (1) the demand for our products and services and our ability to grow our customer base; (2) our business operations, including internal and external factors that may impact our operational continuity; (3) our international operations; (4) our supply chain and our ability to obtain and transport adequate quantities of LPG; (5) government regulation and oversight; and (6) general factors that may impact our business and our shareholders. Investors should carefully consider, together with the other information contained in this Report, the risks and uncertainties described below. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, also may materially affect our business, financial condition and results of operations. No priority or significance is intended by, nor should be attached to, the order in which the risk factors appear.

Risks Relating to the Demand for Our Products and Services and Our Ability to Grow Our Customer Base

Our business is seasonal and decreases in the demand for our energy products and services because of warmer-than-normal heating season weather or unfavorable weather conditions may adversely affect our results of operations. Because many of our customers rely on our energy products and services to heat their homes and businesses, our results of operations are adversely affected by warmer-than-normal heating season weather. Weather conditions have a significant impact on the demand for our energy products and services for both heating and agricultural purposes. Accordingly, the volume of our energy products sold is at its highest during the peak heating season of October through March and is directly affected by the severity of the winter weather. For example, historically, approximately 60% of PA Gas Utility's natural gas throughput (the total volume of gas sold to or transported for customers within our distribution system), 60% of Energy Services' retail natural gas volume, 60% of UGI International's annual retail LPG volume, and 65% of AmeriGas Propane's annual retail propane volume has typically been sold during these months. There can be no assurance that normal winter weather in our market areas will occur in the future.

In addition, our agricultural customers use LPG for purposes other than heating, including for crop drying, and unfavorable weather conditions, such as lack of precipitation, may impact the demand for LPG. Moreover, harsh weather conditions may at times impede the transportation and delivery of LPG or restrict our ability to obtain LPG from suppliers. Spikes in demand caused by weather or other factors can stress the supply chain and limit our ability to obtain additional quantities of LPG. Changes in LPG supply costs are normally passed through to customers, but time lags (between when we purchase the LPG and when the customer purchases the LPG) may result in significant gross margin fluctuations that could adversely affect our results of operations.

The potential effects of climate change may affect our business, operations, supply chain and customers, which could adversely impact our financial condition and results of operations. Shifts and fluctuations in weather patterns and other environmental conditions, including temperature and precipitation levels, may affect consumer demand for our energy products and services. In addition, the potential physical effects of climate change, such as increased frequency and severity of storms, floods, fires and other climatic events, could disrupt our operations and supply chain, and cause us to incur significant costs in preparing for or responding to these effects. These or other meteorological changes could lead to increased operating costs, capital expenses, or supply costs. Our commercial and residential customers may also experience the potential physical impacts of climate change and may incur significant costs in preparing for or responding to these efforts, including increasing the mix and resiliency of their energy solutions and supply, which may adversely impact their ability to pay for our products and services or decrease demand for our products and services. The impact of any one or all of the foregoing factors may adversely affect our financial condition and results of operations.

In addition to the direct physical impact that climate change may have on our business, financial condition and results of operations, we may also be adversely impacted by other environmental factors and transition-related risks. These are risks arising from the shift to a lower-carbon economy, including: (i) technological advances designed to promote energy efficiency and limit environmental impact; (ii) increased competition from alternative energy sources; (iii) regulatory responses aimed at decreasing GHG emissions; and (iv) litigation or regulatory actions that address the environmental impact of our energy products and services. For more information on these risks, please refer to the following risk factors included elsewhere in this section:

- *"Energy efficiency and technology advances, as well as price induced customer conservation, may result in reduced demand for our energy products and services";*
- *"Our operations may be adversely affected by competition from other energy sources";*

- *"Our need to comply with, and respond to, industry-wide changes resulting from, comprehensive, complex, and sometimes unpredictable governmental regulations, including regulatory initiatives aimed at increasing competition within our industry, may increase our costs and limit our revenue growth, which may adversely affect our operating results";*
- *"Our operations, financial results and cash flows may be adversely affected by existing and future global climate change laws and regulations, including with respect to GHG emission restrictions, as well as market responses thereto";* and
- *"We are subject to operating and litigation risks that may not be covered by insurance".*

Our potential to increase revenues may be affected by the decline in retail volumes of LPG and our ability to retain and grow our customer base. The retail LPG distribution industry in the U.S. and many of the European countries in which we operate is mature and has experienced either no or modest growth (or decline) the past few years, and we do not expect significant changes to total demand in the near future. Accordingly, we expect that year-to-year industry volumes will be principally affected by weather patterns. Our ability to grow within the LPG industry is partly dependent on the success of our sales and marketing programs designed to attract and retain customers. Any failure to retain and grow our customer base would have an adverse impact on our results.

Our ability to successfully execute on strategic initiatives and achieve our long-term goals may be adversely affected if we are not successful in identifying and completing strategic transactions and investments, or if we are unable to realize the anticipated benefits from such strategic transactions and investments. As part of our business strategy, we have pursued, and may continue to pursue, acquisitions, joint ventures, partnerships, divestitures, dispositions, and other strategic transactions and relationships with third parties. We have grown the Company through investments in the U.S. and in international markets, and have expanded our presence in the renewable energy industry. We may choose to finance any future investments with debt, equity, cash or a combination of the three. We can give no assurances that we will find attractive investment opportunities in the future (including renewable energy opportunities), that we will be able to complete and finance these transactions on economically acceptable terms, that any investments and related transactions will not be dilutive to earnings or that any additional debt incurred to finance such investment will not affect our ability to pay dividends. Moreover, certain investments and acquisitions in the U.S. and Europe may require merger control filings with the Federal Trade Commission and the European Commission, as applicable, and commitments (such as agreements not to compete for certain businesses) or divestments of assets may be required to obtain clearance. Such commitments or divestments may adversely influence the overall economics and risk profile of the contemplated transaction.

To the extent we are successful in executing these transactions, such transactions involve a number of risks. These risks include, but are not limited to, the assumption of material liabilities, including environmental liabilities, the diversion of management's attention from the management of daily operations to the integration of acquired operations, difficulties in the assimilation and retention of employees and difficulties in the assimilation of different cultures and practices and internal controls, challenges with consolidating the operations of acquired companies into our own, as well as in the assimilation of broad and geographically dispersed personnel and operations. We also may experience integration difficulties, including in implementing new systems and processes and with integrating systems and processes of companies with complex operations, which can result in inconsistencies in standards, controls, procedures and policies and may increase the risk that our internal controls are found to be ineffective. Future investments could also result in, among other things, the failure to identify material issues during due diligence, the risk of overpaying for assets, unanticipated capital expenditures, the failure to maintain effective internal control over financial reporting, recording goodwill and other intangible assets at values that ultimately may be subject to impairment charges and fluctuations in quarterly results. There can also be no assurance that our past and future investments, including our recent investments in renewable energy, will deliver the strategic, financial, operational and environmental benefits that we anticipate, nor can we be certain that strategic investments will remain available in the future.

Similarly, any divestitures or dispositions of assets have inherent risks, including the inability to find potential buyers upon favorable terms, expenses associated with a divestiture, the possibility that any anticipated sale will be delayed or will not occur, the potential impact on our cash flows and results of operations, the potential delay or failure to realize the perceived strategic or financial benefits of the divestment or disposition, difficulties in the separation of operations, services, information technology, products and personnel, potential loss of customers or employees, exposure to unanticipated liabilities, unexpected costs associated with such separation, diversion of management's attention from other business concerns and potential post-closing claims for alleged breaches of related agreements, indemnification or other disputes. Further, any cost saving measures, restructurings and divestitures may result in workforce reduction and consolidation of our facilities. As a result of these actions, we may experience a loss of continuity, loss of accumulated knowledge, disruptions to our operations and inefficiency during transitional periods. These actions could also impact employee retention. In addition, we cannot be sure that these actions will be as successful in reducing our overall expenses as we expect or that we do not forego future business opportunities as a result of these actions.

The failure to successfully identify, complete, implement and manage business combinations, acquisitions, divestitures and investments intended to advance our business strategy could have an adverse impact on our business, cash flows, financial condition and results of operations.

Further, our long-term goal to grow our earnings per share is driven by disciplined investments and is impacted by, among other things, our ability to increase investments in our regulated utilities businesses and generate significant fee-based income in our Midstream and Marketing operations. Other factors, assumptions and beliefs of management and our Board regarding external factors, including the global economy and regulatory developments, on which our long-term goals were based may also prove to differ materially from actual future results. Accordingly, we may not achieve our stated long-term goals, or our stated long-term goals may be negatively revised, as a result of less than expected progress toward achieving these goals.

Energy efficiency and technology advances, as well as price induced customer conservation, may result in reduced demand for our energy products and services. The trend toward increased energy efficiency and technological advances, including installation of improved insulation and the development of more efficient boilers and increased consumer preference for alternative heating equipment installations, such as electric heat pumps, alongside concerted conservation measures, which have been exacerbated particularly in Europe by the evolving energy crisis, may reduce the demand for our energy products. Prices for LPG and natural gas are subject to volatile fluctuations as a result of changes in supply and demand as well as other market conditions and external factors. During periods of high energy commodity costs, our prices generally increase, which may lead to customer conservation and attrition. A reduction in demand could lower our revenues and, therefore, lower our net income and adversely affect our cash flows. In addition, federal, European and/or local regulators may offer energy conservation incentives or otherwise enact laws and regulations that may require mandatory conservation measures, which would reduce the demand for our energy products. In Europe, measures are underway to decarbonize the electric generation grid, as well as residential and commercial heating, in order to achieve EU climate change objectives, including a net zero goal by 2050. For example, in 2018 the EU revised the Energy Performance of Buildings Directive (the "EPBD") with the goal to create a clear path towards a low and zero-emission and decarbonized building stock in the EU by 2050. Updates to the EPBD continue to make their way through EU legislative approvals, which will establish stronger targets for management of new and existing building construction and integral heating systems that focus on low or zero carbon outcomes. For example, certain EU countries have adopted legislation mandating the replacement of existing fossil-fuel based heating systems with lower carbon solutions and requiring newly installed heating systems to operate with renewable energy sources. Over time, these various measures will impact fossil fuel consumption in Europe and the demand for our energy products. We cannot predict the materiality of the effect of future conservation measures or the effect that any technological advances in heating, conservation, energy generation or other devices might have on our operations.

Our operations may be adversely affected by competition from other energy sources. Our energy products and services face competition from other energy sources, some of which are less costly for equivalent energy value. In addition, we cannot predict the effect that the development of alternative energy sources might have on our operations.

Our LPG distribution businesses compete for customers against suppliers of electricity, fuel oil and natural gas. Electricity is a major competitor of LPG but is generally more expensive than LPG on a Btu equivalent basis for space heating, water heating and cooking. However, in Europe and elsewhere, climate change policies favoring electricity from renewable energy sources or the use of electric-powered equipment, such as heat pumps in heating applications, may cause changes in current relative price relationships. Moreover, notwithstanding cost or regulatory mandates or incentives, the convenience and efficiency of electricity make it an attractive energy source for consumers and developers of new homes. Fuel oil, which is a major competitor to propane, is a less environmentally attractive energy source. Furnaces and appliances that burn LPG must be upgraded to run on fuel oil and vice versa, and, therefore, a conversion from one fuel to the other requires the installation of new equipment. Our customers generally have an incentive to switch to fuel oil only if fuel oil becomes significantly less expensive than LPG, and in multiple countries, the risk of conversion to fuel oil is diminishing due to regulations that prevent or disfavor the installation and/or use of fuel oil boilers or fuel oil for heating applications. The gradual expansion of natural gas distribution systems in our service areas may continue to result in the availability of natural gas in some areas that previously depended upon LPG resulting in lower demand for LPG.

Our natural gas businesses in the U.S. compete primarily with electricity and fuel oil, and, to a lesser extent, with LPG and coal. Competition among these fuels is primarily a function of their comparative price and the relative cost and efficiency of fuel utilization equipment. There can be no assurance that our natural gas revenues will not be adversely affected by this competition.

The expansion, construction and development of our energy infrastructure assets subjects us to risks. We seek to grow our business through the expansion, construction and development of our energy infrastructure, including new pipelines, gathering systems, facilities and other assets. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we or our project partners, as applicable, will be able to obtain the necessary property rights, permits and licenses in a timely and cost-efficient manner, or at all, which may result in a delay or failure to complete a project. We may face opposition to the expansion, construction or development of new or existing pipelines, gathering systems, facilities or other assets from environmental groups, landowners, local groups and other advocates. This opposition could take many forms, including organized protests, attempts to block or sabotage our operations, intervention in regulatory or administrative proceedings involving our assets, or lawsuits or other actions designed to prevent, disrupt, or delay the development or operation of our assets and business. Failure to complete any pending or future infrastructure project may have a materially adverse impact on our financial condition and results of operations.

Even if we are able to successfully complete any pending or future infrastructure project, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated during the lifespan of the project. As a result, there is the risk that new and expanded energy infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to Our Business Operations, Including Internal and External Factors that May Impact Our Operational Continuity

Our information technology systems and those of our third-party vendors have been the target of cybersecurity attacks in the past. If we are unable to protect our information technology systems against future service interruption, misappropriation of data, or breaches of security resulting from cybersecurity attacks or other events, or if we encounter other unforeseen difficulties in the design, implementation or operation of our information technology systems, or if our third-party vendors or service providers experience compromises to their information technology systems, our operations could be disrupted, our business and reputation may suffer, and our internal controls could be adversely affected. In the ordinary course of business, we rely on information technology systems, including the Internet and third-party hosted services, to support a variety of business processes and activities and to store sensitive data, including (i) intellectual property, (ii) our proprietary business information and that of our suppliers and business partners, (iii) personally identifiable information of our customers and employees, and (iv) data with respect to invoicing and the collection of payments, accounting, procurement, and supply chain activities. In addition, we rely on our information technology systems to process financial information and results of operations for internal reporting purposes and to comply with financial reporting, legal, and tax requirements.

Cybersecurity incidents have recently increased in both frequency and magnitude and have involved malicious software and attempts to gain unauthorized access to data and systems, including ransomware attacks where a target's access to its information systems is blocked until a ransom has been paid. The White House and various regulators, including the SEC, have accordingly increased their focus on companies' cybersecurity vulnerabilities and risks. Despite our security measures, our technologies, systems, and networks have been and may continue to be the target of cybersecurity attacks or information security breaches that could result in the unauthorized release, misuse, loss or destruction of proprietary and other information, or other disruption of our business operations. Due to increasingly sophisticated threat actors, we may be unable to detect, identify or prevent attacks, and even if detected, we may be unable to adequately stop, investigate or remediate our systems given the tools and techniques being used by threat actors to circumvent controls and to remove or obfuscate forensic evidence. Attacks and incidents may also occur due to malfeasance by employees or contractors, as well as human error as in the case of social engineering and phishing campaigns. A number of our employees currently work remotely full-time or on a hybrid basis; as a result, our cybersecurity program may be less effective and information technology security may be less robust for those employees. Similarly, our third-party vendors or service providers have been impacted by cybersecurity attacks and incidents and are subject to many, if not all, of the same risks and disruptions as described above. A loss of our information technology systems, or temporary interruptions in the operation of our information technology systems, or those of our third-party vendors or service providers, or any other misappropriation of data, or breaches of security could lead to investigations and fines or penalties, litigation, increased costs for compliance and for remediation or rebuilding of our systems, and could have a material adverse effect on our business, financial condition, results of operations, and reputation. In addition, an attack could provide an intruder with the ability to control or alter our pipeline operations. Such an act could result in critical pipeline failures.

The efficient execution of our businesses is dependent upon the proper design, implementation and functioning of its current and future internal systems, such as the information technology systems that support our underlying business processes. Any significant failure or malfunction of such information technology systems may result in disruptions of our operations. In addition, the effectiveness of our internal controls could be adversely affected if we encounter unforeseen problems with respect to the operation of our information technology systems.

Moreover, as cybersecurity incidents increase in frequency and magnitude, we may be unable to obtain cybersecurity insurance in amounts and on terms we view as adequate for our operations, including the agreement to certain indemnification provisions by our insurance providers.

Our utility transmission and distribution systems, our non-utility midstream assets, and the assets of upstream interstate pipelines and other midstream providers may not operate as planned, which may increase our expenses or decrease our revenues and, thus, have an adverse impact on our financial results. Our ability to manage operational risk with respect to utility distribution and transmission and non-utility midstream assets, and the availability of natural gas delivered by interstate natural gas pipelines and midstream gathering assets is critical to our financial results. We obtain our supply from local Marcellus and Utica Shale sources, as well as other trading points in the U.S. If we experience physical capacity constraints on one or more of the interstate or intrastate natural gas pipelines that supply our businesses, we may not be able to supply our customers, which could have an adverse impact on our financial results. Our businesses also face several risks, including the breakdown or failure of, or damage to, equipment or processes (especially due to severe weather or natural disasters), accidents and other factors, including as a result of overpressurization of or damage to natural gas pipelines. Operation of our transmission and distribution systems or our midstream assets below our expectations may result in lost revenues or increased expenses, including higher maintenance costs, civil litigation and the risk of regulatory penalties.

Risks Relating to Our International Operations

Our international operations could be subject to increased risks, which may negatively affect our business results. We operate LPG distribution businesses in Europe through our subsidiaries. As a result, we face risks in conducting business abroad that we do not face domestically. Certain aspects inherent in transacting business internationally could negatively impact our operating results, including:

- costs and difficulties in staffing and managing international operations;
- disagreements and disputes with our employees represented by a works council or union;
- strikes and work stoppages by the employees of the Company or our suppliers and vendors;
- fluctuations in currency exchange rates, particularly the euro, which can affect demand for our products, increase our costs and adversely affect our profitability and reported results;
- new or revised regulatory requirements, including European competition and carbon emission reduction laws, that may adversely affect the terms of contracts with customers, including with respect to exclusive supply rights and usage restrictions, and stricter regulations applicable to the storage and handling of LPG;
- new and inconsistently enforced industry regulatory requirements, which can have an adverse effect on our competitive position;
- tariffs and other trade barriers;
- difficulties in enforcing contractual rights;
- local political and economic conditions as well as geopolitical conditions that could cause instability and adversely impact the global economy or specific markets, such as the war between Russia and Ukraine and conflict in the Middle East; and
- potential violations of federal regulatory requirements, including anti-bribery, anti-corruption, and anti-money laundering law, economic sanctions, the Foreign Corrupt Practices Act of 1977, as amended, and EU regulatory requirements, including the GDPR and Sapin II.

In particular, certain legal and regulatory risks are associated with international business operations. We are subject to various anti-corruption, economic sanctions and trade compliance laws, rules and regulations. For example, the U.S. government imposes restrictions and prohibitions on transactions in certain foreign countries, including restrictions directed at oil and gas activities in Russia. U.S. laws also prohibit the improper offer, payment, promise to pay, or authorization of the payment of money or anything of value to any foreign official or political party, or to any person, knowing that all or a portion of it will be used to influence a foreign official in his or her official duties or to secure an improper advantage. Ensuring compliance with all relevant laws, rules and regulations is a complex task. Violation of one or more of these laws, rules or regulations could lead to loss of import or export privileges, civil or criminal penalties for us or our employees, or potential reputational harm, which could have a material adverse impact on earnings, cash flows and financial condition.

Economic and geopolitical instability, including as a result of acts of war, have had, and could continue to have, an adverse effect on our operating results, financial condition, and cash flows. In late February 2022, Russian military forces launched significant military action against Ukraine, which has continued through the date of this Report. We do not have operations in Russia or Ukraine. Nevertheless, the outbreak of war between Russia and Ukraine and the resulting sanctions by U.S. and European governments, together with any additional future sanctions by them, could have a larger impact that expands into other geographies where we do business, including our supply chain, business partners and customers in those markets, which could result in lost sales, supply shortages, commodity price fluctuations, increased costs, transportation logistics challenges, customer credit and liquidity issues, and lost efficiencies. The acceleration of a global energy crisis, including as a result of restrictions on Russia's energy exports, could similarly impact the geographies where we do business. In addition, the U.S. and Europe have commenced certain trade actions as a result of the war between Russia and Ukraine. While significant uncertainty exists with respect to this matter, the war between Russia and Ukraine and its broader impacts, including any increased trade barriers or restrictions on global trade imposed by the U.S. or Europe, or further trade measures taken by Russia or other countries in response, could have a material impact on our operating results, financial condition and cash flows.

Risks Relating to Our Supply Chain and Our Ability to Obtain Adequate Quantities of LPG

We are dependent on our principal LPG suppliers, which increases the risks from an interruption in supply and transportation. During Fiscal 2025, AmeriGas Propane purchased approximately 87% of its propane needs from 20 suppliers. If supplies from these sources were interrupted, the cost of procuring replacement supplies and transporting those supplies from alternative locations might be materially higher and, at least on a short-term basis, our earnings could be affected. Additionally, in certain geographic areas, a single supplier provides more than 50% of AmeriGas Propane's propane requirements. Disruptions in supply in these geographic areas could also have an adverse impact on our earnings. Our international businesses are similarly dependent upon their LPG suppliers, with our businesses in Austria, Denmark, Finland and France purchasing more than 50% of their LPG needs from a single supplier. If supplies from UGI International's principal LPG sources are interrupted, the cost of procuring replacement supplies and transporting those supplies from alternative locations might be materially higher and our earnings could be adversely affected. There is no assurance that our international businesses will be able to continue to acquire sufficient supplies of LPG to meet demand at prices or within time periods that would allow them to remain competitive.

Our ability to obtain sufficient quantities of LPG is dependent on transportation facilities and providers. Spikes in demand caused by weather or other factors can limit our access to port terminals and other transportation and storage facilities, disrupt transportation and limit our ability to obtain sufficient quantities of LPG. A significant increase in port and similar fees and fuel prices may also adversely affect our transportation costs and business. Transportation providers (rail and truck) in some circumstances have limited ability to provide additional resources in times of peak demand. Moreover, the ability of our transportation providers to maintain a staff of qualified truck drivers is critical to the success of our business. Regulatory requirements and an improvement in the economy could reduce the number of eligible drivers or require us to pay higher transportation fees as our transportation providers seek to pass on additional labor costs associated with attracting and retaining drivers.

Our profitability is subject to LPG pricing and inventory risk. The retail LPG business is a "margin-based" business in which gross profits are dependent upon the excess of the sales price over LPG supply costs. LPG is a commodity, and, as such, its unit price is subject to fluctuations in response to changes in supply or other market conditions. We have no control over supplies, commodity prices or market conditions. Consequently, the unit price of the LPG that our subsidiaries and other distributors and marketers purchase can change rapidly over a short period of time. Most of our domestic LPG product supply contracts permit suppliers to charge posted prices at the time of delivery or negotiated prices based on the current industry index prices established at major U.S. storage points such as Mont Belvieu, Texas or Conway, Kansas. Most of our international LPG supply contracts are based on internationally quoted market prices. We also purchase a portion of our supplies in the spot market. Because our subsidiaries' profitability is sensitive to changes in wholesale LPG supply costs, we will be adversely affected if we cannot pass on increases in the cost of LPG to our customers, or if there is a delay in passing on such cost increases. Due to competitive pricing in the industry, our subsidiaries may not fully be able to pass on product cost increases to our customers when product costs rise, or when our competitors do not raise their product prices in a timely manner. Finally, market volatility may cause our subsidiaries to sell LPG at less than the price at which they purchased it, which would adversely affect our operating results.

We offer our customers various fixed-price LPG programs, and a significant number of our customers utilize our fixed-price programs. In order to manage the price risk from offering these services, we utilize our physical inventory position, supplemented by forward commodity transactions with various third parties having terms and volumes substantially the same as our customers' contracts, but there can be no assurance that such measures will be effective. In periods of high LPG price volatility, the fixed-price programs create exposure to over or under-supply positions as the demand from customers may significantly exceed or fall short of supply procured. In addition, if LPG prices decline significantly subsequent to customers signing up for a fixed-price program, there is a risk that customers will default on their commitments, adversely affecting our results of operations.

Changes in commodity market prices may have a significant negative effect on our liquidity. Depending on the terms of our contracts with suppliers as well as our use of financial instruments to reduce volatility in the cost of LPG and natural gas, changes in the market price of LPG and natural gas can create margin payment obligations for us and expose us to increased liquidity risk. In addition, increased demand for domestically produced LPG and natural gas overseas may, depending on production volumes in the U.S., result in higher domestic prices and expose us to additional liquidity risks.

Supplier and derivative counterparty defaults may have a negative effect on our operating results. When we enter into fixed-price sales contracts with customers, we typically enter into fixed-price purchase contracts with suppliers. Depending on changes in the market prices of products compared to the prices secured in our contracts with suppliers of LPG, natural gas and electricity, a default of or force majeure by one or more of our suppliers under such contracts could cause us to purchase those commodities at higher prices from alternate suppliers, which would have a negative impact on our operating results.

Additionally, we economically hedge the market risk associated with a portion of our supply purchases using certain derivative instruments. Such changes in market prices of the aforementioned commodities could result in material exposures or significant concentrations of balances with derivative counterparties. If certain counterparties were unable to meet the obligations set forth in these derivative contracts and we were unable to fully mitigate this exposure via collateral deposit requirements and master netting arrangements, such outcomes could result in a negative effect on our operating results.

Our business is dependent on the domestic and global supply chain to ensure that equipment, materials and other resources are available to both expand and maintain services in a safe and reliable manner. Moreover, prices of equipment, materials and other resources have increased recently and may continue to increase in the future. Failure to secure equipment, materials and other resources on economically acceptable terms may adversely impact our financial condition and results of operations. Domestic and global supply chain issues could delay the delivery, and in some cases result in shortages of, materials, equipment and other resources that are critical to our business operations. Failure to eliminate or manage constraints in the supply chain may impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, including the replacement of end-of-life assets.

Moreover, inflation has been and continues to be an area of increasing economic concern, both domestically and internationally. Changes in the costs of providing our energy products and services, including price increases in equipment and materials as well as increases in labor and distribution costs, have negatively impacted, and may continue to negatively impact, our financial condition and results of operations and/or result in corresponding price increases for the energy products and services we offer our customers.

Risks Relating to Government Regulation and Oversight

Regulators may not approve the rates we request and existing rates may be challenged, which may adversely affect our results of operations. In our Utilities segment, our distribution operations are subject to regulation by the PAPUC, WVPSC and MDPSC, depending on the state in which the operations are located. These regulatory bodies, among other things, approve the rates that Utilities may charge utility customers, thus impacting the returns that Utilities may earn on the assets that are dedicated to its operations. Utilities periodically files, and we expect to continue to periodically file, requests with these regulatory bodies to increase base rates charged to customers in the respective states in which Utilities operates. If Utilities is required in a rate proceeding to reduce the rates it charges its utility customers, or is unable to obtain approval for timely rate increases from the appropriate regulatory body, particularly when necessary to cover increased costs, Utilities' revenue growth will be limited and earnings may decrease.

The enactment of proposed or future tax legislation may adversely impact our financial condition and results of operations. We continue to assess the impact of various U.S. federal, state, local and international legislative proposals that could result in a material increase to our U.S. federal, state, local and/or international taxes. We cannot predict what impact, if any, changes in federal policy, including tax policies, will have on our industry or whether any specific legislation will be enacted or the terms of any such legislation. However, if such proposals were to be enacted, or if modifications were to be made to certain existing regulations, the consequences could have a material adverse impact on us, including increasing our tax burden, increasing our cost of tax compliance or otherwise adversely affecting our financial position, results of operations, cash flows and liquidity. Changes in applicable U.S. or foreign tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. Such impact may also be affected positively or negatively by subsequent potential judicial interpretation or related regulation or legislation which cannot be predicted with certainty.

Our need to comply with, and respond to, industry-wide changes resulting from, comprehensive, complex, and sometimes unpredictable governmental regulations, including regulatory initiatives aimed at increasing competition within our industry, may increase our costs and limit our revenue growth, which may adversely affect our operating results. While we generally refer to our Utilities segment as our "regulated segment," there are many governmental regulations that have an impact on all of our businesses. Currently, we are subject to extensive and changing international, federal, state, and local laws and regulations including, but not limited to, safety, health, transportation, tax, and environmental laws and regulations that govern the marketing, storage, distribution, and transportation of our energy products. Moreover, existing statutes and regulations may be revised or reinterpreted and new laws and regulations may be adopted or become applicable to us that may affect our businesses in ways that we cannot predict.

New regulations, or a change in the interpretation of existing regulations, could result in increased expenditures. In addition, for many of our operations, we are required to obtain permits from regulatory authorities and, in some cases, such regulatory permits could subject our operations to additional regulations and standards of conduct. Failure to obtain or comply with these permits or applicable regulations and standards of conduct could result in civil and criminal fines or the cessation of the operations in violation. Governmental regulations and policies in the U.S. and Europe may provide for subsidies or incentives to customers who use alternative fuels instead of carbon fuels. The EU has committed to cut CO_2 emissions and EU member states are proposing and implementing a range of subsidies and incentives to achieve the EU's climate change goals. These subsidies and incentives may result in reduced demand for our energy products and services.

We are investigating and remediating contamination at a number of present and former operating sites in the U.S., including former sites where we or our former subsidiaries operated MGPs. We have also received claims from third parties that allege that we are responsible for costs to clean up properties where we or our former subsidiaries operated a MGP or conducted other operations. Most of the costs we incur to remediate sites outside of Pennsylvania cannot currently be recovered in PAPUC rate proceedings, and insurance may not cover all or even part of these costs. Our actual costs to clean up these sites may exceed our current estimates due to factors beyond our control, such as:

- the discovery of presently unknown conditions;
- changes in environmental laws and regulations;
- judicial rejection of our legal defenses to third-party claims; or
- the insolvency of other responsible parties at the sites at which we are involved.

Moreover, if we discover additional contaminated sites, we could be required to incur material costs, which would reduce our net income.

We also may be unable to timely respond to changes within the energy and utility sectors that may result from regulatory initiatives to further increase competition within our industry. Such regulatory initiatives may create opportunities for additional competitors to grow their business or enter our markets and, as a result, we may be unable to maintain our revenues or continue to pursue our current business strategy.

Our operations, financial results and cash flows may be adversely affected by existing and future global climate change laws and regulations, including with respect to GHG emission restrictions, as well as market responses thereto. Climate change continues to attract considerable public and scientific attention in the U.S. and in foreign countries. As a result, numerous proposals have been made, and could continue to be made, at the international, national, regional, state and local levels of government to monitor and limit GHG emissions and climate impact. These efforts have included consideration of, among other things, cap-and-trade programs, carbon taxes, GHG reporting and tracking programs, and regulations that directly limit GHG emissions from certain sources.

Increased regulation of GHG emissions, or climate impact generally, could have significant additional adverse impacts on us as well as our suppliers, vendors, and customers. The adoption and implementation of any laws or regulations imposing obligations on, or limiting GHG emissions from, our equipment and operations could require us to incur significant costs to reduce GHG emissions associated with our operations or could adversely affect demand for our energy products. The potential increase in our operating costs could include, but are not limited to, new costs to operate and maintain our facilities, install new emission controls on our facilities, acquire allowances to authorize our GHG emissions, pay taxes related to our GHG emissions, administer and manage a GHG emissions reduction program, and adversely impact the value of certain assets. We may not be able to pass on resulting increases in costs to customers. In addition, changes in regulatory policies that result in a reduction in the demand for hydrocarbon products and carbon-emitting fuel sources that are deemed to contribute to climate change, or restrict the use of such products or fuel sources, may reduce volumes available to us for processing, transportation, marketing and storage and could cause increases in costs or production disruptions. These developments could have a material adverse effect on our results of operations, financial results, valuation and useful life of assets, and cash flows.

Changes in data privacy and data protection laws and regulations or any failure to comply with such laws and regulations, could adversely affect our business and financial results. As part of our operations, we collect, use, store and transfer the personal information and data of our employees as well as customer, vendor and supplier data in and across various jurisdictions. There has been increased public attention regarding the use of personal information and data transfers, accompanied by legislation and regulations intended to strengthen data protection, information security and consumer and personal privacy. The laws in these areas continue to develop and the changing nature of data protection, information security and privacy laws in the U.S., the EU and elsewhere could impact our processing of the personal information and data of our employees, vendors, suppliers and customers, which could lead to increased operating costs. Existing and emerging laws and regulations are inconsistent across jurisdictions and are subject to evolving, differing, and sometimes conflicting interpretations. The EU adopted the GDPR, which expanded EU data protections, in certain circumstances, to companies outside of the EU processing data of EU residents, regardless of whether the processing occurs in the EU. Similarly, the State of California legislature passed the California Consumer Privacy Act of 2018 (the "CCPA") and the California Privacy Rights Act (the "CPRA"), which, among other things, grant a number of rights to California residents with respect to their personal information, and require companies to make extensive disclosures to consumers about such companies' data collection, use, and sharing practices and inform consumers of their personal information rights. In addition, the CPRA created a new state privacy regulator, which will likely result in greater regulatory activity and enforcement in the privacy area. Comprehensive privacy laws with some similarities to the CCPA and CPRA have been proposed or passed at the U.S. federal and state levels, such as the Virginia Consumer Data Protection Act (the "VCDPA") and the Colorado Privacy Act (the "CPA"). Additionally, the Federal Trade Commission and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination and security of data as well as requiring disclosures about these practices. We expect that there will continue to be new laws, regulations and industry standards concerning data privacy and data protection, including artificial intelligence, in the U.S., the EU and other jurisdictions, and we cannot yet determine the impact such laws, regulations, interpretations and standards may have on our business.

While we have invested significant time and resources in our GDPR and U.S. privacy law compliance program, emerging and changing data privacy and data protection requirements as well as other new and upcoming European and U.S. federal and state privacy and cybersecurity laws and industry standards may cause us to incur substantial fines, additional significant costs or require us to change our business practices. Any failure or perceived failure to comply may result in proceedings or actions against us by government entities or individuals, including class actions. Moreover, any inquiries or investigations, any other government actions or any actions by individuals may be costly to comply with, result in negative publicity, increase our operating costs, require significant management time and attention and subject us to remedies that may harm our business, including fines, demands or orders that we modify or cease existing business practices.

The provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), related regulations, and the rules adopted thereunder and other regulations, including the European Market Infrastructure Regulation (the "EMIR"), may have an adverse effect on our ability to use derivative instruments to hedge risks associated with our business. Our derivative hedging activities are subject to Title VII of the Dodd-Frank Act, which regulates the over-the-counter derivatives market and entities that participate in that market. The Dodd-Frank Act requires the CFTC and the federal banking regulators to implement the Dodd-Frank Act's provisions through rulemaking, including rules regarding mandatory clearing, trade execution and margin requirements. We have and expect to continue to qualify for and rely upon an exception from mandatory clearing and trade execution requirements for swaps entered into by commercial end-users to hedge commercial risks. In addition to relief from the clearing mandate, we also expect to continue to qualify for an exception for non-financial end-users from the margin requirements on uncleared swaps. If we are not able to do so and have to post margin supporting our uncleared swaps in the future, our costs of entering into and maintaining swaps would be increased.

Based on information available as of the date of this Report, the effect of such requirements will be likely to (directly or indirectly) increase our overall costs of entering into derivatives transactions. In particular, new margin requirements, position limits and significantly higher capital charges resulting from new global capital regulations, even if not directly applicable to us, may cause an increase in the pricing of derivatives transactions entered into by market participants to whom such requirements apply or affect our overall ability to enter into derivatives transactions with certain counterparties. While costs imposed directly on us due to regulatory requirements for derivatives under the Dodd-Frank Act, such as reporting, recordkeeping and electing the end-user exception from mandatory clearing, are relatively minor, costs imposed upon our counterparties may increase the cost of our doing business in the derivatives markets to the extent such costs are passed on to us.

The EMIR may result in increased costs for over-the-counter derivative counterparties trading in the EU and may also lead to an increase in the costs of, and demand for, the liquid collateral that the EMIR requires central counterparties to accept. Although we expect to continue to qualify as a non-financial counterparty under the EMIR, and thus not be required to post margin, we are currently subject to limited derivatives reporting requirements that could expand in the future, and may also be subject to increased regulatory requirements, including recordkeeping, marking to market, timely confirmations, portfolio reconciliation and dispute resolution procedures. Provisions under the EMIR could significantly increase the cost of derivatives contracts, materially alter the terms of derivatives contracts and reduce the availability of derivatives to protect against risks that we encounter. The increased trading costs and collateral costs may have an adverse impact on our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

General Risks that May Impact Our Business and Our Shareholders

The inability to attract, develop, retain and engage key employees could adversely affect our ability to execute our strategic, operational and financial plans. We are dependent upon the continued service and contributions of our management and key technical and professional employees, as well as our ability to transfer the knowledge and expertise of our workforce to new employees as our employees retire or we otherwise experience employee turnover. In addition, the success of our operations depends on our ability to identify, attract and develop skilled and experienced key employees. There is increased competition for experienced management and technical and professional employees, which could increase the costs associated with identifying, attracting and retaining such individuals. We may not be able to attract, retain or engage key employees if our compensation and benefits program is not as robust as the compensation and benefits programs offered by other employers for similar roles. Further, a lack of employee engagement could lead to loss of productivity and increased employee burnout, turnover, absenteeism, safety incidents as well as decreased customer satisfaction. Portions of our workforce are represented by collective bargaining agreements, and disputes with labor unions or work stoppages could disrupt operations and adversely affect our business. If we cannot identify, attract, develop, retain and engage management, technical and professional employees, along with other qualified employees, to support the various functions of our business, our operations and financial performance could be adversely impacted.

We may not be able to collect on the accounts of our customers. We depend on the viability of our customers for collections of accounts receivable and notes receivable. Moreover, our businesses serve numerous retail customers, and as we grow our businesses organically, our retail customer base is expected to expand in certain geographies. There can be no assurance that our customers will not experience financial difficulties in the future or that we will be able to collect all of our outstanding accounts receivable or notes receivable. Any such nonpayment by our customers could adversely affect our business.

We are subject to operating and litigation risks that may not be covered by insurance. Our business operations are subject to all of the operating hazards and risks normally incidental to the handling, storage and distribution of combustible products, such as LPG and natural gas, and the generation of electricity. These risks could result in substantial losses due to personal injury and/or loss of life, and severe damage to and destruction of property and equipment arising from explosions and other catastrophic events, including acts of terrorism. As a result of these and other incidents, we are sometimes a defendant in legal proceedings and litigation arising in the ordinary course of business, including regulatory investigations, claims, lawsuits and other proceedings. Additionally, environmental contamination or other incidents resulting in an environmental impact have resulted in, and could continue to result in, legal or regulatory proceedings (see "*Our need to comply with, and respond to, industry-wide changes resulting from, comprehensive, complex, and sometimes unpredictable governmental regulations, including regulatory initiatives aimed at increasing competition within our industry, may increase our costs and limit our revenue growth, which may adversely affect our operating results*" for more information on such proceedings). There can be no assurance that our insurance coverage will be adequate to protect us from all material expenses related to pending and future claims or that such levels of insurance would be available in the future at economical prices. Moreover, defense and settlement costs may be substantial, even with respect to claims and investigations that have no merit. If we cannot resolve these matters favorably, our business, financial condition, results of operations and future prospects may be materially adversely affected.

The risk of natural disasters, pandemics and catastrophic events, including acts of war and terrorism, may adversely affect the economy and the price and availability of LPG, other refined fuels and natural gas. Natural disasters, pandemics and catastrophic events, such as fires, earthquakes, explosions, floods, tornadoes, hurricanes, terrorist attacks, war (including conflict in the Middle East), political unrest and other similar occurrences, may adversely impact the demand for, price and availability of LPG (including propane), other refined fuels and natural gas, which could adversely impact our financial condition and results of operations, our ability to raise capital and our future growth. The impact that the foregoing may have on our industries in general, and on us in particular, is not known at this time. A natural disaster, pandemic or an act of war or terrorism could result in disruptions of crude oil or natural gas supplies and markets (the sources of LPG), cause price volatility in the cost of LPG, fuel oil and natural gas, and our infrastructure facilities could be directly or indirectly impacted. Additionally, if our means of supply transportation, such as rail, truck or pipeline, are delayed or temporarily unavailable due to a natural disaster, pandemic, war or terrorist activity, we may be unable to transport LPG and other refined fuels in a timely manner or at all. A lower level of economic activity could result in a decline in energy consumption, which could adversely affect our revenues or restrict our future growth. Instability in the financial markets as a result of a natural disaster, pandemic, war or terrorism could also affect our ability to raise capital. We have opted to purchase insurance coverage for natural disasters and terrorist acts within our property and casualty insurance programs, but we can give no assurance that our insurance coverage would be adequate to fully compensate us for any losses to our business or property resulting from natural disasters or terrorist acts.

Our indebtedness may adversely affect our business, financial condition and operating results. Our debt agreements also contain covenants that restrict our operational flexibility. As of September 30, 2025, we had total indebtedness of approximately $7 billion. Our indebtedness could adversely affect our business, financial condition, operating results and operational flexibility by, among other things:

- impairing our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions or other purposes;
- limiting operational flexibility and our ability to pursue business opportunities and implement certain business strategies;
- impairing our ability to respond to changing business and economic conditions;
- impairing our ability to repay our indebtedness at maturity, especially where our debt agreements contain significant maturities;
- exposing us to the risk of increased interest rates where our debt agreements have variable interest rates; and
- placing us at a competitive disadvantage compared to our competitors that have proportionately less debt and fewer guarantee obligations.

The occurrence of any of such events could have a material adverse effect upon our business, financial condition and results of operations. Further, if our credit ratings were to be downgraded, or general market conditions were to ascribe higher risk to our rating levels, our industry, or us, our access to capital and the cost of any future debt financing could be negatively impacted. Additionally, our ability to make payments of principal and interest on our indebtedness depends upon our future performance, which is subject to economic and political conditions, seasonal cycles and financial, business and other factors, many of which are beyond our control. If we are unable to generate sufficient cash flow from operations to service our indebtedness, we may be required to, among other things, refinance or restructure all or a portion of our indebtedness, reduce or delay planned capital or operating expenditures or sell selected assets. Such measures might not be sufficient to enable us to service our indebtedness, and any such refinancing, restructuring or sale of assets might not be available on favorable terms or at all.

In addition, our debt agreements generally contain customary affirmative covenants, including, among others, covenants pertaining to the delivery of financial statements; certain financial covenants; notices of default and certain other material events; payment of obligations; preservation of corporate existence, rights, privileges, permits, licenses, franchises and intellectual property; maintenance of property and insurance and compliance with laws, as well as customary negative covenants, including, among others, limitations on the incurrence of liens, investments and indebtedness; mergers, acquisitions and certain other fundamental changes; transfers, leases or dispositions of assets outside the ordinary course of business; restricted payments; changes in our line of business; transactions with affiliates and burdensome agreements. These covenants could affect our ability to operate our business, respond to changes in business and economic conditions, obtain additional financing (if needed), and may increase the amount of interest expense we ultimately pay pursuant to the debt agreements. Further, our ability to comply with the covenants and restrictions contained in our debt agreements may be affected by events beyond our control, including prevailing economic, financial and industry conditions or regulatory changes. A failure to comply with the covenants in our debt agreements could result in a default or an event of default. Upon an event of default, unless waived, the lenders could elect to terminate their commitments, cease making further loans, require cash collateralization of letters of credit, cause their loans to become due and payable in full, foreclose against any assets securing the debt under our debt agreements and force us and our subsidiaries into bankruptcy or liquidation. If the payment of our debt is accelerated, we cannot be certain that we will have sufficient funds available to pay down the indebtedness (together with accrued interest and fees), or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all. This could have a material adverse effect upon our business, financial condition and results of operations.

Additionally, the terms of future debt agreements could include more restrictive covenants, or require incremental collateral, which may further restrict our business operations or conflict with covenant restrictions then in effect. As a result, there is no guarantee that financings will be available in the future to fund our obligations, or that they will be available on terms consistent with our expectations. See the liquidity section in Item 7. Management's Discussion and Analysis for additional information on our current debt agreements.

Conversion of our convertible debt instruments could negatively affect our liquidity, dilute shareholders, or impact our financial position. We have outstanding convertible debt that noteholders may, subject to limited exceptions, seek to convert following a convertible event at a cash settlement price generally equal to the principal amount of the notes to be settled, plus accrued and unpaid interest. As of the date of this Report, no such convertible event is in effect; however, we cannot be certain that such convertible event will not happen prior to our convertible debt's maturity in 2028. All conversions up to the aggregate principal amount will be settled in cash, and, for any excess, conversions will be settled in cash or shares of Common Stock in the discretion of the Company. A conversion could affect our business in the following ways:

- Cash conversions could require substantial cash outflows that may limit our operational flexibility, particularly if multiple conversions occur simultaneously, as we may not have available cash or be able to obtain financing at the time we are required to settle the notes or pay the cash amounts due upon conversion;
- Share conversions would dilute existing shareholders and could depress our stock price, particularly if multiple conversions occur simultaneously;
- Third parties (such as governmental entities) and other debt agreements may restrict our ability to settle the notes or pay the cash amounts due upon conversion;
- Failure to settle notes or pay the cash amounts due upon conversion when required will constitute a default under the indenture, which may trigger a default on other debt agreements thereby accelerating other debt payments to be paid in full, and we may not have sufficient funds to satisfy all amounts due; and
- Our decision to settle conversions in the amount of any excess of the aggregate principal amount in cash or shares of Common Stock will be influenced by competing considerations, including preserving liquidity, minimizing dilution, maintaining credit metrics, and managing accounting impacts, and may negatively affect our financial position and liquidity.

An impairment of our assets could adversely affect our financial condition and results of operations. We test goodwill, intangible, and other long-lived assets for impairment annually or whenever events or circumstances indicate impairment may have occurred. To the extent the value of goodwill or long-lived assets becomes impaired, the Company may be required to incur impairment charges that could have a material impact on our results of operations. The testing of assets for impairment requires us to make significant estimates about our future events, including our performance and projected cash flows, as well as other assumptions. These estimates can be affected by numerous factors, including developments in the global economic environment, including the prospect of higher interest rates, developments in regulatory, industry and market conditions, changes in business operations, changes in competition or changes in technologies. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge. We have incurred and may continue to incur impairment charges on certain of our assets that could have a material impact on our results of operations.

Our holding company structure could limit our ability to pay dividends or service debt. We are a holding company whose material assets are the stock of our subsidiaries. Our ability to pay dividends on our Common Stock and to pay principal and accrued interest on our debt, if any, depends on the payment of dividends to us by our principal subsidiaries. Payments to us by our subsidiaries, in turn, depend upon their consolidated results of operations and cash flows. The operations of our subsidiaries are affected by conditions beyond our control, including weather, regulations, competition in national and international markets we serve, the costs and availability of propane, butane, natural gas, electricity, and other energy sources, capital market conditions and interest rates and other business risks impacting liquidity levels. The ability of our subsidiaries to make payments to us is also affected by the level of indebtedness of our subsidiaries, which is substantial, and the restrictions on payments to us imposed under the terms of such indebtedness.

Volatility in credit and capital markets may restrict our ability to grow, increase the likelihood of defaults by our suppliers and vendors, customers and counterparties and adversely affect our operating results. Volatility in credit and capital markets may create additional risks to our businesses in the future. We are exposed to financial market risk (including refinancing risk) resulting from factors beyond our control, including, among other things, commodity price volatility and changes in interest rates and conditions in the credit and capital markets. Adverse developments in the credit markets may increase our possible exposure to the liquidity, default and credit risks of our suppliers and vendors, counterparties associated with derivative financial instruments and our customers.

We depend on our intellectual property and failure to protect that intellectual property could adversely affect us. We seek trademark protection for our brands in each of our businesses, and we invest significant resources in developing our business brands. Failure to maintain our trademarks and brands could adversely affect our customer-facing businesses and our operational results.

Declines in the stock market or bond market, and a low interest rate environment, may negatively impact our balance sheet and pension liability. Declines in the stock market and a low interest rate environment historically have resulted in a significant impact on our balance sheet and our pension liability and funded status. Declines in the stock or bond market and valuation of stocks or bonds, combined with low interest rates, could further impact our balance sheet and our pension liability and funded status and increase the amount of required contributions to our pension plans.

Unless we otherwise consent in writing, our Amended and Restated Bylaws designate a state court located in Montgomery County, Pennsylvania or, if no state court located within such county has jurisdiction over such action or proceeding, the federal United States District Court for the Eastern District of Pennsylvania, as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our shareholders, which could discourage lawsuits against us and our directors and officers. Our Amended and Restated Bylaws provide that, unless we otherwise consent in writing, a state court located in Montgomery County, Pennsylvania or, if no state court located within such county has jurisdiction over such action or proceeding, the federal United States District Court for the Eastern District of Pennsylvania, as the sole and exclusive forum for: (a) any derivative action or proceeding brought on behalf of us; (b) any action or proceeding asserting a claim of breach of duty owed to us or our shareholders by any director, officer, or other employee of ours; (c) any action or proceeding asserting a claim against us or against any of our directors, officers or other employees arising pursuant to, or involving any interpretation or enforcement of, any provision of the Pennsylvania Associations Code, Pennsylvania Business Corporation Law of 1988, or our Amended and Restated Articles of Incorporation or Amended and Restated Bylaws; and (d) any action or proceeding asserting a claim peculiar to the relationship between or among us and our officers, directors, and shareholders, or otherwise governed by or involving the internal affairs doctrine. This exclusive forum provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act or the Securities Act.

This exclusive forum provision may limit the ability of our shareholders to bring a claim in a judicial forum that such shareholders find favorable for disputes with us or our directors or officers, which may discourage such lawsuits against us and our directors and officers. Alternatively, if a court outside of Pennsylvania were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, results of operations and financial condition.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

The Audit Committee is responsible for reviewing periodically the effectiveness of the Company's information and technology security policies and the internal controls regarding information and technology security and cybersecurity. We also have several working groups responsible for collaborating on cybersecurity policies and standards. The Global Chief Information Officer and the Global Chief Information Security Officer report to the Audit Committee quarterly on the Company's cybersecurity program, and to the Board of Directors, as necessary. In the event of a cybersecurity incident, our Global Chief Information Officer and Global Chief Information Security Officer, and others serving in similar capacities, will assess the incident and activate an incident response plan. These officers will escalate review of the incident to business unit leaders and/or members of our executive leadership team, as appropriate. We have a cybersecurity program to protect and preserve the confidentiality, integrity and continued availability of all information owned by, or in the care of, the Company. Our cybersecurity program has a formalized framework that is informed by domestic and international laws, regulations and industry best practices and frameworks, such as the National Institute of Standards and Technology Cybersecurity Framework, to safeguard the confidentiality, integrity and availability of our information and systems. Our Information Security Program serves as the foundation of our cybersecurity program and our Acceptable Use Policy and Information Security Program Policy also provides governance in this area. We partner with other companies, industries and law enforcement to communicate information about the latest cybersecurity threats and leverage threat modeling insights. We conduct cybersecurity assessments against industry cybersecurity frameworks to better enable us to prioritize actions and investments to enhance our cybersecurity capabilities. Our cybersecurity teams work diligently to safeguard Company and customer data by applying layered and defensive mechanisms to proactively provide the security needed to detect and defend against cyber-attacks and to withstand potential impacts. We periodically conduct tabletop exercises and penetration testing to test our defenses. In addition, we provide new hires and employees with cybersecurity training, which is monitored and tracked on an annual basis. We also issue routine phishing campaigns to educate employees on social engineering techniques and informal security awareness exercises are conducted throughout the year.

ITEM 3. LEGAL PROCEEDINGS

With the exception of those matters set forth in Note 16 to Consolidated Financial Statements included in Item 15 of this Report, no material legal proceedings are pending involving the Company, any of its subsidiaries, or any of their properties, and no such proceedings are known to be contemplated by governmental authorities other than claims arising in the ordinary course of business.

ITEM 4. MINE SAFETY DISCLOSURES

None.

EXECUTIVE OFFICERS

Information regarding our executive officers is included in Part III of this Report and is incorporated in Part I by reference.

PART II:

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Dividend Policy

Our Common Stock is traded on the New York Stock Exchange under the symbol "UGI." On November 14, 2025, we had 5,982 holders of record of Common Stock.

Payment of dividends is subject to declaration by the Board of Directors. Factors considered in determining dividends include our profitability and expected capital needs. Subject to these qualifications, we presently expect to continue to pay dividends on a quarterly basis.

Equity Compensation Plan Information

Information regarding the securities authorized for issuance under our equity compensation plans can be found under Part III of this Report.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (1)
July 1, 2025 to July 31, 2025	—	$0.00	—	6.00 million
August 31, 2025 to August 31, 2025	—	$0.00	—	6.00 million
September 1, 2025 to September 30, 2025	500,000	$33.05	500,000	5.50 million
Total	500,000		500,000	

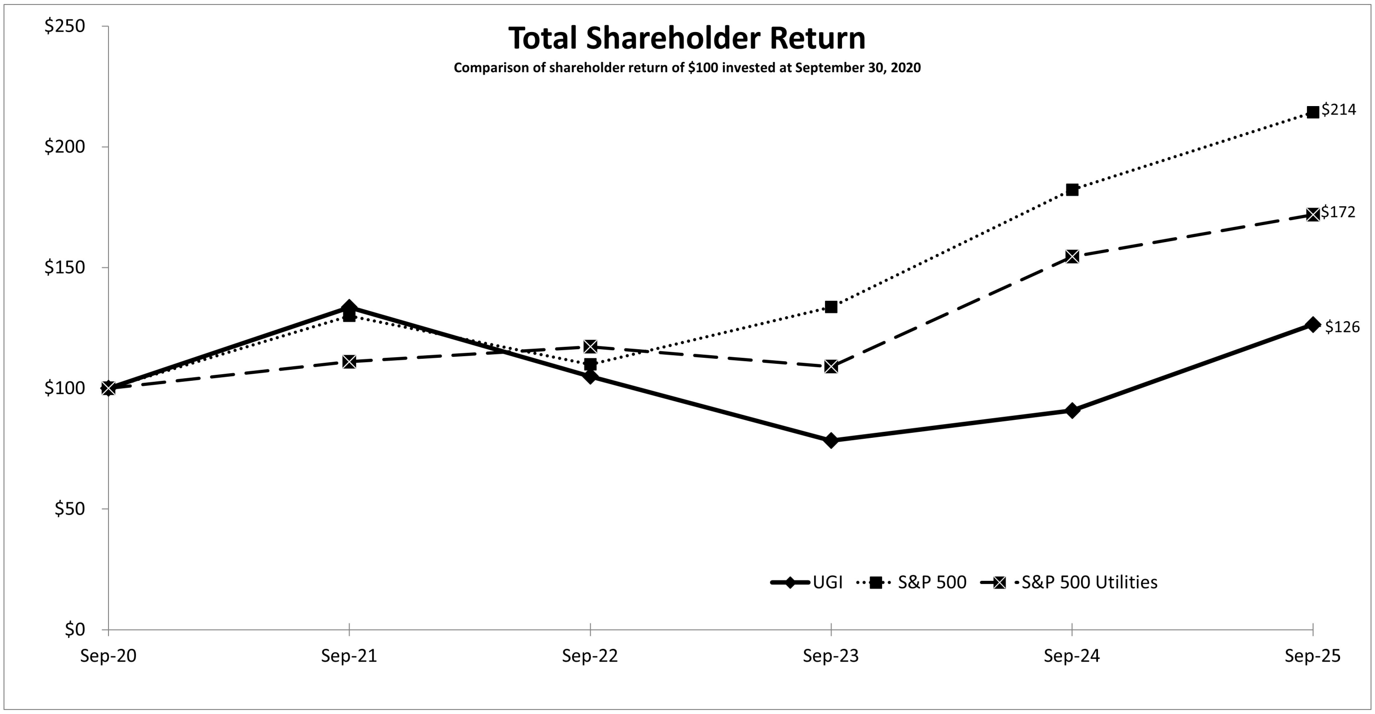
(1) Common Stock is repurchased through an extension of a previous share repurchase program announced by the Company on February 2, 2022. The Board of Directors authorized the repurchase of up to 8 million shares of Common Stock over a four-year period expiring in February 2026.

Recent Sale of Unregistered Securities

The Company did not sell any unregistered securities during Fiscal 2025.

Performance Graph

The following graph compares the cumulative five-year TSR (stock price appreciation and the reinvestment of dividends) on an investment of $100 in Common Stock, the S&P 500 Index, and the S&P 500 Utilities Index over the five years from September 30, 2020, through September 30, 2025. The stock performance shown on the graph below is based on historical data and is not necessarily indicative of future stock price performance.



ITEM 6. RESERVED

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MD&A discusses our results of operations for Fiscal 2025 and Fiscal 2024, and our financial condition. For discussion of our results of operations and cash flows for Fiscal 2024 compared with Fiscal 2023, refer to "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Fiscal 2024 Annual Report on Form 10-K, filed with the SEC on November 26, 2024. MD&A should be read in conjunction with Items 1 and 2, "Business and Properties," Item 1A, "Risk Factors," and the Consolidated Financial Statements, including "Segment Information" in Note 22 to 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.

Recent Developments

Global LPG Business Transactions

As part of the Company's ongoing global LPG business portfolio optimization efforts, the Company is strategically divesting operations in non-core markets to focus resources where it can achieve superior operational results and deliver enhanced customer value.

UGI International. In October 2025, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its LPG distribution business located in Austria. The Company expects to recognize a gain upon closing, which is expected in the first quarter of Fiscal 2026.

In June 2025, UGI International, through a wholly-owned subsidiary, completed the sale of UniverGas, its LPG distribution business in Italy. In conjunction with the sale, the Company recorded a pre-tax loss of $50 million in Fiscal 2025.

In June 2025, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its cylinder business in the United Kingdom. Accordingly, the assets and liabilities associated with this business, primarily comprised of long-lived assets, have been classified as held for sale at September 30, 2025. During Fiscal 2025, the Company recognized a non-cash, pre-tax impairment charge of $3 million to record such assets at estimated fair value less costs to sell. The sale was completed in October 2025.

AmeriGas Propane. In September 2025, AmeriGas OLP completed the sale of its propane business located in Hawaii. The transaction included the sale of approximately 750,000 gallons of propane storage facilities and multiple delivery fleet assets. In conjunction with the sale, the Company recorded a pre-tax gain of $17 million in Fiscal 2025.

See Note 5 to Consolidated Financial Statements for additional information.

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.

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:

	Year Ended September 30,	
(Millions of dollars, except per share amounts)	2025	2024
Adjusted net income attributable to UGI Corporation:		
Utilities	$ 237	$ 237
Midstream & Marketing	269	238
UGI International	242	262
AmeriGas Propane	36	(23)
Corporate & Other (a)	(106)	(445)
Net income attributable to UGI Corporation	678	269
Net losses (gains) on commodity derivative instruments not associated with current-period transactions (net of tax of $(2) and $17, respectively)	7	(60)
Unrealized losses (gains) on foreign currency derivative instruments (net of tax of $(3) and $(9), respectively)	7	22
Loss associated with impairment of AmeriGas Propane goodwill (net of tax of $0 and $(3), respectively)	—	192
Loss on extinguishments of debt (net of tax of $(2) and $(3), respectively)	8	6
AmeriGas operations enhancement for growth project (net of tax of $0 and $(6), respectively)	—	19
Restructuring costs (net of tax of $0 and $(20), respectively)	—	56
Costs associated with exit of the UGI International energy marketing business (net of tax of $0 and $(15), respectively)	—	69
Net loss on disposals of businesses (net of tax of $2 and $(11), respectively)	38	55
Impairments of equity method investments and assets (net of tax of $0 and $(3), respectively)	—	30
Release of valuation allowance on certain deferred tax assets	(10)	—
Total adjustments (a) (b)	50	389
Adjusted net income attributable to UGI Corporation	$ 728	$ 658

	Year Ended September 30,	
	2025	2024
Adjusted diluted earnings per share:		
Utilities	$ 1.08	$ 1.10
Midstream & Marketing	1.23	1.11
UGI International	1.10	1.22
AmeriGas Propane	0.16	(0.11)
Corporate & Other (a)	(0.48)	(2.07)
Earnings per share - diluted	3.09	1.25
Net losses (gains) on commodity derivative instruments not associated with current-period transactions	0.03	(0.28)
Unrealized losses (gains) on foreign currency derivative instruments	0.04	0.10
Loss associated with impairment of AmeriGas Propane goodwill	—	0.89
Loss on extinguishments of debt	0.04	0.03
AmeriGas operations enhancement for growth project	—	0.09
Restructuring costs	—	0.26
Costs associated with exit of the UGI International energy marketing business	—	0.32
Net loss on disposals of businesses	0.17	0.26
Impairments of equity method investments and assets	—	0.14
Release of valuation allowance on certain deferred tax assets	(0.05)	—
Total adjustments (a)	0.23	1.81
Adjusted diluted earnings per share	$ 3.32	$ 3.06

(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 22 to 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

Fiscal 2025 Compared with Fiscal 2024

Net income attributable to UGI Corporation was $678 million (equal to $3.09 per diluted share) and $269 million (equal to $1.25 per diluted share) in Fiscal 2025 and Fiscal 2024, respectively. These results include net gains (losses) from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of $(14) million and $38 million in Fiscal 2025 and Fiscal 2024, respectively.

Net income attributable to UGI Corporation in Fiscal 2025 also includes (1) a $38 million net loss on disposals of certain non-core assets from our global LPG business, reflecting a $51 million loss at UGI International and a $13 million gain at AmeriGas Propane; (2) $10 million income tax benefits associated with the release of valuation allowance on certain deferred tax assets at AmeriGas Propane; and (3) a loss on extinguishments of debt of $8 million, primarily at AmeriGas Propane.

Net income attributable to UGI Corporation in Fiscal 2024 also includes (1) a $192 million loss associated with impairment of AmeriGas Propane goodwill; (2) $69 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; (3) restructuring costs of $56 million largely attributable to a reduction in workforce and related costs, primarily at UGI International; (4) a $55 million loss on disposal of UGID; (5) $30 million of impairments associated with equity method investments and certain other assets at UGI International; (6) external advisory fees of $19 million associated with AmeriGas operations enhancement for growth project; and (7) loss on extinguishments of debt of $6 million, primarily at AmeriGas Propane.

Adjusted net income attributable to UGI Corporation was $728 million (equal to $3.32 per diluted share) and $658 million (equal to $3.06 per diluted share) in Fiscal 2025 and Fiscal 2024, respectively. The increase in adjusted net income attributable to UGI Corporation during Fiscal 2025 reflects higher earnings contributions primarily from our AmeriGas Propane and Midstream & Marketing segments, partially offset by lower earnings contributions from our UGI International segment. In Fiscal 2025, temperatures in all of our business segments were colder than the prior year.

Utilities adjusted net income in Fiscal 2025 was comparable to the prior year as higher total margin due in large part to higher core market volumes was substantially offset by higher operating and administrative expenses.

Midstream & Marketing adjusted net income increased $31 million in Fiscal 2025 compared to the prior year. The increase is primarily attributable to lower income tax expenses, reflecting higher investment tax credits in Fiscal 2025, partially offset by lower total margin.

UGI International's adjusted net income decreased $20 million in Fiscal 2025 compared to the prior year. The decrease is mainly attributable to higher income tax expenses and lower margin contributions primarily from our LPG business, reflecting lower LPG retail volumes sold, partially offset by lower operating and administrative expenses.

AmeriGas Propane's adjusted net income increased $59 million in Fiscal 2025 compared to the prior year, principally reflecting lower income tax expenses and, to a lesser extent, higher total margin, primarily attributable to higher average retail propane unit margins, and lower operating and administrative expenses.

Analysis of Segment Results

The following analysis compares results of operations by our reportable segments for Fiscal 2025 and Fiscal 2024:

Utilities	2025	2024	Increase (Decrease)	
(Dollars in millions)				
Revenues	$ 1,761	$ 1,598	$ 163	10 %
Total margin (a)	$ 963	$ 924	$ 39	4 %
Operating and administrative expenses (a)	$ 388	$ 363	$ 25	7 %
Operating income	$ 397	$ 394	$ 3	1 %
Earnings before interest expense and income taxes	$ 403	$ 400	$ 3	1 %
Gas Utility system throughput – bcf				
Core market	102	93	9	10 %
Total	378	378	—	— %
Electric Utility distribution sales - gwh	988	980	8	1 %
Gas Utility degree days—% (warmer) than normal (b)	(2.4)%	(16.0)%	—	—

(a) Total margin represents total revenues less total cost of sales and revenue-related taxes (i.e. gross receipts and business and occupation taxes) of $24 million each during Fiscal 2025 and Fiscal 2024. For financial statement purposes, revenue-related taxes are included in "Operating and administrative expenses" on the Consolidated Statements of Income (but are excluded from operating 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 service territories.

Temperatures in Gas Utility's service territories during Fiscal 2025 were 2.4% warmer than normal and 11.3% colder than the prior year. Gas Utility core market volumes increased 10% during Fiscal 2025, principally reflecting the impact from the colder weather. Total Gas Utility volume was comparable to the prior-year period as the increase in core market volumes was substantially offset by lower large firm delivery service volumes. The increase in Electric Utility distribution sales volumes during Fiscal 2025 is primarily attributable to warmer weather during the cooling season in the fourth quarter of Fiscal 2025.

Revenues increased $163 million during Fiscal 2025, reflecting higher Gas Utility revenues ($154 million) and higher Electric Utility revenues ($9 million). The increase in Gas Utility revenues was largely attributable to the higher core market volumes, higher off-system sales and the increase in the WV Gas Utility base rates, effective January 1, 2024. These increases were partially offset by the effects of the weather normalization adjustments. The increase in Electric Utility revenues is principally attributable to higher DS rates and higher volumes.

Cost of sales increased $124 million during Fiscal 2025, reflecting higher Gas Utility cost of sales ($116 million) and higher Electric Utility cost of sales ($8 million). The increase in Gas Utility cost of sales was largely attributable to the higher core market volumes and higher cost of sales associated with off-system sales. The increase in Electric Utility cost of sales is principally attributable to higher DS rates and higher sales volumes.

Total margin increased $39 million during Fiscal 2025, substantially attributable to higher Gas Utility total margin ($38 million). The increase in Gas Utility total margin mainly reflects the higher core market volumes and the increase in the WV Gas Utility base rates, effective January 1, 2024, partially offset by the effects of the weather normalization adjustments. Electric Utility margin was comparable to the prior-year period.

Operating income and earnings before interest expense and income taxes each increased $3 million during Fiscal 2025. The increase largely reflects the increase in total margin ($39 million) substantially offset by higher operating and administrative expenses ($25 million) and higher depreciation expense ($12 million). The higher operating and administrative expenses reflect, among other things, higher personnel expenses, higher general insurance costs and higher maintenance expenses. The higher depreciation expense compared to the prior year reflects the effects of continued distribution system capital expenditure activity.

Midstream & Marketing	2025		2024		Increase (Decrease)		
(Dollars in millions)							
Revenues	$	1,483	$	1,369	$	114	8 %
Total margin (a)	$	494	$	505	$	(11)	(2)%
Operating and administrative expenses	$	129	$	125	$	4	3 %
Operating income	$	288	$	301	$	(13)	(4)%
Earnings before interest expense and income taxes	$	293	$	313	$	(20)	(6)%

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

Average temperatures across Midstream & Marketing's energy marketing territory during Fiscal 2025 were 0.4% warmer than normal and 12.2% colder than the prior year.

Revenues increased $114 million during Fiscal 2025, primarily reflecting higher revenues from natural gas marketing activities ($115 million) that were primarily impacted by the colder weather, and higher revenues from renewable energy ($12 million). These increases were partially offset by the absence of revenues from UGID that was sold in September 2024 ($35 million).

Cost of sales increased $125 million during Fiscal 2025, primarily reflecting higher natural gas costs ($95 million) related to the previously mentioned natural gas marketing activities, higher midstream cost of sales ($16 million), mainly from higher peaking activities, and higher cost of sales from renewable energy ($9 million). These increases were partially offset by the absence of cost of sales from UGID that was sold in September 2024 ($19 million).

Midstream & Marketing total margin decreased $11 million during Fiscal 2025, primarily reflecting lower midstream margins ($22 million), mainly from lower natural gas gathering and processing activities, and the absence of margins from UGID that was sold in September 2024 ($16 million). These decreases were partially offset by higher total margin from natural gas marketing activities ($20 million).

Operating income during Fiscal 2025 decreased $13 million, largely attributable to the lower total margin ($11 million) and, to a lesser extent, slightly higher operating and administrative expenses ($4 million).

Earnings before interest expense and income taxes during Fiscal 2025 decreased $20 million, principally reflecting the lower operating income ($13 million) and, to a lesser extent, lower income from equity investees ($4 million).

UGI International	2025		2024		Increase (Decrease)		
(Dollars in millions)							
Revenues	$	2,119	$	2,279	$	(160)	(7)%
Total margin (a)	$	940	$	978	$	(38)	(4)%
Operating and administrative expenses	$	543	$	578	$	(35)	(6)%
Operating income	$	305	$	311	$	(6)	(2)%
Earnings before interest expense and income taxes	$	314	$	323	$	(9)	(3)%
LPG retail gallons sold (millions)		698		725		(27)	(4)%
Degree days—% (warmer) than normal (b)		(3.3)%		(11.8)%		—	—

(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 at locations in our UGI International service territories.

Average temperatures during Fiscal 2025 were 3.3% warmer than normal and 5.0% colder than Fiscal 2024. Notwithstanding the colder weather, total LPG retail gallons sold during Fiscal 2025 slightly decreased compared to Fiscal 2024, largely attributable to continued structural conservation and the absence of certain customers who previously converted from natural gas to LPG, substantially offset by the impact from the colder weather and higher crop drying campaigns.

UGI International base-currency results are translated into U.S. dollars 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 Fiscal 2025 and Fiscal 2024, the average unweighted euro-to-dollar translation rates were approximately $1.11 and $1.08, respectively, and the average unweighted British pound sterling-to-dollar translation rates were approximately $1.31 and $1.27, 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 $6 million and $11 million in Fiscal 2025 and Fiscal 2024, respectively.

Average wholesale prices for propane and butane during Fiscal 2025 in northwest Europe were approximately 4.4% and 4.0% lower, respectively, compared to Fiscal 2024. Revenues and cost of sales decreased $160 million and $122 million, respectively, in Fiscal 2025. The decrease in revenues and cost of sales principally reflects significantly lower energy marketing activities during Fiscal 2025, 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 was also attributable to the lower LPG retail volumes sold, partially offset by LPG price increases across Europe and the translation effects of the stronger foreign currencies (approximately $21 million). The decrease in cost of sales was also attributable to the lower LPG retail volumes sold, substantially offset by higher LPG product costs and the translation effects of the stronger foreign currencies (approximately $12 million).

Total margin decreased $38 million during Fiscal 2025 primarily reflecting the lower margin contributions from our LPG business and, to a lesser extent, from our energy marketing activities. The lower margin from our LPG business primarily reflects the lower LPG retail volumes sold, partially offset by the effects of higher average unit margins during Fiscal 2025 and the translation effects of the stronger foreign currencies (approximately $9 million). 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.

Operating income decreased $6 million during Fiscal 2025. The decrease reflects the lower total margin ($38 millions) and, to a much lesser extent, higher depreciation and amortization expenses ($4 million), largely offset by lower operating and administrative expenses ($35 million). The lower operating and administrative expenses during Fiscal 2025 primarily reflect (1) lower personnel expenses, (2) lower distribution and maintenance expenses in our LPG business, (3) lower uncollectible accounts expense, and (4) a decline in energy marketing-related operating expenses. These decreases were partially offset by the effects of inflationary increases and the translation effects of the stronger foreign currencies (approximately $10 million).

Earnings before interest expense and income taxes decreased $9 million during Fiscal 2025. The decrease largely reflects the lower operating income ($6 million) and lower realized gains on foreign currency exchange contracts ($5 million) entered into in order to reduce volatility in UGI International earnings resulting from the effects of changes in foreign currency exchange rates.

AmeriGas Propane	2025	2024	Increase (Decrease)	
(Dollars in millions)				
Revenues	$ 2,276	$ 2,271	$ 5	— %
Total margin (a)	$ 1,222	$ 1,212	$ 10	1 %
Operating and administrative expenses	$ 924	$ 933	$ (9)	(1)%
Operating income / earnings before interest expense and income taxes	$ 166	$ 142	$ 24	17 %
Retail gallons sold (millions)	733	737	(4)	(1)%
Degree days—% (warmer) than normal (b)	(1.3)%	(8.0)%	—	—

(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 based on weather statistics provided by NOAA for 344 regions in the United States, excluding Alaska and Hawaii.

Average temperatures during Fiscal 2025 were 1.3% warmer than normal and 6.3% colder than the prior year. Total retail gallons sold slightly decreased during Fiscal 2025 as the impact from continuing customer attrition was substantially offset by the effects of the colder weather.

Average daily wholesale propane commodity prices during Fiscal 2025 at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 6% higher than such prices during Fiscal 2024. Total revenues increased $5 million during

Fiscal 2025, largely reflecting the effects of higher average retail propane selling prices ($46 million), partially offset by lower fee income ($16 million), lower wholesale revenues ($15 million) and the lower retail volumes sold ($10 million).

Total cost of sales decreased $5 million during Fiscal 2025, largely reflecting lower wholesale cost of sales ($13 million) and the lower retail propane volumes sold ($5 million), partially offset by the higher retail propane product costs ($17 million).

Total margin increased $10 million in Fiscal 2025, largely reflecting higher average retail propane unit margins ($30 million), partially offset by lower fee income ($12 million) and the lower retail propane volumes sold ($6 million).

Operating income and earnings before interest expense and income taxes each increased $24 million in Fiscal 2025 primarily reflecting the higher total margin ($10 million), lower operating and administrative expenses ($9 million) and higher other operating income ($5 million), mainly resulting from higher gains on sales of fixed assets during Fiscal 2025. Lower operating and administrative expenses reflect, among other things, lower uncollectible accounts expense and lower vehicle expenses.

Interest Expense and Income Taxes

Our consolidated interest expense during Fiscal 2025 was $411 million compared to $394 million during the prior year. The increase in interest expense reflects the effects of (1) higher average long-term debt outstanding at Utilities and UGI Corporation and (2) higher average credit agreement borrowings during Fiscal 2025, substantially offset by lower interest expense from lower average long-term debt outstanding at AmeriGas Propane.

Our effective income tax rate decreased in Fiscal 2025 compared to Fiscal 2024, primarily due to (1) the higher release of valuation allowances on deferred tax assets expected to be utilized by our UGI International and AmeriGas Propane segments; and (2) higher investment tax credits available in Fiscal 2025 due to a larger level of project completions in our Midstream & Marketing segment.

See Note 7 to Consolidated Financial Statements for additional information on our income taxes.

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 $1.6 billion and $1.5 billion at September 30, 2025 and 2024, respectively. In November 2025, the Company used a portion of proceeds from the issuance of the UGI Utilities 5.10% Senior Notes and 5.68% Senior Notes to repay the $175 million outstanding principal balance of the 1.59% and 1.64% UGI Utilities senior notes maturing in June and September 2026. Accordingly, $175 million aggregate principal amounts of these maturing senior notes have been classified as long-term debt on the September 30, 2025 Consolidated Balance Sheet. As of September 30, 2025, current maturities of long-term debt principally comprises $100 million outstanding principal balance of UGI Utilities, 2.95% Senior Notes, due June 2026. Except as noted, 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 September 30, 2025.

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, hybrid or equity 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, hybrid 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 $335 million and $213 million at September 30, 2025 and 2024, respectively. Excluding cash and cash equivalents that reside at UGI's operating subsidiaries, our cash and cash equivalents totaled $214 million and $72 million at September 30, 2025 and 2024, respectively. Such cash is available to pay dividends on Common Stock and for investment purposes.

During Fiscal 2025 and Fiscal 2024, our principal business units paid cash dividends and made other cash payments to UGI and its subsidiaries as follows:

(Millions of dollars)	2025	2024
Utilities	$ 79	$ 135
Midstream & Marketing	257	75
UGI International	31	115
Total	$ 367	$ 325

Common Stock

Dividends

Quarterly dividends per share of Common Stock paid during Fiscal 2025 and Fiscal 2024 were as follows:

	2025	**2024**
1st Quarter	$ 0.375	$ 0.375
2nd Quarter	0.375	0.375
3rd Quarter	0.375	0.375
4th Quarter	0.375	0.375
Total	$ 1.500	$ 1.500

On November 20, 2025, the Board of Directors declared a cash dividend equal to $0.375 per common share. The dividend will be payable on January 1, 2026, to shareholders of record on December 15, 2025.

Repurchases of Common Stock

During Fiscal 2025, the Company repurchased 1 million shares of its Common Stock at a total purchase price of $33 million. During Fiscal 2024, there were no repurchases of Common Stock. For additional information on the authorization of these repurchases, see Note 13 to Consolidated Financial Statements.

Long-term Debt and Credit Facilities

The Company's debt outstanding at September 30, 2025 and 2024, comprised the following:

	2025							2024
(Millions of dollars)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corp & Other	Eliminations (a)	Total	Total
Short-term borrowings	$ 269	$ 17	$ 200	$ —	$ —	$ —	$ 486	$ 465
Long-term debt (including current maturities):								
Senior notes	$ 2,000	$ —	$ 469	$ 1,555	$ 700	$ —	$ 4,724	$ 4,788
Term loans	116	778	352	—	400	—	1,646	1,759
Other long-term debt	15	40	13	200	263	(200)	331	186
Unamortized debt issuance costs	(7)	(11)	(5)	(14)	(16)	—	(53)	(55)
Total long-term debt	$ 2,124	$ 807	$ 829	$ 1,741	$ 1,347	$ (200)	$ 6,648	$ 6,678
Total debt	$ 2,393	$ 824	$ 1,029	$ 1,741	$ 1,347	$ (200)	$ 7,134	$ 7,143

(a) Represents the elimination of the intersegment loan between UGI International and AmeriGas Partners.

Significant Financing Activities

The following significant financing activities occurred during Fiscal 2025. See Note 6 to Consolidated Financial Statements for additional information on these transactions.

Utilities

UGI Utilities Senior Notes. In July 2025, UGI Utilities entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in November 2025, UGI Utilities issued $150 million aggregate principal amount of 5.10% Senior Notes due November 15, 2030, and $125 million aggregate principal amount of 5.68% Senior Notes due November 15, 2035. These senior notes are unsecured and rank equally with UGI Utilities' existing outstanding senior debt. UGI Utilities used the net proceeds from the issuance of these senior notes to (1) repay the $100 million outstanding principal balance of the 1.59% Senior Notes, due June 2026 and $75 million outstanding principal balance of the 1.64% Senior Notes, due September 2026; (2) reduce short-term borrowings; and (3) for general corporate purposes.

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.

Mountaineer 2025 Credit Agreement. In May 2025, Mountaineer entered into the Mountaineer 2025 Credit Agreement providing for borrowings up to $150 million, including a $20 million sublimit for letters of credit. Mountaineer may request an increase in the amount of loan commitments to a maximum aggregate amount of $250 million, subject to certain terms and conditions. In connection with entering into the Mountaineer 2025 Credit Agreement, Mountaineer paid off in full and terminated the Mountaineer 2023 Credit Agreement, dated as of November 2019. Borrowings under the Mountaineer 2025 Credit Agreement can be used to refinance Mountaineer's existing indebtedness, finance the working capital needs of Mountaineer and for general corporate purposes. The Mountaineer 2025 Credit Agreement is scheduled to expire in May 2030, and Mountaineer has the option, with the consent of the lenders, to extend the maturity date to May 2031, and then to May 2032.

Mountaineer Senior Notes. In April 2025, Mountaineer entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in May 2025, Mountaineer issued $50 million aggregate principal amount of 6.11% Senior Notes due June 1, 2035 and $20 million aggregate principal amount of 6.21% Senior Notes due June 1, 2037. These senior notes are unsecured and rank equally with Mountaineer's existing outstanding senior debt. Mountaineer used the net proceeds from the issuance of these senior notes to reduce short-term borrowings and for general corporate purposes.

AmeriGas Propane

AmeriGas Partners Senior Notes. In May 2025, AmeriGas Partners and AmeriGas Finance Corp. issued $550 million aggregate principal amount of 9.5% Senior Notes due June 2030. The 9.5% Senior Notes rank equally with AmeriGas Partners' existing and future outstanding senior notes. The net proceeds from the issuance of the 9.5% Senior Notes, together with cash on hand and other sources of liquidity, were used for the early repayment, pursuant to a tender offer and notice of redemption, of all AmeriGas Partners 5.875% Senior Notes having an aggregate principal amount of $664 million, plus tender and make whole premiums and accrued and unpaid interest.

In February 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. In March 2025, AmeriGas Partners and AmeriGas Finance Corp, using the cash on hand from borrowings under the intercompany loan, redeemed all of the $218 million outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025, plus accrued and unpaid interest. As of September 30, 2025, borrowings outstanding on the intercompany loan, due January 2027, were $200 million and subsequent to September 30, 2025, the Partnership repaid $35 million of such borrowings.

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

UGI Corporation 2025 Credit Agreement. In October 2024, UGI entered into a new 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 and 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.

In August 2025, the Company amended its UGI Corporation 2025 Credit Agreement to add an additional revolving credit facility of $300 million, the borrowings of which, if any, can be used solely to fund the cash consideration in the event of early conversion requests of the UGI Corporation Senior Notes (see "UGI Corporation Senior Notes" below). The $300 million credit facility is scheduled to expire in August 2026, and the Company has the option, subject to meeting certain conditions, to convert and extend the credit facility borrowings into a one year term loan.

UGI Corporation Senior Notes. In June 2024, UGI issued, in an underwritten private placement, an aggregate $700 million principal amount of 5.00% UGI Corporation Senior Notes due June 2028. The UGI Corporation Senior Notes are senior, unsecured obligations and rank equal in right of payment with our existing and future senior, unsecured indebtedness.

The UGI Corporation Senior Notes are convertible subject to the occurrence of certain events and circumstances. Before March 1, 2028, noteholders will have the right to convert their notes only upon the occurrence of certain events. From and after March 1, 2028, holders of the UGI Corporation Senior Notes may convert their notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date.

As of September 30, 2025, none of the events permitting the noteholders to convert their notes early existed. Accordingly, the UGI Corporation Senior Notes are classified as "Long-term debt" on the Consolidated Balance Sheet at September 30, 2025.

Credit Facilities

Information about the Company's principal credit agreements (excluding the Energy Services' Receivables Facility, which is discussed below) as of September 30, 2025 and 2024, is presented in the tables below.

(Currency in millions)	Expiration Date	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity	Weighted Average Interest Rate - End of Year
September 30, 2025						
AmeriGas OLP (a)	August 2029	$ 128	$ —	$ 2	$ 126	N.A.
UGI International, LLC (b)	March 2028	€ 500	€ 170	€ —	€ 330	6.00 %
Energy Services	May 2028	$ 300	$ —	$ —	$ 300	N.A.
UGI Utilities	November 2028	$ 375	$ 200	$ —	$ 175	5.13 %
Mountaineer	May 2030	$ 150	$ 69	$ —	$ 81	5.53 %
UGI Corporation (c)	October 2028	$ 475	$ 263	$ —	$ 212	6.63 %
September 30, 2024						
AmeriGas OLP (a)	August 2029	$ 200	$ 51	$ —	$ 149	7.29 %
UGI International, LLC (b)	March 2028	€ 500	€ 115	€ —	€ 385	4.88 %
Energy Services	May 2028	$ 300	$ —	$ —	$ 300	N.A.
UGI Utilities	November 2028	$ 375	$ 190	$ —	$ 185	5.92 %
Mountaineer	December 2025	$ 150	$ 96	$ —	$ 54	6.56 %
UGI Corporation (c)	August 2025	$ 300	$ 115	$ —	$ 185	7.45 %

(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.
(c) Borrowings outstanding have been classified as "Long-term debt" on the Consolidated Balance Sheets.
N.A. - Not applicable

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

	2025		2024	
(Currency in millions)	Average	Peak	Average	Peak
AmeriGas OLP	$ 29	$ 129	$ 18	$ 157
UGI International, LLC	€ 172	€ 278	€ 170	€ 229
Energy Services	$ —	$ —	$ 15	$ 62
UGI Utilities	$ 84	$ 263	$ 128	$ 316
Mountaineer	$ 69	$ 118	$ 77	$ 104
UGI Corporation	$ 232	$ 283	$ 180	$ 289

Receivables Facility. Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2025, the expiration date of the Receivables Facility was extended to October 2026. The Receivables Facility provides Energy Services with the ability to borrow up to $150 million of eligible receivables during the period October 17, 2025 to April 30, 2026, and up to $75 million of eligible receivables during the period May 1, 2026 to October 16, 2026, with the option to request consent for an increase of $50 million. 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 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 September 30, 2025, the outstanding balance of trade receivables was $69 million, $17 million of which was sold to the bank. Amounts sold to the bank are reflected as “Short-term borrowings” on the Consolidated Balance Sheet. At September 30, 2024, the outstanding balance of trade receivables was $51 million, none of which were sold to the bank. During Fiscal 2025 and Fiscal 2024, peak sales of receivables were $41 million and $97 million, respectively. During Fiscal 2025 and Fiscal 2024, average daily amounts sold were $4 million and $22 million, respectively.

See Note 6 to Consolidated Financial Statements for further information on the Company’s long-term debt, credit facilities and the Receivables Facility.

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 flows from operating activities in Fiscal 2025 and Fiscal 2024 were $1,227 million and $1,182 million, respectively. Cash flows from operating activities before the effects of changes in operating working capital were $1,247 million in Fiscal 2025 and $1,215 million in Fiscal 2024. Cash used to fund changes in operating working capital totaled $20 million in Fiscal 2025 compared to $33 million of cash flow used in Fiscal 2024. The decrease in cash required to fund changes in operating working capital in Fiscal 2025 reflects, among other things, a decrease in cash used to fund changes in accounts payable and other current liabilities largely offset by higher cash required to fund changes in accounts receivable.

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 expenditures for property, plant and equipment totaled $837 million in Fiscal 2025 and $796 million in Fiscal 2024. The increase in cash payments for property, plant and equipment in Fiscal 2025 compared with Fiscal 2024 principally reflects the effects of the Company’s continued distribution system capital expenditure activity at our Utilities segment. Net proceeds from the disposal of businesses and assets primarily includes proceeds from the disposition of UniverGas and the Hawaii propane business in Fiscal 2025 and the sale of UGID in Fiscal 2024, among other things. Investments in equity method investments was $38 million in Fiscal 2025 principally comprising 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 Common Stock; quarterly payments on outstanding Purchase Contracts; and issuances and repurchases of equity instruments.

Cash flow used by financing activities was $406 million in Fiscal 2025 compared to cash flow used by financing activities of $506 million in Fiscal 2024.

Cash flow from financing activities in Fiscal 2025 includes, among other things, (a) the issuance by UGI Utilities of $50 million and $125 million principal amount of senior notes (b) entering into the UGI Corporation 2025 Credit Agreement and corresponding repayment of the borrowings outstanding under the UGI Corporation Credit Facility Agreement, (c) the repayment by AmeriGas Propane of the $218 million outstanding aggregate principal amount of the 5.50% Senior Notes, (d) the issuance by Mountaineer of $50 million and $20 million principal amount of senior notes, (e) the issuance by AmeriGas Propane of $550 million principal amount of senior notes, and (f) the repayment by AmeriGas Propane of the $664 million outstanding aggregate principal amount of the 5.875% Senior Notes.

Cash flow from financing activities in Fiscal 2024 includes, among other things, the June 2024 issuance by UGI Corporation of the $700 million of the UGI Corporation 5.00% Senior Notes and UGI Utilities issuance of $250 million principal amount of senior notes. Proceeds from the UGI Corporation 5.00% Senior Notes were used to reduce amounts outstanding under UGI Corporation's revolving credit facility, to repay its outstanding variable-rate amortizing term loan, and to fund a capital contribution to the Partnership in the amount of $315 million which, along with other sources of liquidity, the Partnership used to repurchase $475 million aggregate principal amount of its 5.50% Senior Notes.

Capital Expenditures

In the following table, we present capital expenditures (which exclude acquisitions of businesses and assets) for Fiscal 2025 and Fiscal 2024. We also provide amounts we expect to spend on capital expenditures in Fiscal 2026. We expect to finance a substantial portion of our Fiscal 2026 capital expenditures from cash generated by operations and cash on hand.

(Millions of dollars)	2026 (estimate)	2025	2024
Utilities	$ 629	$ 556	$ 482
Midstream & Marketing	217	114	150
UGI International	107	93	87
AmeriGas Propane	100	81	86
Total	$ 1,053	$ 844	$ 805

The increase in capital expenditures in Fiscal 2025 was primarily driven by continued distribution system capital expenditure activity at the Utilities segment.

Contractual Cash Obligations and Commitments

The Company has contractual cash obligations that extend beyond Fiscal 2025. The following table presents contractual cash obligations with non-affiliates under agreements existing as of September 30, 2025:

	Payments Due by Period				
(Millions of dollars)	Total	Fiscal 2026	Fiscal 2027 - 2028	Fiscal 2029 - 2030	Thereafter
Short-term borrowings (a)	$ 486	$ 486	$ —	$ —	$ —
Long-term debt (a)	6,701	117	2,587	2,110	1,887
Interest on long-term fixed-rate debt (a)(b)(c)	2,292	381	648	343	920
Operating leases	509	112	180	117	100
UGI International supply contracts	433	433	—	—	—
Midstream & Marketing supply contracts	749	214	199	96	240
Utilities construction, supply, storage and transportation contracts	938	264	311	132	231
Derivative instruments (d)	68	48	20	—	—
Total	$ 12,176	$ 2,055	$ 3,945	$ 2,798	$ 3,378

(a) Based upon stated maturity dates for debt outstanding at September 30, 2025. In July 2025, UGI Utilities entered into a note purchase agreement which was funded in November 2025 issuing $150 million of 5.10% Senior Notes due November 15, 2030, and $125 million of 5.68% Senior Notes due November 15, 2035. The net proceeds from the issuance were used, in part, to repurchase $175 million aggregate principal amount of existing senior notes maturing in Fiscal 2026. As of September 30, 2025, based on the Company's intent and ability to refinance these obligations, the maturing senior notes have been classified as long-term debt on the Consolidated Balance Sheet.

(b) Based upon stated interest rates adjusted for the effects of interest rate swaps.

(c) Calculated using applicable interest rates or forward interest rate curves, and UGI's and its subsidiaries' leverage ratios, as of September 30, 2025.

(d) Represents the sum of amounts due if derivative instrument liabilities were settled at the September 30, 2025 amounts reflected in the Consolidated Balance Sheet (but excluding amounts associated with interest rate contracts).

“Other noncurrent liabilities” included in our Consolidated Balance Sheet at September 30, 2025, principally comprise operating lease liabilities; regulatory liabilities; refundable tank and cylinder deposits; litigation, property and casualty liabilities and obligations under environmental remediation agreements; pension and other postretirement benefit liabilities recorded in accordance with accounting guidance relating to employee retirement plans; and liabilities associated with executive compensation plans. These liabilities, with the exception of operating lease liabilities, are not included in the table of Contractual Cash Obligations and Commitments because they are estimates of future payments and not contractually fixed as to timing or amount. The minimum required contributions to the U.S. Pension Plans (as further described below under “U.S. Pension Plans”) in Fiscal 2026 are approximately $18 million. The minimum required contributions to the U.S. Pension Plans in years beyond Fiscal 2026 will depend, in large part, on the impacts of future returns on pension plan assets and interest rates on pension plan liabilities.

U.S. Pension Plans

The U.S. Pension Plans consist of (1) a defined benefit pension plan for employees hired prior to January 1, 2009, of UGI, UGI Utilities, and certain of UGI’s other domestic wholly owned subsidiaries, and (2) a defined benefit pension plan for Mountaineer employees hired prior to January 1, 2023. The fair values of the U.S. Pension Plans’ assets totaled $654 million and $635 million at September 30, 2025 and 2024, respectively. At September 30, 2025 and 2024, the underfunded positions of the U.S. Pension Plans, defined as the excess of the PBO over the U.S. Pension Plans’ assets, were $3 million and $38 million, respectively.

We believe we are in compliance with regulations governing defined benefit pension plans, including the ERISA rules and regulations. The minimum required contributions to the U.S. Pension Plans in Fiscal 2026 are approximately $18 million.

GAAP guidance associated with pension and other postretirement plans generally requires recognition of an asset or liability in the statement of financial position reflecting the funded status of pension and other postretirement benefit plans with current year changes recognized in shareholders’ equity unless such amounts are subject to regulatory recovery. At September 30, 2025, we have recorded pre-tax gains to UGI Corporation’s stockholders’ equity of $12 million and recorded regulatory assets totaling $100 million in order to reflect the funded status of the U.S. Pension Plans.

See Note 8 to Consolidated Financial Statements for further information on the U.S. Pension Plans and our other postretirement benefit plans.

Related Party Transactions

During Fiscal 2025 and Fiscal 2024, we did not enter into any related-party transactions that had a material effect on our financial condition, results of operations or cash flows.

Off-Balance-Sheet Arrangements

UGI primarily enters into guarantee arrangements on behalf of its consolidated subsidiaries. These arrangements are not subject to the recognition and measurement guidance relating to guarantees under GAAP.

We do not have any off-balance-sheet arrangements that are expected to have a material effect on our financial condition, change in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

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. On September 11, 2025, the PAPUC issued a final order approving a settlement providing for a $70 million annual base distribution rate increase, effective October 28, 2025, and maintenance of the Weather Normalization Adjustment through the end of its pilot period with modification.

On January 27, 2023, Electric Utility filed a request with the PAPUC to increase its annual base distribution revenues by $11 million. On September 21, 2023, the PAPUC issued a final order approving a settlement providing for a $9 million annual base distribution rate increase for Electric Utility, effective October 1, 2023.

Mountaineer. On July 31, 2025, WV Gas Utility submitted its 2025 IREP filing to the WVPSC requesting recovery of $24 million, an increase of $5 million, for costs associated with capital investments after December 31, 2022, that total $274 million, including $77 million in calendar year 2026. The filing included capital investments totaling $445 million over the 2026 - 2030 period. An order from the WVPSC is expected in December, with new rates to be effective January 1, 2026.

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. On October 6, 2023, the WVPSC issued a final order approving a settlement providing for a $14 million net revenue increase, effective January 1, 2024. The WVPSC also approved a five-year weather normalization adjustment rider pilot program beginning October 1, 2024, which adjusts residential and small commercial distribution billings when weather deviates more than 2% from normal during the October-May heating season.

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 investigated and the PAPUC is investigating the West Reading incident. The NTSB investigative team included representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company cooperated 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. On April 8, 2025, the NTSB released its final report concluding that a fracture in an R.M. Palmer steam pipe created elevated underground temperatures that caused thermal degradation of a UGI Utilities service tee, resulting in a natural gas leak, and recommended UGI Utilities inventory and address risks to plastic gas assets in high-temperature environments.

The Company has received claims as a result of the explosion and is involved in lawsuits relative to the incident. With the issuance of the final NTSB report, discovery in the litigation has begun. 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.

Market Risk Disclosures

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, 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. 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 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. In order to manage market price risk relating to fixed-price sales contracts for electricity, Midstream & Marketing entered into electricity futures and forward contracts. Prior to the sale of UGID in September 2024, 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 the exit of substantially all of the Company's energy marketing business in Europe (see Note 5 to Consolidated Financial Statements), 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.

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 September 30, 2025, 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 September 30, 2025, combined borrowings outstanding under variable-rate debt agreements, excluding the previously mentioned effectively fixed-rate debt, totaled $786 million. Based upon average borrowings outstanding under variable-rate borrowings (excluding effectively fixed-rate term loan debt), an increase in short-term interest rates of 100 basis points (1%) would have increased our Fiscal 2025 interest expense by approximately $7 million. The remainder of our debt outstanding is subject to fixed rates of interest. A 100 basis point increase in market interest rates would result in decreases in the fair value of this fixed-rate debt of approximately $225 million at September 30, 2025. A 100 basis point decrease in market interest rates would result in increases in the fair value of this fixed-rate debt of approximately $235 million at September 30, 2025.

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 September 30, 2025, by approximately $80 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 September 30, 2025, 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 $97 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 September 30, 2025, we received cash collateral from derivative instrument counterparties totaling $2 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 September 30, 2025, 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 September 30, 2025 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.

	Asset (Liability)	
(Millions of dollars)	Fair Value	Change in Fair Value
September 30, 2025		
Commodity price risk (1)	$ (32)	$ (96)
Interest rate risk (2)	$ (12)	$ (10)
Foreign currency exchange rate risk (3)	$ (18)	$ (61)

(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.

Critical Accounting Policies and Estimates

The accounting policies and estimates discussed in this section are those that we consider to be the most critical to an understanding of our financial statements because they involve significant judgments and uncertainties. The application of these accounting policies and estimates necessarily requires management’s most subjective or complex judgments regarding estimates and projected outcomes of future events. Changes in these policies and estimates could have a material effect on our financial statements. Also, see Note 2 to Consolidated Financial Statements which discusses our significant accounting policies.

Goodwill Impairment Evaluation. Our goodwill is the result of business acquisitions. 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. A reporting unit with goodwill is required to perform an impairment test annually or whenever events or circumstances indicate that the value of goodwill may be impaired.

For certain of our reporting units with goodwill, we assess qualitative factors to determine whether it is more likely than not that the fair value of such reporting unit is less than its carrying amount. For our other reporting units with goodwill, we bypass the qualitative assessment and perform the quantitative assessment by comparing the fair values of the reporting units with their carrying amounts, including goodwill. We determine fair values generally based on a weighting of income and market approaches. For purposes of the income approach, fair values are determined based upon the present value of the reporting unit’s estimated future cash flows, including an estimate of the reporting unit’s terminal value based upon these cash flows, discounted at appropriate risk-adjusted rates. We use our internal forecasts to estimate future cash flows, which may include estimates of long-term future growth rates based upon our most recent reviews of the long-term outlook for each reporting unit. Cash flow estimates used to establish fair values under our income approach involve management judgments based on a broad range of information and historical results. In addition, external economic and competitive conditions can influence future performance. For purposes of the market approach, we use valuation multiples for companies comparable to our reporting units. The market approach requires judgment to determine the appropriate valuation multiples. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to such excess but not to exceed the total amount of the goodwill of the reporting unit.

During the fourth quarter of Fiscal 2024, as part of its annual goodwill impairment assessment, the Company performed a quantitative assessment for its AmeriGas Propane reporting unit. Using level 3 inputs, we performed a quantitative assessment of the AmeriGas Propane reporting unit using a weighting of the income and market approaches to determine its fair value. With respect to the income approach, management used a discounted cash flow (“DCF”) method, using unobservable inputs. The significant assumptions in our DCF model include projected EBITDA and a discount rate (and estimates in the discount rate inputs). With respect to the market approach, management used recent transaction market multiples for similar companies in the U.S. The resulting estimates of fair value from the income approach and the market approach were then weighted equally in determining the overall estimated fair value of AmeriGas Propane.

Based on our evaluations in Fiscal 2024, the estimated fair value of the AmeriGas Propane reporting unit was determined to be less than its carrying value. As a result, the Company recorded a non-cash pre-tax goodwill impairment charge of $195 million in Fiscal 2024 to reduce the carrying value of AmeriGas Propane to its fair value.

With respect to the AmeriGas Propane reporting unit’s Fiscal 2025 impairment test, we performed a quantitative assessment. Based on our evaluation, we determined that AmeriGas Propane’s fair value exceeded its carrying value by more than 25%. While the Company believes that its judgments used in the quantitative assessment of AmeriGas Propane’s fair value are reasonable based upon currently available facts and circumstances, 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 an impairment. There is $1.1 billion of goodwill in this reporting unit as of September 30, 2025.

Except for the previously mentioned impairment charges at the AmeriGas Propane reporting unit, there were no other impairments of goodwill recognized in Fiscal 2025 and Fiscal 2024.

Impairment of Long-Lived Assets. An impairment test for long-lived assets (or an asset group) is required when circumstances indicate that such assets may be impaired. If it is determined that a triggering event has occurred, we perform a recoverability test based upon estimated undiscounted cash flow projections expected to be realized over the remaining useful life of the long-lived asset. If the undiscounted cash flows used in the recoverability test are less than the long-lived asset's carrying amount, we determine its fair value. If the fair value is determined to be less than its carrying amount, the long-lived asset is reduced to its estimated fair value and an impairment loss is recognized in an amount equal to such shortfall. When determining whether a long-lived asset has been impaired, management groups assets at the lowest level that has identifiable cash flows that are independent of other assets. Performing an impairment test on long-lived assets involves judgment in areas such as identifying when a triggering event requiring evaluation occurs; identifying and grouping assets; and, if the undiscounted cash flows used in the recoverability test are less than the long-lived asset's carrying amount, determining the fair value of the long-lived asset. Although cash flow estimates are based upon relevant information at the time the estimates are made, estimates of future cash flows are by nature highly uncertain and contemplate factors that change over time such as the expected use of the asset including future production and sales volumes, expected fluctuations in prices of commodities and expected proceeds from disposition.

The impairment of AmeriGas Propane’s goodwill in Fiscal 2024 was determined to be a triggering event requiring an impairment analysis of AmeriGas Propane’s long-lived and definite lived intangible assets. Accordingly, the Company performed a recoverability test of AmeriGas Propane’s long-lived assets, including right-of-use (“ROU”) assets and definite lived intangible assets, as of July 31, 2024, the measurement date of our annual goodwill impairment test, using estimated undiscounted cash flow projections expected to be generated over the remaining useful life of the primary asset of the asset group at the lowest level with identifiable cash flows that are independent of other assets. Based on the recoverability tests performed, we determined that (1) AmeriGas Propane’s long-lived assets, including ROU assets and definite lived intangible assets, were recoverable and, as such, no impairment charges were recorded; and (2) no adjustments to the remaining useful lives were necessary as of July 31, 2024. There were no such triggering events in Fiscal 2025.

See Note 5 to Consolidated Financial Statements for information on the impairment loss associated with the disposal of UGID during Fiscal 2024. There were no other material provisions for impairments of long-lived assets that occurred during Fiscal 2025 and Fiscal 2024.

Loss Contingencies and Environmental Remediation Liabilities. We are involved in litigation that arises in the normal course of business, and we are subject to environmental laws and regulations intended to mitigate or remove the effects of past operations and improve or maintain the quality of the environment. These laws and regulations require the removal or remedy of the effect on the environment of the disposal or release of certain specified hazardous substances at current or former operating sites.

We establish reserves for loss contingencies including pending litigation when it is probable that a liability exists and the amount or range of amounts related to such liability can be reasonably estimated. When no amount within a range of possible loss is a better estimate than any other amount within the range, liabilities recorded are based upon the low end of the range. With respect to unasserted claims arising from unreported incidents, we may use the work of specialists to estimate the ultimate losses to be incurred using actuarially determined loss development factors applied to actual claims data.

The likelihood of a loss with respect to a particular loss contingency is often difficult to predict. In addition, a reasonable estimate of the loss, or a range of possible loss, may not be practicable based upon the information available and the potential effects of future events and decisions by third parties that will determine the ultimate resolution of the loss contingency. Reasonable estimates involve management judgments based on a broad range of information and prior experience. For litigation and pending claims including those covered by insurance policies, the analysis of probable loss is performed on a case by case basis and includes an evaluation of the nature of the claim, the procedural status of the matter, the probability or likelihood of success in prosecuting or defending the claim, the information available with respect to the claim, the opinions and views of outside counsel and other advisors, and past experience in similar matters. These judgments are reviewed quarterly as more information is received, and the amounts reserved are updated as necessary. Our estimated reserves for loss contingencies may differ materially from the ultimate liability and such reserves may change materially as more information becomes available and estimated reserves are adjusted.

We accrue reserves for environmental remediation when assessments indicate that it is probable a liability has been incurred and an amount can be reasonably estimated. Amounts recorded as environmental liabilities on the Consolidated Balance Sheets represent our best estimate of costs expected to be incurred or, if no best estimate can be made, the minimum liability associated with a range of expected environmental investigation and remediation costs. These estimates are based upon a number of factors including whether the company will be responsible for such remediation, the scope and cost of the remediation work to be performed, the portion of costs that will be shared with other potentially responsible parties, the timing of the remediation and possible impact of changes in technology, and the regulations and requirements of local governmental authorities. Our estimated reserves for environmental remediation may differ materially from the ultimate liability and such reserves may change materially as more information becomes available and estimated reserves are adjusted. PA Gas Utility receives ratemaking recognition of environmental investigation and remediation costs associated with its in-state environmental sites. This ratemaking recognition balances the accumulated difference between historical costs and rate recoveries with an estimate of future costs associated with the sites.

Regulatory Assets and Liabilities. The accounting for our rate regulated gas and electric utility businesses differs from the accounting for nonregulated operations in that these businesses are required to reflect the effects of rate regulation in the consolidated financial statements. Regulatory practices that assign costs to accounting periods may differ from accounting methods generally applied by nonregulated businesses. When it is probable that regulators will permit the recovery of current costs through future rates charged to customers, these costs that otherwise would be expensed by nonregulated companies are deferred as regulatory assets. Similarly, regulatory liabilities are recognized when it is probable that regulators will require customer refunds through future rates or when revenue is collected from customers for expenditures that have yet to be incurred. We continually assess whether the regulatory assets are probable of future recovery by evaluating the regulatory environment, recent rate orders and public statements issued by the PAPUC, WVPSC and MDPSC, and discussions with regulatory authorities and legal counsel. If future recovery of regulatory assets ceases to be probable, the elimination of those regulatory assets would adversely impact our results of operations and cash flows. As of September 30, 2025, our regulatory assets and regulatory liabilities totaled $340 million and $314 million, respectively. For additional information on regulatory assets and liabilities, see Notes 2 and 9 to Consolidated Financial Statements.

Income Taxes. We use the asset and liability method of accounting for income taxes. We recognize the tax benefits from income tax positions that have a greater than more likely than not likelihood of being sustained upon examination by the taxing authorities. A liability is recorded for uncertain tax positions where it is more likely than not the position may not be sustained based on its technical merits. We use assumptions, judgments and estimates to determine our current provision for income taxes. We also use assumptions, judgments and estimates to determine our deferred tax assets and liabilities and any valuation allowance to be recorded against a deferred tax asset. The interpretation of tax laws involves uncertainty since tax authorities may interpret the laws differently. Our assumptions, judgments and estimates relative to the current provision for income tax give consideration to current tax laws, our interpretation of current tax laws and possible outcomes of current and future audits conducted by foreign and domestic tax authorities. Changes in tax law or our interpretation thereof and the resolution of current and future tax audits could significantly impact the amounts provided for income taxes in our consolidated financial statements. Our assumptions, judgments and estimates relative to the amount of deferred income taxes take into account estimates of the amount of future taxable income. Actual taxable income or future estimates of taxable income could render our current assumptions, judgments and estimates inaccurate. Changes in the assumptions, judgments and estimates mentioned above could cause our actual income tax obligations to differ significantly from our estimates. As of September 30, 2025, our net deferred tax liabilities totaled $890 million.

Recently Issued Accounting Pronouncements

See Note 3 to Consolidated Financial Statements for a discussion of recently issued accounting guidance.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

"Quantitative and Qualitative Disclosures About Market Risk" are contained in Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations under the caption "Market Risk Disclosures" and are incorporated by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Management's Annual Report on Internal Control Over Financial Reporting included in Item 9A and the financial statements and financial statement schedules referred to in the Index contained on page F-2 of this Report are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) 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 September 30, 2025, were effective at the reasonable assurance level.

(b) Management’s Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934, as amended. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002, management has conducted an assessment, including testing, of the Company’s internal control over financial reporting as of September 30, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the “COSO criteria”).

Internal control over financial reporting refers to the process, designed under the supervision and with the participation of management, including our Chief Executive Officer and our Chief Financial Officer, and effected by the Company’s Board of Directors, to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changing conditions, or the degree of compliance with the policies or procedures may deteriorate.

Based on the Company's evaluation, the Company's management concluded that its internal control over financial reporting was effective as of September 30, 2025. The effectiveness of the Company’s internal control over financial reporting as of September 30, 2025 has also been audited by the Company’s independent registered public accounting firm, KPMG LLP, as stated in its report which is included in this Annual Report on Form 10-K.

Remediation of Previously Disclosed Material Weakness in Internal Control Over Financial Reporting

As previously disclosed in our Annual Report on Form 10-K for the year ended September 30, 2024, management identified a material weakness in internal control related to the AmeriGas Propane reporting unit’s annual goodwill impairment analysis, specifically the review of cash flow projection assumptions was not performed on a timely basis and in sufficient detail.

Related to the AmeriGas Propane reporting unit annual goodwill impairment analysis material weakness, during fiscal 2025, management implemented its remediation plan that included (i) engaging a third-party valuation specialist to assist with the development of valuation models for the reporting unit and (ii) enhancing review and oversight of the reporting unit’s cash flow projections on a timely basis and in sufficient detail.

During the fourth quarter of Fiscal 2025, management has tested effectiveness of the controls, and concluded that the material weakness has been remediated.

(c) Changes in Internal Control Over Financial Reporting

Except as noted in the preceding paragraph, during the most recent fiscal quarter of Fiscal 2025, 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.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of UGI Corporation

Opinion on Internal Control over Financial Reporting

We have audited UGI Corporation and subsidiaries' (the Company) internal control over financial reporting as of September 30, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of September 30, 2025, the related consolidated statements of income, comprehensive income, change in equity, and cash flows for the year ended September 30, 2025, and the related notes and financial statement schedules I and II (collectively, the consolidated financial statements), and our report dated November 21, 2025 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP
Philadelphia, Pennsylvania
November 21, 2025

ITEM 9B. OTHER INFORMATION

During the three months ended September 30, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation-S-K. Further, during the three months ended September 30, 2025, the Company did not adopt or terminate a “Rule 10b5-1 trading arrangement” as defined in Item 408(a) of Regulation-S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable

PART III:

ITEMS 10 THROUGH 14.

In accordance with General Instruction G(3), and except as set forth below, the information required by Items 10, 11, 12, 13 and 14 is incorporated in this Report by reference to the following portions of UGI's Proxy Statement, which will be filed with the SEC by December 31, 2025.

	Information	Captions of Proxy Statement Incorporated by Reference
Item 10.	Directors, Executive Officers and Corporate Governance	Election of Directors - Nominees; Corporate Governance; Report of the Audit Committee of the Board of Directors
	Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics is available without charge on the Company's website, www.ugicorp.com under the caption "Company - Leadership and Governance - Governance Documents", or by writing to VP, Investor Relations & ESG, UGI Corporation, P. O. Box 858, Valley Forge, PA 19482. We will disclose on the Company's website any waiver from or amendment to the Code of Business Conduct and Ethics that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions and that relates to any element of the code of ethics definition in Item 406(b) of Regulations S-K.	
	Insider Trading Policy. The Company has adopted an Insider Trading Policy governing the purchase, sale, and/or other dispositions of the Company's securities that is reasonably designed to promote compliance with applicable laws, rules and regulations. A copy of the Company's Insider Trading Policy has been filed as Exhibit 19.1 to this Annual Report on Form 10-K.	
Item 11.	Executive Compensation	Compensation of Directors; Report of the Compensation and Talent Development Committee of the Board of Directors; Compensation Discussion and Analysis; Compensation of Executive Officers; Compensation Committee Interlocks and Insider Participation
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	Securities Ownership of Certain Beneficial Owners
Item 13.	Certain Relationships and Related Transactions, and Director Independence	Corporate Governance - Director Independence; Corporate Governance - Board and Committee Structure; Corporate Governance - Selection of Board Candidates; Policy for Approval of Related Person Transactions
Item 14.	Principal Accounting Fees and Services	Our Independent Registered Public Accounting Firm

Equity Compensation Table

The following table sets forth information as of the end of Fiscal 2025 with respect to compensation plans under which our equity securities are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)		Weighted average exercise price of outstanding options, warrants and rights (b)		Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)	
Equity compensation plans approved by security holders	6,154,811	(1)	$ 42.14		13,473,660	(2)
	1,515,989	(3)	$ 0			
Equity compensation plans not approved by security holders	—					
Total	7,670,800		$ 42.14	(4)		

(1) Represents stock option awards issued to employees and non-employees under the compensation plans: the UGI Corporation 2021 Incentive Award Plan, the 2013 Plan and the 2004 Plan. The UGI Corporation 2021 Incentive Award Plan was approved by shareholders on January 29, 2021.
(2) Represents securities remaining for issuance under the UGI Corporation 2021 Incentive Award Plan. The UGI Corporation 2021 Incentive Award Plan uses a share pool under which each share issued pursuant to a stock option or stock appreciation right reduces the number of shares available by one share, and each share issued pursuant to awards other than stock options or stock appreciation rights reduces the number of shares available by three (3) shares.
(3) Represents UGI Stock Units, UGI EPS Performance Units and UGI Performance Units issued to employees and non-employees, under compensation plans including the UGI Corporation 2021 Incentive Award Plan.
(4) Weighted-average exercise price of outstanding options; excludes UGI Stock Units, UGI EPS Performance Units, and UGI Performance Units as there is no exercise price associated with these awards.

The information concerning the Company's executive officers required by Item 10 is set forth below.

EXECUTIVE OFFICERS

Name	Age	Position
Robert C. Flexon	67	President and Chief Executive Officer
Sean P. O'Brien	56	Chief Financial Officer
Hans G. Bell	52	President, UGI Utilities, Inc.
Julie Fazio	53	President, UGI International, LLC
Joseph L. Hartz	62	President, UGI Energy Services, LLC
Michael Sharp	55	President, AmeriGas Propane, Inc.
Kathleen Shea Ballay	60	General Counsel, Chief Legal Officer, and Chief Compliance Officer
Jean Felix Tematio Dontsop	49	Vice President - Chief Accounting Officer and Corporate Controller

All executive officers are elected for a one-year term at the organizational meeting of the Board of Directors held each year.

There are no family relationships between any of the executive officers or between any of the executive officers and any of the directors.

Robert C. Flexon

Mr. Flexon is President and Chief Executive Officer of UGI Corporation (since November 1, 2024) and a member of UGI's Board of Directors. Mr. Flexon also serves as Chair of the Board of Directors of Nexus Water Group, a privately held company, a position he has held since 2024. He is the former Chair of the Board of Directors of Capstone Green Energy Holdings, Inc., a position he held from 2021. Mr. Flexon joined the Capstone Board as a director in 2018 and also served as Capstone's Interim President and Chief Executive Officer from August 2023 until March 2024 to lead Capstone's restructuring. Mr. Flexon was previously Chair of the Board of Directors of PG&E Corporation (NYSE: PCG), a position he held since the Company's emergence from Chapter 11 in 2020 until October 31, 2024.

Mr. Flexon previously served as President and Chief Executive Officer and Director of Dynegy Inc. (2011 to 2018). Prior to his service with Dynegy, Mr. Flexon was UGI's Chief Financial Officer (February 2011 to July 2011). Mr. Flexon joined UGI from Foster Wheeler AG (NASDAQ: FWLT), where he served as Chief Executive Officer in 2010, as President and Chief Executive Officer of Foster Wheeler USA from 2009 to 2010 and as a director of Foster Wheeler AG from 2006 to 2009. Mr. Flexon held various executive roles with NRG Energy, Inc. from 2004 to 2009, including Executive Vice President and Chief Financial Officer and Executive Vice President and Chief Operating Officer. Prior to 2004, Mr. Flexon held executive positions with Hercules, Inc. and served in various key positions with Atlantic Richfield Company, including General Auditor. He began his career as a CPA with the former Coopers & Lybrand in Philadelphia from 1980 to 1987.

Sean P. O'Brien

Mr. O'Brien is Chief Financial Officer of UGI Corporation (since April 2023). Prior to joining UGI Corporation, Mr. O'Brien held various leadership positions at DCP Midstream, which he joined in 2009, including Group Vice President and Chief Financial Officer (2012 to 2023), Senior Vice President, Treasurer (2011 to 2012) and Vice President, Financial Planning and Analysis (2009 to 2011). Prior to joining DCP Midstream, Mr. O'Brien served in financial roles of increasing responsibility at Duke Energy, including Divisional Chief Financial Officer, Commercial Business (2006 to 2009), and Vice President and Controller, Duke Energy Generation Services (2005 to 2006). Mr. O'Brien is a certified public accountant with over 25 years of financial experience and energy industry experience.

Hans G. Bell

Since 2020, Mr. Bell has served as President of UGI Utilities, Inc. Mr. Bell joined UGI Utilities in 2013 as Vice President – Engineering and Operations Support, a role he held until 2017 when he was promoted to Chief Operating Officer. Prior to joining UGI Utilities, Mr. Bell held senior operating and engineering positions at AGL Resources (2012 to 2013) and Nicor Gas (1996 to 2011).

Julie Fazio

Ms. Fazio serves as President of UGI International (since March 10, 2025). She joined UGI International in September 2022 as Vice President of Supply. In December 2023, she was appointed Vice President of Region West with overall responsibility for the LPG businesses located in France and Benelux, alongside her prior role leading the European supply function. Prior to joining UGI International, Ms. Fazio held several senior leadership positions at ExxonMobil where she worked for over 25 years.

Joseph L. Hartz

Mr. Hartz is President of UGI Energy Services, LLC (since 2017). He previously served as Chief Operating Officer (2014 to 2017) and as Vice President – Supply and Operations (2010 to 2014) of UGI Energy Services, LLC. He joined UGI Utilities, Inc. in 1985 as an accountant and has held various positions of increasing responsibility at UGI Utilities and UGI Energy Services, including Vice President – Assets and Supply and Chief Financial Officer.

Michael Sharp

Mr. Sharp has served as President of AmeriGas Propane since December 30, 2024. He joined AmeriGas from Talen Energy, LLC where he served as Vice President of Asset Management from 2023 until joining AmeriGas in December 2024. At Talen Energy, he was responsible for integrating the operational and commercial aspects of the fleet to maximize long-term value. Prior to Talen Energy, Mr. Sharp held several senior leadership positions, including Chief Operations Officer at Virgin Islands Water & Power Authority, Senior Vice President of Commercial Asset Management at Dynegy, and General Manager of Commercial Generation for Duke Energy.

Kathleen Shea Ballay

Ms. Shea Ballay is the General Counsel, Chief Legal Officer and Chief Compliance Officer of UGI Corporation (since June 2023). Prior to joining UGI Corporation, Ms. Shea-Ballay served as General Counsel, Secretary and Chief Compliance Officer at Lotus Midstream, LLC, an independent energy company focused on the development of midstream infrastructure and distribution (2018 to 2023). Ms. Shea-Ballay also served in various executive positions at Sunoco, including as Senior Vice President, General Counsel and Corporate Secretary at Sunoco Logistics Partners L.P. (2010 to 2017), and Deputy General Counsel, Assistant General Counsel & Chief Commercial Counsel & Chair, Corporate Transactions and Securities Group at Sunoco, Inc. (2005 to 2010). Prior to joining Sunoco, Ms. Ballay spent over twelve years as a Partner, Of Counsel and Associate at the law firm of Pepper Hamilton LLP (1993 to 2005).

Jean Felix Tematio Dontsop

Jean Felix (“JF”) Tematio Dontsop is the Vice President, Chief Accounting Officer and Controller of UGI Corporation (since July 2021). Mr. Tematio Dontsop most recently served as Vice President of Internal Audit for West Pharmaceuticals Services, Inc. in Exton, PA (July 2020 to June 2021). Previously, Mr. Tematio Dontsop held several roles of increasing responsibility over 15 years with PricewaterhouseCoopers (PwC), based in Philadelphia, Pa, and Paris, France, including Audit Director (2019 to 2020) and Audit Senior Manager (2011 to 2019). Mr. Tematio Dontsop also worked earlier in his career as an auditor for KPMG, based in Paris.

PART IV:

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this report:

(1) Financial Statements:

Included under Item 8 are the following financial statements and supplementary data:

Management’s Annual Report on Consolidated Financial Statements and Schedules

Report of Independent Registered Public Accounting Firm (PCAOB ID:185) (on Consolidated Financial Statements and Schedules) - KPMG LLP

Report of Independent Registered Public Accounting Firm (PCAOB ID:42) (on Consolidated Financial Statements and Schedules) - Ernst & Young LLP

Consolidated Balance Sheets as of September 30, 2025 and 2024

Consolidated Statements of Income for the years ended September 30, 2025, 2024 and 2023

Consolidated Statements of Comprehensive Income for the years ended September 30, 2025, 2024 and 2023

Consolidated Statements of Cash Flows for the years ended September 30, 2025, 2024 and 2023

Consolidated Statements of Changes in Equity for the years ended September 30, 2025, 2024 and 2023

Notes to Consolidated Financial Statements

(2) Financial Statement Schedules:

I — Condensed Financial Information of Registrant (Parent Company)

II — Valuation and Qualifying Accounts for the years ended September 30, 2025, 2024 and 2023

We have omitted all other financial statement schedules because the required information is (1) not present; (2) not present in amounts sufficient to require submission of the schedule; or (3) included elsewhere in the financial statements or related notes.

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(3) List of 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 registration number or last date of the period for which it was filed, and the exhibit number in such filing):

Incorporation by Reference

Exhibit No.	Exhibit	Registrant	Filing	Exhibit
3.1	(Second) Amended and Restated Articles of Incorporation of the Company as amended through June 6, 2005.	UGI	Form 10-Q (6/30/05)	3.1
3.2	Articles of Amendment to the Amended and Restated Articles of Incorporation of UGI Corporation.	UGI	Form 8-K (7/29/14)	3.1
3.3	Amended and Restated Bylaws of UGI Corporation, effective as of May 3, 2023.	UGI	Form 8-K (5/3/23)	3.1
4.1	Instruments defining the rights of security holders, including indentures. (The Company agrees to furnish to the Commission upon request a copy of any instrument defining the rights of holders of long-term debt not required to be filed pursuant to Item 601(b)(4) of Regulation S-K).			
4.2	The description of the Company’s Common Stock contained in the Company’s registration statement filed under the Securities Exchange Act of 1934, as amended.	UGI	Form 8-B/A (4/17/96)	3.(4)
4.3	UGI Corporation’s (Second) Amended and Restated Articles of Incorporation, as amended, and Bylaws referred to in 3.1, 3.2, and 3.3 above.			
4.4	Indenture, dated as of August 1, 1993, by and between UGI Utilities, Inc., as Issuer, and U.S. Bank National Association, as successor trustee, incorporated by reference to the Registration Statement on Form S-3 filed on April 8, 1994.	Utilities	Registration Statement No. 33-77514 (4/8/94)	4(c)
4.5	Supplemental Indenture, dated as of September 15, 2006, by and between UGI Utilities, Inc., as Issuer, and U.S. Bank National Association, successor trustee to Wachovia Bank, National Association.	Utilities	Form 8-K (9/12/06)	4.2
4.6	Form of Note Purchase Agreement dated October 30, 2013 between the Company and the purchasers listed as signatories thereto.	Utilities	Form 8-K (10/30/13)	4.1

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
4.7	Note Purchase Agreement dated April 22, 2016 between the Company and the purchasers listed as signatories thereto.	Utilities	Form 8-K (4/28/16)	4.1
4.8	Indenture, dated as of June 27, 2016, among AmeriGas Partners, L.P., AmeriGas Finance Corp., and U.S. Bank National Association, as trustee.	AmeriGas Partners, L.P.	Form 8-K (6/27/16)	4.1
4.9	Third Supplemental Indenture, dated as of February 13, 2017, among AmeriGas Partners, L.P., AmeriGas Finance Corp., and U.S. Bank National Association, as trustee (including form of global note).	AmeriGas Partners, L.P.	Form 8-K (2/13/17)	4.1
4.10	Indenture, dated as of October 25, 2018, by and among International, the guarantors named therein, U.S. Bank National Association, as trustee, Elavon Financial Services DAC, as registrar and transfer agent, and Elavon Financial Services DAC, UK Branch, as paying agent (including the form of Note).	UGI	Form 8-K (10/25/18)	4.1
4.11	Indenture, dated as of December 7, 2021, by and among UGI International, LLC, the guarantors named therein, U.S. Bank National Association, as trustee, Elavon Financial Services DAC, as registrar and transfer agent, and Elavon Financial Services DAC, UK Branch, as paying agent (including the form of Note).	UGI	Form 8-K (12/7/21)	4.1
4.12	Indenture, dated as of May 31, 2023, by and among AmeriGas Partners, L.P. and AmeriGas Finance Corp. (the Issuers) and U.S. Bank Trust Company, National Association, as trustee (including the form of 2028 Notes).	UGI	Form 8-K (5/31/23)	4.1
4.13	Indenture, dated as of June 11, 2024, between UGI Corporation and U.S. Bank Trust Company, National Association, as trustee.	UGI	Form 8-K (6/11/24)	4.1
4.14	Form of certificate representing the 5.00% Convertible Senior Notes due 2028 (included as Exhibit A to Exhibit 4.13 (above)).	UGI	Form 8-K (6/11/24)	4.2

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
4.15	Form of Note Purchase Agreement dated December 21, 2018 between the Company and the purchasers listed as signatories thereto.	UGI	Form 10-Q (12/31/18)	4.1
4.16	Note Purchase Agreement, dated as of March 19, 2020, by and among the Company and the purchasers listed as signatories thereto.	UGI	Form 8-K (3/19/20)	4.1
4.17	Note Purchase Agreement, dated May 7, 2021, by and among UGI Utilities, Inc. and the purchasers listed as signatories thereto.	UGI	Form 8-K (5/4/21)	4.1
4.18	Note Purchase Agreement, dated June 30, 2022, by and among UGI Utilities, Inc. and the purchasers listed as signatories thereto.	UGI	Form 8-K (6/30/22)	4.1
4.19	Note Purchase Agreement dated November 30, 2023 by and among UGI Utilities, Inc. and the purchasers listed as signatories thereto.	UGI	Form 8-K (11/30/23)	4.1
4.20	Note Purchase Agreement dated November 14, 2024 by and among UGI Utilities, Inc. and the purchasers listed as signatories thereto.	UGI	Form 8-K (11/14/24)	4.1
4.21	Note Purchase Agreement, dated June 30, 2022, by and among Mountaineer Gas Company and the purchasers listed as signatories thereto.	UGI	Form 8-K (6/30/22)	4.2
4.22	Note Purchase Agreement, dated April 24, 2025, by and among Mountaineer Gas Company and the purchasers listed as signatories thereto.	UGI	Form 8-K (4/24/25)	4.1
4.23	Indenture, dated as of May 30, 2025, between the AmeriGas Partners, L.P. and AmeriGas Finance Corp. and U.S. Bank Trust Company, National Association, as trustee (including the form of 2030 Notes).	UGI	Form 8-K (5/30/25)	4.1
4.24	Note Purchase Agreement, dated July 18, 2025, by and among UGI Utilities, Inc. and the purchasers listed as signatories thereto.	UGI	Form 8-K (7/18/25)	4.1

Incorporation by Reference

Exhibit No.	Exhibit	Registrant	Filing	Exhibit
4.25	Acknowledgement, dated as of October 23, 2023, to the Note Purchase Agreement, dated as of June 30, 2022, by and among Mountaineer Gas Company, Teachers Insurance and Annuity Association of America and The Lincoln National Life Insurance Company.	UGI	Form 10-K (9/30/23)	4.20
4.26	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.	UGI	Form 10-K (9/30/24)	4.25
10.1**	UGI Corporation 2004 Omnibus Equity Compensation Plan Amended and Restated as of September 5, 2014.	UGI	Form 10-K (9/30/16)	10.25
10.2**	UGI Corporation 2004 Omnibus Equity Compensation Plan Amended and Restated as of September 5, 2014 - Terms and Conditions as effective January 1, 2016.	UGI	Form 10-K (9/30/16)	10.26
10.3**	UGI Corporation 2009 Deferral Plan, as Amended and Restated effective June 15, 2017.	UGI	Form 10-Q (6/30/17)	10.6
10.4**	UGI Corporation 2009 Supplemental Executive Retirement Plan for New Employees, as Amended and Restated as of June 15, 2017.	UGI	Form 10-Q (6/30/17)	10.1
10.5**	UGI Corporation 2013 Omnibus Incentive Compensation Plan, effective as of September 5, 2014.	UGI	Form 10-K (9/30/16)	10.30
10.6**	UGI Corporation 2013 Omnibus Incentive Compensation Plan, Terms and Conditions for Non-Employee Directors, effective January 1, 2019.	UGI	Form 10-Q (3/31/19)	10.6
10.7**	UGI Corporation Supplemental Executive Retirement Plan and Supplemental Savings Plan, as Amended and Restated effective April 1, 2015.	UGI	Form 10-K (9/30/17)	10.26
10.8**	UGI Corporation Executive Annual Bonus Plan as amended November 15, 2018.	UGI	Form 10-Q (3/31/19)	10.7
10.9**	AmeriGas Propane, Inc. Executive Annual Bonus Plan as amended November 15, 2018.	UGI	Form 10-Q (3/31/19)	10.10
10.10**	UGI Corporation 2021 Incentive Award Plan.	UGI	Form S-8 (2/4/21)	4.4

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.11**	UGI Corporation 2021 Incentive Award Plan, Terms and Conditions for Non-Employee Directors, effective February 1, 2021.	UGI	Form 10-K (9/30/22)	10.10
10.12**	UGI Corporation Executive Severance Plan, as effective October 1, 2021.	UGI	Form 8-K (9/29/21)	10.1
10.13**	Form of UGI Corporation 2013 Omnibus Incentive Compensation Plan, Nonqualified Stock Option Grant Letter for all US Employees.	UGI	Form 10-Q (3/31/21)	10.1
10.14**	Form of UGI Corporation 2013 Omnibus Incentive Compensation Plan Performance Unit Grant Letter for all US Employees.	UGI	Form 10-Q (3/31/21)	10.2
10.15**	Form of UGI Corporation 2013 Omnibus Incentive Compensation Plan, Nonqualified Stock Option Grant Letter for Non-Employee Directors.	UGI	Form 10-Q (3/31/21)	10.4
10.16**	Form of UGI Corporation 2013 Omnibus Incentive Compensation Plan Stock Unit Grant Letter for Non-Employee Directors.	UGI	Form 10-Q (3/31/21)	10.5
10.17**	Form of UGI Corporation 2021 Incentive Award Plan Nonqualified Stock Option Grant Letter for Non-Employee Directors.	UGI	Form 10-K (9/30/22)	10.17
10.18**	Form of UGI Corporation 2021 Incentive Award Plan Restricted Stock Unit Grant Letter for Non-Employee Directors.	UGI	Form 10-K (9/30/22)	10.18
10.19**	Form of UGI Corporation 2021 Incentive Award Plan Nonqualified Stock Option Grant Letter for all US Employees.	UGI	Form 10-Q (6/30/21)	10.1
10.20**	Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for all US Employees.	UGI	Form 10-Q (6/30/21)	10.2
10.21**	Form of UGI Corporation 2021 Incentive Award Plan Stock Unit Grant Letter for all US Employees.	UGI	Form 10-Q (6/30/21)	10.3
10.22**	Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for NEOs (EPS).	UGI	Form 10-Q (3/31/23)	10.3

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.23**	Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for Employees (EPS).	UGI	Form 10-K (9/30/24)	10.23
10.24**	Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for US Employees (TSR).	UGI	Form 10-Q (3/31/23)	10.4
10.25**	Form of Confidentiality, Non-Competition and Non-Solicitation Agreement between UGI Corporation and Mr. Robert F. Beard.	UGI	Form 10-Q (12/31/22)	10.1
10.26**	Form of Confidentiality, Non-Competition and Non-Solicitation Agreement between UGI Corporation and Mr. Sean P. O'Brien.	UGI	Form 10-Q (3/31/23)	10.2
10.27**	Form of Confidentiality, Non-Competition and Non-Solicitation Agreement between UGI Corporation and Mr. Robert C Flexon.	UGI	Form 10-K (9/30/24)	10.28
10.28**	Form of Change in Control Agreement between UGI Corporation and Messrs. Flexon, and O'Brien and Ms. Shea Ballay.	UGI	Form 10-K (9/30/24)	10.29
10.29**	Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for US Employees (Fiscal 2025).	UGI	Form 10-Q (12/31/24)	10.1
10.30**	Form of UGI Corporation 2021 Incentive Award Plan Restricted Stock Unit Grant Letter for US Employees (Fiscal 2025).	UGI	Form 10-Q (12/31/24)	10.2
10.31**	UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for Mr. Mario Longhi.	UGI	Form 10-Q (12/31/24)	10.3
10.32**	UGI Corporation 2021 Incentive Award Plan Restricted Stock Unit Grant Letter for Mr. Mario Longhi.	UGI	Form 10-Q (12/31/24)	10.4
10.33	Form of Receivables Purchase Agreement, dated as of November 30, 2001, as amended through and including Amendment No. 18 thereto dated October 27, 2017, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 10-K (9/30/17)	10.38

Incorporation by Reference

Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.34	Amendment No. 19, dated as of October 26, 2018, to Receivables Purchase Agreement, dated as of November 30, 2001 (as amended, supplemented or modified from time to time), by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/26/18)	10.1
10.35	Amendment No. 20, dated as of October 25, 2019, to Receivables Purchase Agreement, dated as of November 30, 2001 (as amended, supplemented or modified from time to time), by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/25/19)	10.1
10.36	Amendment No. 21, dated as of October 23, 2020, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/23/20)	10.1
10.37	Amendment No. 22, dated as of October 22, 2021, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/22/21)	10.1
10.38	Amendment No. 23, dated as of October 21, 2022, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/20/22)	10.2

Incorporation by Reference

Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.39	Amendment No. 24, dated as of October 20, 2023, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/20/23)	10.1
10.40	Amendment No. 25, dated as of October 18, 2024, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/24/24)	10.1
10.41	Amendment No. 26, dated as of October 17, 2025, to Receivables Purchase Agreement, dated as of November 30, 2001, by and among UGI Energy Services, LLC, as servicer, Energy Services Funding Corporation, as seller, and PNC Bank, National Association, as issuer and administrator.	UGI	Form 8-K (10/17/25)	10.1
10.42	Form of Purchase and Sale Agreement, dated as of November 30, 2001, as amended through and including Amendment No. 4 thereto dated October 1, 2013, by and between UGI Energy Services, LLC and Energy Services Funding Corporation.	UGI	Form 10-K (9/30/17)	10.39
10.43	FSS Service Agreement No. 79028 effective as of December 1, 2019 by and between Columbia Gas Transmission, LLC and UGI Utilities, Inc.	UGI	Form 10-K (9/30/19)	10.40
10.44	SST Service Agreement No. 79133 effective as of December 1, 2019 by and between Columbia Gas Transmission, LLC and UGI Utilities, Inc.	UGI	Form 10-K (9/30/19)	10.41
10.45	Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC, effective November 1, 2015.	Utilities	Form 10-K (9/30/16)	10.19

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.46	First Amendment, dated November 1, 2020, to Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC.	UGI	Form 10-K (9/30/20)	10.41
*10.47	Second Amendment, dated November 1, 2025, to Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC.			
10.48	Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC, effective November 1, 2020.	UGI	Form 10-K (9/30/20)	10.42
10.49	Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC, effective November 1, 2021.	UGI	Form 10-K (9/30/21)	10.47
10.50	Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC, effective December 1, 2024.	UGI	Form 10-K (9/30/24)	10.47
10.51	Credit Agreement, dated October 31, 2017, by and among UGI Utilities, Inc., PNC Bank National Association, as administrative agent, The Bank of New York Mellon, as syndication agent, and certain other lenders named therein.	Utilities	Form 8-K (10/31/17)	10.1
10.52	First Amendment to Credit Agreement, dated July 12, 2022, by and among UGI Utilities, Inc., the lenders party thereto and PNC Bank, National Association, as administrative agent.	UGI	Form 8-K (7/21/22)	10.1
10.53	Credit Agreement, dated as of August 13, 2019, by and among UGI Energy Services, LLC, as borrower, Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and the lenders party thereto.	UGI	Form 8-K (8/13/19)	10.1
10.54	First Amendment to Credit Agreement, dated February 23, 2023, by and among UGI Energy Services, LLC, the guarantors party thereto, the lenders party thereto and Credit Suisse AG, Cayman Islands Branch, as administrative agent.	UGI	Form 8-K (2/23/23)	10.1

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.55	Second Amendment to Credit Agreement, dated June 28, 2024, by and among UGI Energy Services, LLC, the guarantors party thereto, the lenders party thereto and HSBC Bank USA, N.A., as administrative agent.	UGI	Form 8-K (6/28/24)	10.1
10.56	Third Amendment to Credit Agreement, dated November 20, 2024, by and among UGI Energy Services, LLC, the other loan parties thereto, and HSBC Bank USA, N.A., as administrative agent.	UGI	Form 10-K (9/30/24)	10.53
10.57	Fourth Amended and Restated Credit Agreement, dated as of May 14, 2024, by and among UGI Energy Services, LLC, as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.	UGI	Form 8-K (5/14/24)	10.1
10.58	Amended and Restated Multicurrency Facilities Agreement, dated June 19, 2024, by and among UGI International, UGI International Holdings B.V., Natixis, as agent, and the lenders party thereto.	UGI	Form 8-K (6/19/24)	10.1
10.59	Credit Agreement, dated November 9, 2023, by and among UGI Utilities, Inc., the lenders party thereto and PNC Bank, National Association, as administrative agent.	UGI	Form 8-K (11/9/23)	10.1
10.60	Revolving Credit and Security Agreement, dated August 2, 2024, by and among AmeriGas Propane, L.P., the other borrowers from time to time party thereto, the guarantors from time to time party thereto, the lenders from time to time party thereto and PNC Bank, National Association, as agent.	UGI	Form 8-K (8/2/24)	10.1
10.61	First Amendment to Revolving Credit and Security Agreement, dated October 31, 2024, by and among AmeriGas Propane, L.P., the lenders party thereto and PNC Bank, National Association, as agent.	UGI	Form 8-K (10/31/24)	10.1

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
10.62	Second Amendment to Revolving Credit and Security Agreement, dated February 14, 2025, by and among AmeriGas Propane, L.P., the lenders party thereto and PNC Bank, National Association, as agent.	UGI	Form 8-K (2/14/25)	10.1
10.63	Third Amendment to Revolving Credit and Security Agreement, dated November 10, 2025, by and among AmeriGas Propane, L.P., the lenders party thereto and PNC Bank, National Association, as agent.	UGI	Form 8-K (11/10/25)	10.1
10.64	Credit Agreement, dated as of October 11, 2024, by and among UGI Corporation, as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.	UGI	Form 8-K (10/11/24)	10.1
10.65	First Amendment to Credit Agreement, dated as of August 6, 2025, by and among UGI Corporation, as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.	UGI	Form 8-K (8/6/25)	10.1
10.66	Credit Agreement, dated as of May 16, 2025, by and among Mountaineer Gas Company, as borrower, the lenders party thereto and The Huntington National Bank, as Administrative Agent, Letter of Credit Issuer, Swing Line Lender and Lead Arranger.	UGI	Form 8-K (5/16/25)	10.1
14	Code of Business Conduct and Ethics.	UGI	Form 10-K (9/30/24)	14
19.1	Insider Trading Policy.	UGI	Form 10-K (9/20/24)	19.1
*21	Subsidiaries of the Registrant.			
*23.1	Consent of KPMG LLP			
*23.2	Consent of Ernst & Young LLP			
*31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2025 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			

Incorporation by Reference				
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
*31.2	Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2025 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
*32	Certification by the Chief Executive Officer and the Chief Financial Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2025, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
97.1	Clawback Policy.	UGI	Form 10-K (9/30/23)	97.1
*101.INS	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	XBRL Taxonomy Extension Schema			
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase			
*101.DEF	XBRL Taxonomy Extension Definition Linkbase			
*101.LAB	XBRL Taxonomy Extension Labels Linkbase			
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase			

* Filed herewith.
** As required by Item 15(a)(3), this exhibit is identified as a compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY

None.

EXHIBIT INDEX

Exhibit No.	Description
10.47	Second Amendment, dated November 1, 2025, to Gas Supply and Delivery Service Agreement between UGI Utilities, Inc. and UGI Energy Services, LLC.
21	Subsidiaries of the Registrant.
23.1	Consent of KPMG LLP
23.2	Consent of Ernst & Young LLP
31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2025 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2025 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

UGI CORPORATION

Date: November 21, 2025

By: /s/ Sean P. O'Brien

Sean P. O'Brien
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on November 21, 2025, by the following persons on behalf of the Registrant in the capacities indicated.

Signature	Title
/s/ Robert C. Flexon Robert C. Flexon	President and Chief Executive Officer (Principal Executive Officer) and Director
/s/ Sean P. O'Brien Sean P. O'Brien	Chief Financial Officer (Principal Financial Officer)
/s/ Jean Felix Tematio Dontsop Jean Felix Tematio Dontsop	Vice President, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)
/s/ Mario Longhi Mario Longhi	Chair and Director
/s/ David Bingenheimer David Bingenheimer	Director
/s/ M. Shawn Bort M. Shawn Bort	Director
/s/ Theodore A. Dosch Theodore A. Dosch	Director
/s/ Tina Faraca Tina Faraca	Director
/s/ Alan N. Harris Alan N. Harris	Director
/s/ Kelly A. Romano Kelly A. Romano	Director
/s/ Melanie Ruiz Melanie Ruiz	Director
/s/ Santiago Seage Santiago Seage	Director

UGI CORPORATION AND SUBSIDIARIES

FINANCIAL INFORMATION

FOR INCLUSION IN ANNUAL REPORT ON FORM 10-K

YEAR ENDED SEPTEMBER 30, 2025

UGI CORPORATION AND SUBSIDIARIES
INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

We have omitted all other financial statement schedules because the required information is either (1) not present; (2) not present in amounts sufficient to require submission of the schedule; or (3) included elsewhere in the financial statements or related notes.

Management's Annual Report on Consolidated Financial Statements and Schedules

The Company's consolidated financial statements and other financial information contained in this Annual Report were prepared by management, which is responsible for their fairness, integrity and objectivity. The consolidated financial statements and related information were prepared in accordance with GAAP and include amounts that are based on management's best judgments and estimates.

The Audit Committee of the Board of Directors (the "Committee") is composed of three members, each of whom is independent and a non-employee director of the Company. The Committee is responsible for monitoring and overseeing the financial reporting process, the adequacy of internal accounting controls, and the independence and performance of the Company's independent registered public accounting firm and internal auditors. The Committee meets regularly, with and without management present, with the independent registered public accounting firm and the internal auditors, both of which report directly to the Committee. In addition, the Committee provides regular reports to the Board of Directors.

/s/ Robert C. Flexon
Chief Executive Officer

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

/s/ Jean Felix Tematio Dontsop
Chief Accounting Officer

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of UGI Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of UGI Corporation and subsidiaries (the Company) as of September 30, 2025, the related consolidated statements of income, comprehensive income, change in equity, and cash flows for the year ended September 30, 2025, and the related notes and financial statement schedules I and II (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2025, and the results of its operations and its cash flows for the year ended September 30, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 30, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated November 21, 2025 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Sufficiency of audit evidence over revenue from contracts with customers

Description of the Matter	As discussed in Note 4 to the consolidated financial statements, the Company had $7,287 million of revenue from contracts with customers. Revenue from contracts with customers is derived from various revenue streams and the Company's processes and related information technology (IT) systems used to record revenue differ for each of these revenue streams. We identified the evaluation of the sufficiency of audit evidence over revenue from contracts with customers as a critical audit matter which required a high degree of auditor judgment due to the number of revenue streams and IT systems involved in the revenue recognition process. This included determining the revenue streams over which procedures were to be performed and evaluating the nature and extent of evidence obtained over the individual revenue streams as well as revenue in the aggregate. It also included the involvement of IT professionals with specialized skills and knowledge to assist in the performance of certain procedures.
How We Addressed the Matter in Our Audit	The following are the primary procedures we performed to address this critical audit matter. We, with the assistance of IT professionals, applied auditor judgment to determine the revenue streams over which procedures were performed as well as the nature and extent of such procedures. For certain revenue streams over which procedures were performed, we evaluated the design and tested the operating effectiveness of certain internal controls over the Company's revenue recognition processes. For certain revenue streams, we involved IT professionals, who assisted in testing certain IT applications used by the Company in its revenue recognition processes. In addition, we assessed recorded revenue for a selection of transactions by comparing the amounts recognized to underlying documentation, including contracts with customers, and for certain revenue streams, we performed a software-assisted data analysis to assess certain relationships among revenue transactions. In addition, we evaluated the sufficiency of audit evidence obtained over revenues from contracts with customers by assessing the results of procedures performed, including the appropriateness of such evidence.

/s/ KPMG, LLP
We have served as the Company's auditor since 2024.
Philadelphia, Pennsylvania
November 21, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of UGI Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of UGI Corporation and subsidiaries (the Company) as of September 30, 2024, the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the two years in the period ended September 30, 2024, and the related notes and the financial statement schedules listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2024, and the results of its operations and its cash flows for each of the two years in the period ended September 30, 2024, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP
We served as the Company's auditor from 2014 to 2024.
Philadelphia, Pennsylvania
November 26, 2024

except for Note 22, as to which the date is

November 21, 2025

UGI CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Millions of dollars)

	September 30, 2025	September 30, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 335	$ 213
Restricted cash	20	15
Accounts receivable (less allowances for doubtful accounts of $42 and $68, respectively)	714	709
Accrued utility revenues	35	36
Income taxes receivable	41	56
Inventories	385	411
Derivative instruments	23	29
Prepaid expenses	102	113
Other current assets	111	69
Total current assets	1,766	1,651
Property, plant and equipment		
Non-utility	7,316	7,153
Utility	7,034	6,520
	14,350	13,673
Accumulated depreciation	(5,270)	(4,910)
Net property, plant, and equipment	9,080	8,763
Goodwill	2,852	2,871
Intangible assets, net	328	391
Other assets	1,436	1,422
Total assets	$ 15,462	$ 15,098
LIABILITIES AND EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 117	$ 235
Short-term borrowings	486	465
Accounts payable	511	544
Employee compensation and benefits accrued	203	196
Deposits and advances	188	199
Derivative instruments	57	28
Other current liabilities	419	393
Total current liabilities	1,981	2,060
Noncurrent liabilities		
Long-term debt	6,531	6,443
Deferred income taxes	973	1,008
Derivative instruments	23	31
Other noncurrent liabilities	1,168	1,202
Total liabilities	10,676	10,744
Commitments and contingencies (Note 16)		
Equity:		
UGI Corporation stockholders' equity:		
Preferred Stock, without par value (authorized – 5,000,000 shares; issued – 0 and 0 Series A shares, respectively)	—	—
Common Stock, without par value (authorized – 450,000,000 shares; issued – 217,033,282 and 216,124,332 shares, respectively)	1,709	1,676
Retained earnings	3,334	2,978
Accumulated other comprehensive loss	(173)	(253)
Treasury stock, at cost	(93)	(56)
Total UGI Corporation stockholders' equity	4,777	4,345
Noncontrolling interests	9	9
Total equity	4,786	4,354
Total liabilities and equity	$ 15,462	$ 15,098

See accompanying Notes to Consolidated Financial Statements.

UGI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Millions of dollars, except per share amounts)

	Year Ended September 30,		
	2025	2024	2023
Revenues	$ 7,287	$ 7,210	$ 8,928
Costs and expenses:			
Cost of sales (excluding depreciation and amortization shown below)	3,654	3,529	6,937
Operating and administrative expenses	2,011	2,132	2,158
Depreciation and amortization	561	551	532
Impairment of goodwill	—	195	656
(Gain) loss on disposals of businesses	36	95	221
Other operating expense (income), net	(82)	(62)	(132)
	6,180	6,440	10,372
Operating income (loss)	1,107	770	(1,444)
Income (loss) from equity investees	5	(19)	2
Loss on extinguishments of debt	(10)	(9)	(9)
Other non-operating income (expense), net	5	(8)	(7)
Interest expense	(411)	(394)	(379)
Income (loss) before income taxes	696	340	(1,837)
Income tax benefit (expense)	(18)	(71)	335
Net income (loss) attributable to UGI Corporation	$ 678	$ 269	$ (1,502)
Earnings (loss) per common share attributable to UGI Corporation stockholders:			
Basic	$ 3.15	$ 1.27	$ (7.16)
Diluted	$ 3.09	$ 1.25	$ (7.16)
Weighted-average common shares outstanding (thousands):			
Basic	214,945	211,309	209,806
Diluted	219,160	215,271	209,806

See accompanying Notes to Consolidated Financial Statements.

UGI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Millions of dollars)

	Year Ended September 30,		
	2025	2024	2023
Net income (loss) attributable to UGI Corporation	$ 678	$ 269	$ (1,502)
Net gains (losses) on derivative instruments (net of tax of $(4), $5, and $(9), respectively)	10	(14)	16
Reclassifications of net losses (gains) on derivative instruments (net of tax of $1, $14, and $13, respectively)	(2)	(35)	(27)
Foreign currency translation adjustments (net of tax of $14, $14, and $21, respectively)	10	12	68
Foreign currency gains (losses) on long-term intra-company transactions	49	47	64
Benefit plans, principally actuarial gains (losses) (net of tax of $(5), $2, and $(2), respectively)	13	(7)	5
Reclassifications of benefit plans actuarial losses (gains) and net prior service cost (benefit) (net of tax of $0, $0, and $1, respectively)	—	—	(2)
Other comprehensive income	80	3	124
Comprehensive income (loss) attributable to UGI Corporation	$ 758	$ 272	$ (1,378)

See accompanying Notes to Consolidated Financial Statements.

UGI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions of dollars)

	Year Ended September 30,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss) attributable to UGI Corporation	$ 678	$ 269	$ (1,502)
Adjustments to reconcile net income (loss) attributable to UGI Corporation to net cash provided by operating activities:			
Depreciation and amortization	561	551	532
Deferred income tax expense (benefit), net	(46)	52	(420)
Provision for uncollectible accounts	37	61	69
Changes in unrealized gains and losses on derivative instruments	19	10	1,682
(Gain) loss on disposals of businesses	36	95	221
Impairment of assets	—	7	19
Impairment of goodwill	—	195	656
Equity-based compensation expense	18	8	17
Loss on extinguishments of debt	10	9	9
Loss (income) from equity investees	(5)	19	(2)
Settlement of Energy Services interest rate swap, net of amortization	—	(19)	19
Gain on sales of fixed assets	(25)	(22)	(61)
Other, net	(36)	(20)	19
Net change in:			
Accounts receivable and accrued utility revenues	(35)	126	212
Income taxes receivable	15	(21)	91
Inventories	30	32	247
Utility deferred fuel costs, net of changes in unsettled derivatives	(47)	(7)	64
Accounts payable	(29)	(99)	(291)
Derivative instruments collateral deposits received (paid)	5	(9)	(420)
Other current assets	16	6	(36)
Other current liabilities	25	(61)	(18)
Net cash provided by operating activities	1,227	1,182	1,107
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(837)	(796)	(974)
Acquisitions of businesses and assets, net of cash and restricted cash acquired	—	—	(9)
Investments in equity method investees	(38)	(92)	(146)
Settlements of net investment hedges	(4)	3	22
Net proceeds from the disposition of businesses and assets	170	93	30
Other, net	10	—	—
Net cash provided (used) by investing activities	(699)	(792)	(1,077)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends on Common Stock	(322)	(318)	(308)
Issuances of debt, net of discount and issuance costs	1,684	1,321	1,930
Repayments of long-term debt and finance leases, including redemption premiums	(1,774)	(1,303)	(2,031)
Short-term borrowings (repayments), net	21	(194)	267
Issuances of Common Stock	18	—	12
Repurchases of Common Stock	(33)	—	(22)
Payments on Purchase Contracts	—	(12)	(16)
Net cash provided (used) by financing activities	(406)	(506)	(168)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	5	4	9
Cash, cash equivalents and restricted cash increase (decrease)	$ 127	$ (112)	$ (129)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH			
Cash, cash equivalents and restricted cash at end of year	$ 355	$ 228	$ 340
Cash, cash equivalents and restricted cash at beginning of year	228	340	469
Cash, cash equivalents and restricted cash increase (decrease)	$ 127	$ (112)	$ (129)
SUPPLEMENTAL CASH FLOW INFORMATION			
Cash paid (received) for:			
Interest	$ 375	$ 403	$ 332
Income taxes	$ 55	$ 80	$ (17)

See accompanying Notes to Consolidated Financial Statements.

UGI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Millions of dollars, except per share amounts)

	Year Ended September 30,		
	2025	2024	2023
Preferred stock, without par value			
Balance, beginning of year	$ —	$ 167	$ 162
Cumulative effect of change in accounting - ASU 2020-06	—	—	5
Settlement of Equity Units	—	(167)	—
Balance, end of year	$ —	$ —	$ 167
Common stock, without par value			
Balance, beginning of year	$ 1,676	$ 1,503	$ 1,483
Common Stock issued in connection with employee and director plans, net of tax withheld	18	—	8
Equity-based compensation expense	15	7	18
Cumulative effect of change in accounting - ASU 2020-06	—	—	(6)
Settlement of Equity Units	—	166	—
Balance, end of year	$ 1,709	$ 1,676	$ 1,503
Retained earnings			
Balance, beginning of year	$ 2,978	$ 3,027	$ 4,841
Net income (loss) attributable to UGI Corporation	678	269	(1,502)
Cash dividends on common stock ($1.50, $1.50, and $1.47 per share, respectively)	(322)	(318)	(308)
Losses on treasury stock transactions in connection with employee and director plans	—	—	(5)
Cumulative effect of change in accounting - ASU 2020-06	—	—	1
Balance, end of year	$ 3,334	$ 2,978	$ 3,027
Accumulated other comprehensive income (loss)			
Balance, beginning of year	$ (253)	$ (256)	$ (380)
Other comprehensive income (loss)	80	3	124
Balance, end of year	$ (173)	$ (253)	$ (256)
Treasury stock			
Balance, beginning of year	$ (56)	$ (55)	$ (40)
Common Stock issued in connection with employee and director plans, net of tax withheld	—	—	7
Repurchases of common stock	(33)	—	(22)
Reacquired common stock – employee and director plans	(4)	(1)	—
Balance, end of year	$ (93)	$ (56)	$ (55)
Total UGI Corporation stockholders’ equity	$ 4,777	$ 4,345	$ 4,386
Noncontrolling interests			
Balance, beginning of year	$ 9	$ 8	$ 8
Other	—	1	—
Balance, end of year	$ 9	$ 9	$ 8
Total equity	$ 4,786	$ 4,354	$ 4,394

See accompanying Notes to Consolidated Financial Statements.

UGI Corporation and Subsidiaries
Notes to Consolidated Financial Statements
(Currency in millions, except per share amounts and where indicated otherwise)

Index to Notes

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 prior to the sale of UGID in September 2024 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, 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. See Note 5 for additional information.

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 prior to the sale in June 2025, 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.

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

Basis of Presentation

Our consolidated financial statements are prepared in accordance with GAAP and the rules and regulations of the SEC. 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.

Principles of Consolidation

The consolidated financial statements include the accounts of UGI and its controlled subsidiary companies which are majority owned or VIEs. An entity is a VIE when its total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support, or its equity investors, as a group, lack the characteristics of having a controlling financial interest. We consolidate VIEs when we are determined to be the primary beneficiary.

We report outside ownership interests in other consolidated but less than 100%-owned subsidiaries, as noncontrolling interests. We eliminate intercompany accounts and transactions when we consolidate. Noncontrolling interests were not material for all periods presented.

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. See Note 21 for additional information.

Effects of Regulation

Certain of our subsidiaries account for the financial effects of regulation in accordance with ASC 980. In accordance with this guidance, incurred costs that would otherwise be charged to expense are capitalized and recorded as regulatory assets when it is probable that the incurred costs will be recovered through rates in the future. Similarly, we recognize regulatory liabilities when it is probable that regulators will require customer refunds through future rates or when revenue is collected from customers for expenditures that have not yet been incurred. Regulatory assets and liabilities are classified as current if, upon initial recognition, the entire amount related to that item will be recovered or refunded within a year of the balance sheet date. Generally, regulatory assets and regulatory liabilities are amortized into expense and income over the periods authorized by the respective regulatory body. See Note 9 for additional information regarding the effects of rate regulation on our utility operations.

Fair Value Measurements

The Company applies fair value measurements on a recurring and, as otherwise required under ASC 820, on a nonrecurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. Fair value measurements performed on a recurring basis principally relate to derivative instruments and investments held in supplemental executive retirement plan grantor trusts.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

We use the following fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets and liabilities that we have the ability to access at the measurement date.

- Level 2 — Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means.

- Level 3 — Unobservable inputs for the asset or liability including situations where there is little, if any, market activity for the asset or liability.

Fair value is based upon assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and risks inherent in valuation techniques and inputs to valuations. This includes not only the credit standing of counterparties and credit enhancements but also the impact of our own nonperformance risk on our liabilities. We evaluate the need for credit adjustments to our derivative instrument fair values. These credit adjustments were not material to the fair values of our derivative instruments.

Derivative Instruments

Derivative instruments are reported on the 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 Consolidated Statements of Cash Flows. Cash flows from net investment hedges are included in cash flows from investing activities on the Consolidated Statements of Cash Flows.

See Note 18 for a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and other information.

Business Combination Purchase Price Allocations

From time to time, the Company enters into material business combinations. The purchase price is allocated to the various assets acquired and liabilities assumed at their estimated fair value as of the acquisition date with the residual of the purchase price allocated to goodwill. Fair values of assets acquired and liabilities assumed are based upon available information. Estimating fair values is generally subject to significant judgment, estimates and assumptions especially with respect to intangible assets. The allocation of the purchase price may be modified up to one year after the acquisition date, under certain circumstances, as more information is obtained about the fair value of assets acquired and liabilities assumed.

Foreign Currency Translation

Balance sheets of international subsidiaries are translated into USD using the exchange rate at the balance sheet date. Income statements and equity investee results are translated into USD using an average exchange rate for each reporting period. Where the local currency is the functional currency, translation adjustments are recorded in other comprehensive income. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise with the impact of subsequent changes in such rates reflected in the income statement. The functional currency of a significant portion of our international operations is the euro.

Revenue Recognition

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. Certain revenues such as revenue from leases, financial instruments and other revenues are not within the scope of ASC 606 because they are not from contracts with customers. Such revenues are accounted for in accordance with other GAAP. Revenue-related taxes collected on behalf of customers and remitted to taxing authorities, principally sales and use taxes, are not included in revenues. Gross receipts taxes at Midstream & Marketing, WV Gas Utility and Electric Utility are presented on a gross basis. The Company has elected to use the practical expedient to expense the costs to obtain contracts when incurred for contracts that have a term less than one year. The costs incurred to obtain contracts that have durations of longer than one year are not material. See Note 4 for additional information regarding the Company's revenue from contracts with customers.

Accounts Receivable

Accounts receivable are reported on the Consolidated Balance Sheets at the gross outstanding amount adjusted for an allowance for doubtful accounts. Accounts receivable that are acquired are initially recorded at fair value on the date of acquisition. Provisions for uncollectible accounts are established based upon our collection experience, the assessment of the collectability of specific amounts and the Company's best estimate of current expected credit losses. Accounts receivable are written off in the period in which the receivable is deemed uncollectible.

LPG Delivery Expenses

Expenses associated with the delivery of LPG to customers of the Partnership and our UGI International operations (including vehicle expenses, expenses of delivery personnel, vehicle repair and maintenance and general liability expenses) are classified as "Operating and administrative expenses" on the Consolidated Statements of Income. Depreciation expense associated with the Partnership and UGI International delivery vehicles is classified in "Depreciation and amortization" on the Consolidated Statements of Income.

Income Taxes

AmeriGas Partners and AmeriGas OLP are not directly subject to federal income taxes. Instead, their taxable income or loss is allocated to the individual partners. We record income taxes on (1) our share of the Partnership's current taxable income or loss and (2) the differences between the book and tax basis of our investment in the Partnership. AmeriGas OLP has subsidiaries which operate in corporate form and are directly subject to federal and state income taxes. Legislation in certain states allows for taxation of partnership income and the accompanying financial statements reflect state income taxes resulting from such legislation.

Utilities records deferred income taxes in the Consolidated Statements of Income resulting from the use of accelerated tax depreciation methods based upon amounts recognized for ratemaking purposes. Utilities also records a deferred income tax liability for tax benefits, principally the result of accelerated tax depreciation for state income tax purposes, that are flowed through to ratepayers when temporary differences originate and records a regulatory income tax asset for the probable increase in future revenues that will result when the temporary differences reverse.

We are amortizing deferred investment tax credits related to UGI Utilities' plant additions over the service lives of the related property. UGI Utilities reduces its deferred income tax liability for the future tax benefits that will occur when investment tax credits, which are not taxable, are amortized. We also reduce the regulatory income tax asset for the probable reduction in future revenues that will result when such deferred investment tax credits amortize. Investment tax credits associated with Midstream & Marketing's qualifying renewable natural gas property under the Inflation Reduction Act of 2022 are reflected in income taxes.

We record interest on underpayments and overpayments of income taxes, and income tax penalties, in "Income tax benefit (expense)" on the Consolidated Statements of Income. Interest income or expense recognized was not material for all periods presented.

See Note 7 for additional information.

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

Earnings Per Common Share

Basic earnings per share attributable to UGI Corporation stockholders reflect the weighted-average number of common shares outstanding. Diluted earnings per share attributable to UGI Corporation 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:

Denominator (thousands of shares)	2025	2024	2023
Weighted-average common shares outstanding for basic computation	214,945	211,309	209,806
Incremental shares issuable for stock options, common stock awards and Equity Units (a) (b)	801	3,962	—
UGI Corporation Senior Notes (c)	3,414	—	—
Weighted-average common shares outstanding for diluted computation	219,160	215,271	209,806

(a) For Fiscal 2025 and Fiscal 2024, 6,149 and 8,619 shares, respectively, associated with outstanding stock option awards were excluded from the computation of diluted earnings per share because their effect was antidilutive. For Fiscal 2023, 6,132 of such shares have been excluded as such incremental shares would be antidilutive due to the net loss for the period.
(b) The Equity Units were settled in June 2024. See Note 13 for additional information.
(c) See Note 6 for additional information on the UGI Corporation Senior Notes.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include cash on hand, cash in banks and highly liquid investments with maturities of three months or less when purchased. Restricted cash principally represents those cash balances in our commodity futures brokerage accounts that are restricted from withdrawal.

The following table provides a reconciliation of the total cash, cash equivalents and restricted cash reported on the Consolidated Balance Sheets to the corresponding amounts reported on the Consolidated Statements of Cash Flows.

	2025	2024	2023
Cash and cash equivalents	$ 335	$ 213	$ 241
Restricted cash	20	15	99
Cash, cash equivalents and restricted cash	$ 355	$ 228	$ 340

Inventories

Our inventories are stated at the lower of cost or net realizable value. We determine cost using an average cost method for non-utility LPG and natural gas and utility inventories; specific identification for appliances; and the FIFO method for all other inventories.

The Company accounts for renewable energy certificates as inventory, which generally represents costs incurred to generate a certificate for sale. The Company recognizes revenue from the sale of renewable energy certificates when control of the certificate is transferred to the buyer, and the cost of the certificate, if any, is then recorded within “Cost of sales” on the Consolidated Statements of Income.

Property, Plant and Equipment and Related Depreciation

We record property, plant and equipment at the lower of original cost or fair value, if impaired. Capitalized costs include labor, materials and other direct and indirect costs, and for certain operations subject to cost-of-service rate regulation, AFUDC. We also include in property, plant and equipment costs associated with computer software we develop or obtain for use in our businesses. The amounts assigned to property, plant and equipment of acquired businesses are based upon estimated fair value at date of acquisition. When we retire or otherwise dispose of non-utility plant and equipment, we eliminate the associated cost and accumulated depreciation and recognize any resulting gain or loss in "Other operating expense (income), net" on the Consolidated Statements of Income. For property subject to cost of service rate regulation, upon retirement we charge the original cost to accumulated depreciation for financial accounting purposes. Costs incurred to retire UGI Utilities plant and equipment, net of salvage, are recorded in regulatory assets and amortized over five years, consistent with prior ratemaking treatment.

We record depreciation expense on non-utility plant and equipment on a straight-line basis over estimated economic useful lives. We record depreciation expense for Utilities' plant and equipment on a straight-line basis based upon the projected service lives of the various classes of its depreciable property. We classify amortization of computer software and related IT system installation costs included in property, plant and equipment as depreciation expense. No depreciation expense is included in cost of sales on the Consolidated Statements of Income.

Goodwill and Intangible Assets

Intangible Assets. We amortize intangible assets, primarily consisting of customer relationships, over their estimated useful lives unless we determine their lives to be indefinite. We test definite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the associated carrying amounts may be impaired. Determining whether an impairment loss occurred requires comparing the carrying amount to the estimated fair value of the asset. Intangible assets with indefinite lives are not amortized but are tested for impairment annually (and more frequently if events or changes in circumstances between annual tests indicate that it is more likely than not that they are impaired) and written down to fair value, if impaired.

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.

For certain of our reporting units with goodwill, we assess qualitative factors to determine whether it is more likely than not that the fair value of such reporting unit is less than its carrying amount. For our other reporting units with goodwill, we bypass the qualitative assessment and perform the quantitative assessment by comparing the fair values of the reporting units with their carrying amounts, including goodwill. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to such excess but not to exceed the total amount of the goodwill of the reporting unit.

With respect to AmeriGas Propane Fiscal 2024 annual goodwill impairment test, the Company performed a quantitative assessment and determined that goodwill was impaired. In addition, during the third quarter of Fiscal 2023, the Company identified interim impairment indicators at its AmeriGas Propane reporting unit and, as such, performed an interim impairment test of its goodwill as of May 31, 2023. Based on such impairment tests, the Company recognized a non-cash pre-tax goodwill impairment charge of $195 and $656 in Fiscal 2024 and Fiscal 2023, respectively.

See Note 12 for additional information on the impairment charges at the AmeriGas Propane reporting unit.

With respect to AmeriGas Propane Fiscal 2025 annual goodwill impairment test, the Company performed a quantitative assessment. Based on our evaluation, we determined that AmeriGas Propane's fair value exceeded its carrying value by more than 25%. While the Company believes that its judgments used in the quantitative assessment of AmeriGas Propane's fair value are reasonable based upon currently available facts and circumstances, 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 an impairment. There is $1.1 billion of goodwill in the AmeriGas Propane reporting unit as of September 30, 2025.

Accumulated goodwill impairment was $851 at September 30, 2025 and 2024. Except for the previously mentioned impairment charges at the AmeriGas Propane reporting unit, there were no other impairments of goodwill recognized in all periods presented. The Company will continue to monitor its reporting units and related goodwill for any possible future non-cash impairment charges.

Impairment of Long-Lived Assets

Impairment testing for long-lived assets (or an asset group) is required when circumstances indicate that such assets may be impaired. If it is determined that a triggering event has occurred, we perform a recoverability test based upon estimated undiscounted cash flow projections expected to be realized over the remaining useful life of the long-lived asset. If the undiscounted cash flows used in the recoverability test are less than the long-lived asset's carrying amount, we determine its fair value. If the fair value is determined to be less than its carrying amount, the long-lived asset is reduced to its estimated fair value and an impairment loss is recognized in an amount equal to such shortfall. When determining whether a long-lived asset has been impaired, management groups assets at the lowest level that has identifiable cash flows that are independent of other assets.

The impairments of AmeriGas Propane's goodwill in Fiscal 2024 and Fiscal 2023 were determined to be a triggering event requiring an impairment analysis of AmeriGas Propane's long-lived and definite lived intangible assets. Accordingly, the Company performed a recoverability test of AmeriGas Propane's long-lived assets, including right-of-use ("ROU") assets and definite lived intangible assets, as of July 31, 2024, the measurement date of our annual goodwill impairment test, and May 31, 2023, using estimated undiscounted cash flow projections expected to be generated over the remaining useful life of the primary asset of the asset group at the lowest level with identifiable cash flows that are independent of other assets. Based on the recoverability tests performed, we determined that (1) AmeriGas Propane's long-lived assets, including ROU assets and definite lived intangible assets, were recoverable and, as such, no impairment charges were recorded; and (2) no adjustments to the remaining useful lives were necessary as of July 31, 2024 and May 31, 2023. There were no such triggering events in Fiscal 2025.

See Note 17 for information on the impairment loss associated with the disposal of UGID during Fiscal 2024. No other material provisions for impairments of long-lived assets were recorded in all periods presented.

Refundable Tank and Cylinder Deposits

Included in "Other noncurrent liabilities" on our Consolidated Balance Sheets are customer paid deposits on tanks and cylinders primarily owned by subsidiaries of UGI France of $246 and $243 at September 30, 2025 and 2024, respectively. Deposits are refundable to customers when the tanks or cylinders are returned in accordance with contract terms.

Environmental Matters

We are subject to environmental laws and regulations intended to mitigate or remove the effects of past operations and improve or maintain the quality of the environment. These laws and regulations require the removal or remedy of the effect on the environment of the disposal or release of certain specified hazardous substances at current or former operating sites.

Environmental reserves are accrued when assessments indicate that it is probable that a liability has been incurred and an amount can be reasonably estimated. Amounts recorded as environmental liabilities on the Consolidated Balance Sheets represent our best estimate of costs expected to be incurred or, if no best estimate can be made, the minimum liability associated with a range of expected environmental investigation and remediation costs. These estimates are based upon a number of factors including whether the Company will be responsible for such remediation, the scope and cost of the remediation work to be performed, the portion of costs that will be shared with other potentially responsible parties, the timing of the remediation and possible impact of changes in technology, and the regulations and requirements of local governmental authorities. Our estimated liability for environmental contamination is reduced to reflect anticipated participation of other responsible parties but is not reduced for possible recovery from insurance carriers. If the amount and timing of cash payments associated with environmental investigation and cleanup are reliably determinable, such liabilities are discounted to reflect the time value of money. We intend to pursue recovery of incurred costs through all appropriate means, including regulatory relief. PA Gas Utility receives ratemaking recognition of environmental investigation and remediation costs associated with in-state environmental sites. This ratemaking recognition balances the accumulated difference between historical costs and rate recoveries with an estimate of future costs associated with the sites. See Note 16 for additional information.

Loss Contingencies Subject to Insurance

We are subject to risk of loss for general, automobile and product liability, and workers' compensation claims for which we obtain insurance coverage under insurance policies that are subject to self-insured retentions or deductibles. We record accruals when it is probable that a liability exists and the amount or range of amounts can be reasonably estimated. When no amount within a range of possible loss is a better estimate than any other amount within the range, liabilities recorded are based upon the low end of the range. For litigation and pending claims including those covered by insurance policies, the analysis of probable loss is performed on a case by case basis and includes an evaluation of the nature of the claim, the procedural status of the matter, the probability or likelihood of success in prosecuting or defending the claim, the information available with respect to the claim, the opinions and views of outside counsel and other advisors, and past experience in similar matters. With respect to unasserted claims arising from unreported incidents, we may use the work of specialists to estimate the ultimate losses to be incurred using actuarially determined loss development factors applied to actual claims data. Our estimated reserves for loss contingencies may differ materially from the ultimate liability and such reserves may change materially as more information becomes available and estimated reserves are adjusted. We maintain insurance coverage such that our net exposure for claims covered by insurance would be limited to the self-insured retentions or deductibles, claims above which would be paid by the insurance carrier. For such claims, we record a receivable related to the amount of the liability expected to be paid by insurance.

Employee Retirement Plans

We use a market-related value of plan assets and an expected long-term rate of return to determine the expected return on assets of our U.S. pension and other postretirement plans. The market-related value of plan assets, other than equity investments, is based upon fair values. The market-related value of equity investments is calculated by rolling forward the prior-year's market-related value with contributions, disbursements and the expected return on plan assets. One third of the difference between the expected and the actual value is then added to or subtracted from the expected value to determine the new market-related value See Note 8 for additional information.

Note 3 — Accounting Changes

New Accounting Standard Adopted in Fiscal 2025

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. In the fourth quarter of Fiscal 2025, the Company adopted the new guidance on a retrospective basis. The adoption of the new guidance did not have a material impact on our consolidated financial statements. See Note 22 for enhanced disclosures.

Accounting Standards Not Yet Adopted

Targeted Improvements to the Accounting for Internal-Use Software. In September 2025, the FASB issued ASU 2025-06, "Targeted Improvements to the Accounting for Internal-Use Software (Subtopic 350-40)" which, among other things, removes the prescriptive project stage requirements and allows entities to capitalize internal-use software costs when management authorizes and commits funding to the project and it is probable the software will be completed and used as intended. This new guidance is effective for the Company for annual and interim periods beginning October 1, 2028 (Fiscal 2029). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective, modified, 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.

Measurement of Credit Losses for Accounts Receivable and Contract Assets. In July 2025, the FASB issued ASU 2025-05, “Measurement of Credit Losses for Accounts Receivable and Contract Assets (Topic 326)” which provides a practical expedient that allows entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset when estimating expected credit losses for current accounts receivable and current contract assets. This new guidance is effective for the Company for annual and interim periods beginning October 1, 2026 (Fiscal 2027). Early adoption is permitted. The amendments in this ASU should be adopted using the prospective method. The Company is in the process of assessing the impact on its financial statements and the period in which the new guidance will be 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.

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. This Company will adopt the new guidance effective for the year ending September 30, 2026 and provide the additional disclosures as required by the new guidance.

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. The Company generally has the right to consideration from a customer in an amount that corresponds directly with the value to the customer for performance completed to date. As such, we have elected to recognize revenue in the amount to which we have a right to invoice except in the case of certain of Utilities’ large delivery service customers and Midstream & Marketing’s peaking and gathering contracts for which we recognize revenue on a straight-line basis over the term of the contract, consistent with when the performance obligations are satisfied by the Company.

We do not have a significant financing component in our contracts because we receive payment shortly before, at, or shortly after the transfer of control of the good or service. Because the period between the time the performance obligation is satisfied and payment is received is generally one year or less, the Company has elected to apply the significant financing component practical expedient and no amount of consideration has been allocated as a financing component.

The Company’s revenues from contracts with customers are discussed below.

Utility Revenues

Utilities supplies natural gas and electricity and provides distribution services of natural gas and electricity to residential, commercial, and industrial customers who are generally billed at standard regulated tariff rates approved by the regulatory bodies through the ratemaking process. Tariff rates include a component that provides for a reasonable opportunity to recover operating costs and expenses and to earn a return on net investment, and a component that provides for the recovery, subject to reasonableness reviews, of PGC, PGA and DS costs.

Customers may choose to purchase their natural gas and electricity from Utilities, or, alternatively, may contract separately with alternate suppliers. Accordingly, our contracts with customers comprise two promised goods or services: (1) delivery service of natural gas and electricity through the Company's utility distribution systems and (2) the natural gas or electricity commodity itself for those customers who choose to purchase the natural gas or electricity directly from the Company. Revenue is not recorded for the sale of natural gas or electricity to customers who have contracted separately with alternate suppliers. For those customers who choose to purchase their natural gas or electricity from the Company, the performance obligation includes both the supply of the commodity and the delivery service.

The terms of our core market customer contracts are generally considered day-to-day as customers can discontinue service at any time without penalty. Performance obligations are generally satisfied over time as the natural gas or electricity is delivered to customers, at which point the customers simultaneously receive and consume the benefits provided by the delivery service and, when applicable, the commodity. Amounts are billed to customers based upon the reading of a customer's meter, which occurs on a cycle basis throughout each reporting period. An unbilled amount is recorded at the end of each reporting period based upon estimated amounts of natural gas or electricity delivered to customers since the date of the last meter reading. These unbilled estimates consider various factors such as historical customer usage patterns, customer rates and weather.

Utilities has certain fixed-term contracts with large commercial and industrial customers to provide natural gas delivery services at contracted rates and at volumes generally based on the customer's needs. The performance obligation to provide the contracted delivery service for these large commercial and industrial customers is satisfied over time and revenue is generally recognized on a straight-line basis.

Utilities makes off-system sales whereby natural gas delivered to our system in excess of amounts needed to fulfill our distribution system needs is sold to other customers, primarily other distributors of natural gas, based on an agreed-upon price and volume between the Company and the counterparty. Utilities also sells excess natural gas capacity whereby interstate pipeline capacity in excess of amounts needed to meet our customer obligations is sold to other distributors of natural gas based upon an agreed-upon rate. Off-system sales and capacity releases are generally entered into one month at a time and comprise the sale of a specific volume of gas or pipeline capacity at a specific delivery point or points over a specific time. As such, performance obligations associated with off-system sales and capacity release customers are satisfied, and associated revenue is recorded, when the agreed upon volume of natural gas is delivered or capacity is provided, and title is transferred, in accordance with the contract terms.

Electric Utility provides transmission services to PJM by allowing PJM to access Electric Utility's electricity transmission facilities. In exchange for providing access, PJM pays Electric Utility consideration determined by a formula-based rate approved by the FERC. The formula-based rate, which is updated annually, allows recovery of costs incurred to provide transmission services and return on transmission-related net investment. We recognize revenue over time as we provide transmission service.

Other Utility revenues represent revenues from other ancillary services provided to customers and are generally recorded as the service is provided to customers.

Non-Utility Revenues

LPG. UGI International and AmeriGas Propane record revenue principally from the sale of LPG to retail and wholesale customers. The primary performance obligation associated with the sale of LPG is the delivery of LPG to (1) the customer's point of delivery for retail customers and (2) the customer's specified location where LPG is picked up by wholesale customers, at which point control of the LPG is transferred to the customer, the performance obligation is satisfied, and the associated revenue is recognized.

Contracts with customers comprise different types of contracts with varying length terms, fixed or variable prices, and fixed or variable quantities. Contracts with our residential customers, which comprise a substantial number of our customer contracts, are generally one year or less. Customer contracts for the sale of LPG include fixed-price, fixed-quantity contracts under which LPG is provided to customers at a fixed price and a fixed volume, and contracts that provide for the sale of LPG at market prices at date of delivery with no fixed volumes. AmeriGas Propane offers contracts that permit customers to lock in a fixed price for their volumes for a fee and also provide customers with the option to pre-buy a fixed amount of LPG at a fixed price. Amounts received under pre-buy arrangements are recorded as a contract liability when received and recorded as revenue when LPG is delivered and control is transferred to the customer. Fee revenue associated with fixed-price contracts are recorded as contract liabilities and recorded ratably over the contract period.

UGI International and AmeriGas Propane also distribute LPG to customers in portable cylinders. Under certain contracts, filled cylinders are delivered, and control is transferred, to a reseller. In such instances, the reseller is our customer and we record revenue upon delivery to the reseller. Under other contracts, filled cylinders are delivered to a reseller, but the Company retains control of the cylinders. In such instances, we record revenue at the time the reseller transfers control of the cylinder to the end user.

Certain retail LPG customers for AmeriGas Propane receive credits which we account for as variable consideration. We estimate these credits based upon past practices and historical customer experience and we reduce our revenues recognized for these credits.

Energy Marketing. Midstream & Marketing and UGI International operate energy marketing businesses that sell energy commodities, principally natural gas and electricity, to residential, commercial, industrial and wholesale customers. See Note 5 regarding recent transactions related to UGI International's energy marketing business.

Midstream & Marketing and, prior to the exit of substantially all of its energy marketing business as of the end of the first quarter of Fiscal 2024, UGI International market natural gas and electricity on full-requirements or agreed-upon volume bases under contracts with varying length terms and at fixed or floating prices that are based on market indices adjusted for differences in price between the market location and delivery locations. Performance obligations associated with these contracts primarily comprise the delivery of the natural gas and electricity over a contractual period of time. Performance obligations also include other energy-related ancillary services provided to customers such as capacity. For performance obligations that are satisfied at a point in time such as the delivery of natural gas, revenue is recorded when customers take control of the natural gas. Revenue is recorded for performance obligations that qualify as a series, when customers consume the natural gas or electricity is delivered, which corresponds to the amount invoiced to the customer. For transactions where the price or volume is not fixed, the transaction price is not determined until delivery occurs. The billed amount, and the revenue recorded, is based upon consumption by the customer.

Midstream. Midstream & Marketing provides natural gas pipeline transportation, natural gas gathering, natural gas processing and natural gas underground storage services, which generally contain a performance obligation for the Company to have availability to transport or store a product. Additionally, the Company provides stand-ready services to sell supplemental energy products and related services, primarily LNG and propane-air mixtures during periods of high demand that typically result from cold weather. The Company also sells LNG to end-user customers for use by trucks, drilling rigs and other motored vehicles and equipment, and facilities that are located off the natural gas grid.

Contracts for natural gas transportation and gathering services are typically long-term contracts with terms of up to 30 years, while contracts for storage are typically for one-year or multiple storage season periods. Contracts to provide natural gas during periods of high demand have terms of up to 15 years. Contracts to sell LNG for trucks, drilling rigs and other motor vehicles and facilities are typically short-term (less than one year). Depending on the type of services provided or goods sold, midstream revenues may consist of demand rates, commodity rates, and transportation rates and may include other fees for ancillary services. Pipeline transportation, natural gas gathering and storage services provided and services to stand ready to sell supplemental energy products and services each are considered to have a single performance obligation satisfied through the passage of time ratably based upon providing a stand-ready service generally on a monthly basis. Contracts to sell LNG to end-user customers contain performance obligations to deliver LNG over the term of the contract and revenue is recognized at a point in time when the control of the energy products is transferred to the customer. The price in the contract corresponds to our efforts to satisfy the performance obligation and reflects the consideration we expect to receive for the satisfied performance obligation, and, therefore, the revenue is recognized based on the volume delivered and the price within the contract. In cases where shipping and handling occurs prior to the LNG being delivered to the customer's storage vessel, we have elected to treat this as a cost of fulfillment and not a separate performance obligation. Revenues are typically billed and payment received monthly. Advance fees received from customers for stand-ready services are deferred as contract liabilities and revenue is recognized ratably over time as the performance obligation is satisfied over a period less than one year.

Electricity Generation. Prior to its sale in September 2024, Midstream & Marketing sold power generated from electricity generation assets in the wholesale electricity markets administered by PJM regional transmission organization. Power contracts with PJM consist of the sale of power, capacity and ancillary services, all of which were considered a bundle of various services. Performance obligations were satisfied over time, generally on a daily basis, as electricity is delivered to and simultaneously consumed by the customer. As such, the Company had elected to recognize revenue in the amount to which we had a right to invoice which was based on market prices at the time of the delivery of the electricity to the customers.

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

Other. Other revenues from contracts with customers are generated primarily from AmeriGas Propane's parts and services business. The performance obligations of this business include installation and repair services. The performance obligations under these contracts are satisfied, and revenue is recognized, as control of the product is transferred or the services are rendered. Other LPG revenues from contracts with customers are generated primarily from certain fees UGI International and AmeriGas Propane charge associated with the delivery of LPG, including hazmat safety compliance, inspection, metering, installation, fuel recovery and certain other services. Revenues from fees are typically recorded when the LPG is delivered to the customer or the associated service is completed.

Revenue Disaggregation

The following tables present our disaggregated revenues by reportable segment:

2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 970	$ —	$ 970	$ —	$ —	$ —	$ —
Commercial & Industrial	385	—	385	—	—	—	—
Large delivery service	196	—	196	—	—	—	—
Off-system sales and capacity releases	74	(79)	153	—	—	—	—
Other	31	(1)	32	—	—	—	—
Total Utility	1,656	(80)	1,736	—	—	—	—
Non-Utility:							
LPG:							
Retail	3,738	—	—	—	1,785	1,953	—
Wholesale	231	—	—	—	156	75	—
Energy Marketing	998	(159)	—	1,099	58	—	—
Midstream:							
Pipeline	225	—	—	225	—	—	—
Peaking	27	(111)	—	138	—	—	—
Other	21	—	—	21	—	—	—
Other	251	—	—	—	78	173	—
Total Non-Utility	5,491	(270)	—	1,483	2,077	2,201	—
Total revenues from contracts with customers	7,147	(350)	1,736	1,483	2,077	2,201	—
Other revenues (c)	140	—	25	—	42	75	(2)
Total revenues	$ 7,287	$ (350)	$ 1,761	$ 1,483	$ 2,119	$ 2,276	$ (2)

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

2024	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 873	$ —	$ 873	$ —	$ —	$ —	$ —
Commercial & Industrial	344	—	344	—	—	—	—
Large delivery service	183	—	183	—	—	—	—
Off-system sales and capacity releases	67	(48)	115	—	—	—	—
Other	36	(1)	37	—	—	—	—
Total Utility	1,503	(49)	1,552	—	—	—	—
Non-Utility:							
LPG:							
Retail	3,733	—	—	—	1,816	1,917	—
Wholesale	270	—	—	—	180	90	—
Energy Marketing (b)	980	(96)	—	948	170	—	(42)
Midstream:							
Pipeline	246	—	—	246	—	—	—
Peaking	10	(121)	—	131	—	—	—
Other	16	—	—	16	—	—	—
Electricity Generation	27	—	—	27	—	—	—
Other	260	—	—	—	74	186	—
Total Non-Utility	5,542	(217)	—	1,368	2,240	2,193	(42)
Total revenues from contracts with customers	7,045	(266)	1,552	1,368	2,240	2,193	(42)
Other revenues (c)	165	—	46	1	39	78	1
Total revenues	$ 7,210	$ (266)	$ 1,598	$ 1,369	$ 2,279	$ 2,271	$ (41)

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

2023	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 1,020	$ —	$ 1,020	$ —	$ —	$ —	$ —
Commercial & Industrial	413	—	413	—	—	—	—
Large delivery service	177	—	177	—	—	—	—
Off-system sales and capacity releases	89	(73)	162	—	—	—	—
Other	43	(1)	44	—	—	—	—
Total Utility	1,742	(74)	1,816	—	—	—	—
Non-Utility:							
LPG:							
Retail	3,952	—	—	—	1,768	2,184	—
Wholesale	325	—	—	—	207	118	—
Energy Marketing	2,139	(143)	—	1,410	872	—	—
Midstream:							
Pipeline	251	—	—	251	—	—	—
Peaking	31	(106)	—	137	—	—	—
Other	14	—	—	14	—	—	—
Electricity Generation	33	—	—	33	—	—	—
Other	274	—	—	—	80	194	—
Total Non-Utility	7,019	(249)	—	1,845	2,927	2,496	—
Total revenues from contracts with customers	8,761	(323)	1,816	1,845	2,927	2,496	—
Other revenues (c)	167	(3)	38	2	38	85	7
Total revenues	$ 8,928	$ (326)	$ 1,854	$ 1,847	$ 2,965	$ 2,581	$ 7

(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 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 (3) 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 at September 30, 2025 and 2024. 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 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 $132 and $140 at September 30, 2025 and 2024, respectively, and are primarily included in “Deposits and advances” on the Consolidated Balance Sheets. Revenues recognized during Fiscal 2025, Fiscal 2024 and Fiscal 2023 from the amounts included in contract liabilities at September 30, 2024, September 30, 2023 and September 30, 2022 was $101, $120 and $127, 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 September 30, 2025, the Company expects to record approximately $1.3 billion of revenues related to the minimum future performance obligations over the remaining terms of the related contracts.

Note 5 — Dispositions

Global LPG Business Transactions

As part of the Company's ongoing global LPG business portfolio optimization efforts, the Company is strategically divesting operations in non-core markets to focus resources where it can achieve superior operational results and deliver enhanced customer value.

UGI International. In October 2025, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its LPG distribution business in Austria. The Company expects to recognize a gain upon closing, which is expected in the first quarter of Fiscal 2026, subject to customary closing conditions and working capital adjustments.

In June 2025, UGI International, through a wholly-owned subsidiary, completed the sale of UniverGas, its LPG distribution business in Italy. In conjunction with the sale, during Fiscal 2025, the Company recorded a pre-tax loss of $50, which is reflected in "(Gain) loss on disposals of businesses" on the Consolidated Statements of Income and included in the UGI International reportable segment.

In June 2025, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its cylinder business in the United Kingdom. Accordingly, the assets and liabilities associated with this business, primarily comprised of long-lived assets, qualify as held for sale and have been reflected in "Other current assets" and "Other current liabilities," respectively, on the Consolidated Balance Sheet at September 30, 2025. During Fiscal 2025, the Company recognized a non-cash, pre-tax impairment charge of $3 to record such assets at estimated fair value less costs to sell, which is reflected in "(Gain) loss on disposals of businesses" on the Consolidated Statement of Income and included in the UGI International reportable segment. The sale was completed in October 2025.

AmeriGas Propane. In September 2025, AmeriGas OLP completed the sale of its propane business located in Hawaii. The transaction included the sale of approximately 750,000 gallons of propane storage facilities and multiple delivery fleet assets. In conjunction with the sale, during Fiscal 2025, the Company recorded a pre-tax gain of $17, which is reflected in "(Gain) loss on disposals of businesses" on the Consolidated Statements of Income and included in the AmeriGas Propane reportable segment. The transaction is subject to customary post-closing working capital adjustments.

The Company has received or expects to receive total net cash proceeds of approximately $220 from the aforementioned divestitures.

UGID

In June 2024, Energy Services entered into a Stock Purchase Agreement to sell all of its ownership interest in UGID. UGID owns and operates the Hunlock Creek Energy Center located in Wilkes-Barre, PA, a 169-megawatt natural gas-fueled electricity generating station. The sale of UGID was completed in September 2024, for net cash proceeds of $43. In conjunction with the sale, during Fiscal 2024, the Company recorded a pre-tax loss of $66, which amount is included in "(Gain) loss on disposals of businesses" on the Consolidated Statement of Income and included in the Midstream & Marketing reportable segment.

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, the Netherlands, Belgium 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 Fiscal 2024, the Company recorded a pre-tax loss of $29, which amount is reflected in "(Gain) loss on disposals of businesses" on the 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 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 Consolidated Statements of Income.

During Fiscal 2023, the Company recorded a $19 pre-tax impairment charge to reduce the carrying values of certain assets associated with its energy marketing business in the Netherlands, comprising property, plant and equipment and intangible assets. The impairment charge is reflected in "Operating and administrative expenses" on the Consolidated Statements of Income and included in the UGI International reportable segment.

Belgium. In September 2023, UGI International, through a wholly-owned subsidiary, sold its energy marketing business located in Belgium. In conjunction with the sale, during Fiscal 2023, the Company recorded a pre-tax loss of $6, which amount is reflected in "(Gain) loss on disposals of businesses" on the Consolidated Statements of Income.

United Kingdom. In October 2022, UGI International, through a wholly-owned subsidiary, sold its energy marketing business located in the U.K. In conjunction with the sale, during Fiscal 2023, the Company recorded a pre-tax loss of $215 which amount is reflected in "(Gain) loss on disposals of businesses" on the Consolidated Statements of Income.

Note 6 — Debt

Significant Financing Activities During Fiscal 2025

Utilities

UGI Utilities Senior Notes. In July 2025, UGI Utilities entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in November 14, 2025, UGI Utilities issued $150 aggregate principal amount of 5.10% Senior Notes due November 15, 2030, and $125 aggregate principal amount of 5.68% Senior Notes due November 15, 2035. These senior notes are unsecured and rank equally with UGI Utilities' existing outstanding senior debt. 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. UGI Utilities used the net proceeds from the issuance of these senior notes to (1) repay the $100 outstanding principal balance of the 1.59% Senior Notes, due June 2026 and $75 outstanding principal balance of the 1.64% Senior Notes, due September 2026; (2) reduce short-term borrowings; and (3) for general corporate purposes. As of September 30, 2025, the $175 aggregate principal amount of these senior notes has been classified as long-term debt on the Consolidated Balance Sheets based on the Company's intent and ability to refinance these short-term obligations on a long-term basis.

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.

Mountaineer 2025 Credit Agreement. In May 2025, Mountaineer entered into the Mountaineer 2025 Credit Agreement providing for borrowings up to $150, including a $20 sublimit for letters of credit. Mountaineer may request an increase in the amount of loan commitments to a maximum aggregate amount of $250, subject to certain terms and conditions. In connection with entering into the Mountaineer 2025 Credit Agreement, Mountaineer paid off in full and terminated the Mountaineer 2023 Credit Agreement, dated as of November 2019. Borrowings under the Mountaineer 2025 Credit Agreement can be used to refinance Mountaineer's existing indebtedness, finance the working capital needs of Mountaineer and for general corporate purposes. The Mountaineer 2025 Credit Agreement is scheduled to expire in May 2030, and Mountaineer has the option, with the consent of the lenders, to extend the maturity date to May 2031, and then to May 2032.

Borrowings under the Mountaineer 2025 Credit Agreement bear interest, subject to our election, at either (i) the base rate plus the applicable margin, as defined in the agreement or (ii) the adjusted Term SOFR rate plus the applicable margin, as defined in the agreement. The Mountaineer 2025 Credit Agreement contains customary covenants and default provisions and requires compliance with certain financial covenants including a maximum leverage ratio and a minimum interest coverage ratio as defined in the agreement.

Mountaineer Senior Notes. In April 2025, Mountaineer entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in May 2025, Mountaineer issued $50 aggregate principal amount of 6.11% Senior Notes due June 1, 2035 and $20 aggregate principal amount of 6.21% Senior Notes due June 1, 2037. These senior notes are unsecured and rank equally with Mountaineer's existing outstanding senior debt. Mountaineer used the net proceeds from the issuance of these senior notes to reduce short-term borrowings and for general corporate purposes. The note purchase agreement contains customary covenants and default provisions and requires compliance with certain financial covenants including a leverage ratio and interest coverage ratio as defined in the agreement.

AmeriGas Propane

AmeriGas Partners Senior Notes. In May 2025, AmeriGas Partners and AmeriGas Finance Corp. issued $550 aggregate principal amount of 9.5% Senior Notes due June 2030. The 9.5% Senior Notes rank equally with AmeriGas Partners' existing and future outstanding senior notes. The net proceeds from the issuance of the 9.5% Senior Notes, together with cash on hand and other sources of liquidity, were used for the early repayment, pursuant to a tender offer and notice of redemption, of all AmeriGas Partners 5.875% Senior Notes having an aggregate principal amount of $664, plus tender and make whole premiums and accrued and unpaid interest. The 9.5% Senior Notes indenture contains customary covenants and default provisions.

In February 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. In March 2025, AmeriGas Partners and AmeriGas Finance Corp, using the cash on hand from borrowings under the intercompany loan, redeemed all of the $218 outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025, plus accrued and unpaid interest. As of September 30, 2025, borrowings outstanding on the intercompany loan, due January 2027, were $200 and subsequent to September 30, 2025, the Partnership repaid $35 of such borrowings.

In conjunction with the early repayment of these senior notes, the Partnership recognized a pre-tax loss of $9 primarily comprising tender and make whole premiums and the write-off of unamortized debt issuance costs, which is reflected in "Loss on extinguishments of debt" on the Consolidated Statement of Income.

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 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, each 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 in the agreement or (ii) the adjusted Term SOFR rate plus the applicable rate as defined in 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 Consolidated Balance Sheet.

In August 2025, the Company amended its UGI Corporation 2025 Credit Agreement to add an additional revolving credit facility of $300, the borrowings of which, if any, can be used solely to fund the cash consideration in the event of early conversion requests of the UGI Corporation Senior Notes (see "UGI Corporation Senior Notes" below). The $300 credit facility is scheduled to expire in August 2026, and the Company has the option, subject to meeting certain conditions, to convert and extend the credit facility borrowings into a one year term loan. Any borrowings under the $300 credit facility bear interest, subject to our election, at a rate per annum equal to (i) the alternative base rate plus the applicable rate as defined in the agreement or (ii) the adjusted Term SOFR rate plus the applicable rate as defined by the agreement.

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 senior, unsecured obligations and rank equal in right of payment with our existing and future senior, unsecured indebtedness. Interest is payable semi-annually on June 1 and December 1 of each year, beginning on December 1, 2024, and will mature on June 1, 2028, unless earlier repurchased or converted.

The UGI Corporation Senior Notes are convertible subject to the occurrence of certain events and circumstances. Before March 1, 2028, noteholders will have the right to convert their notes only upon the occurrence of certain events as follows:

1. During any fiscal quarter commencing after the fiscal quarter ending September 30, 2024, if the market price of the Company's common stock reaches 130% of the conversion price (initially $27.60) for a specified period of time;

2. The trading price of the Notes falls below 98% of the product of the sale price of the Company's common stock and the conversion rate, for a specified period. The Company is not obligated to track the trading price of the notes unless a holder of the notes provides the Company reasonable evidence that the Notes are trading at 98% of the product of the sale price of the Company's common stock and the conversion rate, as defined in the indenture;

3. Upon the occurrence of specific corporate events related to specific types of distributions as defined in the indenture; or

4. Upon the occurrence of a Fundamental Change, Make Whole Fundamental Change or Common Stock Change Event as defined in the indenture

From and after March 1, 2028, holders of the UGI Corporation Senior Notes may convert their notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date.

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

Upon conversion, the Company will pay cash up to the aggregate principal amount of the UGI Corporation Senior Notes. For the remainder of the amount in excess of the aggregate principal amount, if applicable, the Company will have the sole right to elect the settlement method upon conversion which can be either entirely in cash or in a combination of cash and shares of its common stock. The default settlement method as defined in the agreement is a combination settlement with a specified dollar amount of $1,000 per $1,000 principal of the UGI Corporation Senior Notes, and any incremental value settled in shares of the Company's common stock. The initial conversion rate is 36.2319 shares of the Company's common stock per $1,000 principal amount of the UGI Corporation Senior Notes, which represents an initial conversion price of approximately $27.60 per share of the Company's common stock. The conversion rate and conversion price will be subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a "Make-Whole Fundamental Change" (as defined in the Indenture) occur, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

The Company may not redeem the UGI Corporation Senior Notes at its option before maturity.

As of September 30, 2025, none of the events permitting the noteholders to convert their notes early existed. Accordingly, the UGI Corporation Senior Notes are classified as "Long-term debt" on the Consolidated Balance Sheet at September 30, 2025.

In Fiscal 2025, the Company recognized $40 of interest expense, related to the UGI Corporation Senior Notes at the effective interest rate of 5.69%. The estimated fair values of the UGI Corporation Senior Notes were $894 and $744 at September 30, 2025 and 2024, respectively. 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).

Credit Facilities and Short-term Borrowings

Information about the Company's principal credit agreements (excluding the Energy Services Receivables Facility, which is discussed below) as of September 30, 2025 and 2024, is presented in the following table. Borrowings under these credit agreements bear interest at rates indexed to short-term market rates. Borrowings outstanding under these agreements (other than the UGI Corporation 2025 Credit Agreement) are classified as "Short-term borrowings" on the Consolidated Balance Sheets.

	Expiration Date	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity	Weighted Average Interest Rate - End of Year
September 30, 2025 (g)						
AmeriGas OLP (a)	August 2029	$ 128	$ —	$ 2	$ 126	N.A.
UGI International, LLC (b)	March 2028	€ 500	€ 170	€ —	€ 330	6.00 %
Energy Services (c)	May 2028	$ 300	$ —	$ —	$ 300	N.A.
UGI Utilities (d)	November 2028	$ 375	$ 200	$ —	$ 175	5.13 %
Mountaineer (e)	May 2030	$ 150	$ 69	$ —	$ 81	5.53 %
UGI Corporation (f)	October 2028	$ 475	$ 263	$ —	$ 212	6.63 %
September 30, 2024						
AmeriGas OLP (a)	August 2029	$ 200	$ 51	$ —	$ 149	7.29 %
UGI International, LLC (b)	March 2028	€ 500	€ 115	€ —	€ 385	4.88 %
Energy Services (c)	May 2028	$ 300	$ —	$ —	$ 300	N.A.
UGI Utilities (d)	November 2028	$ 375	$ 190	$ —	$ 185	5.92 %
Mountaineer (e)	December 2025	$ 150	$ 96	$ —	$ 54	6.56 %
UGI Corporation (f)	August 2025	$ 300	$ 115	$ —	$ 185	7.45 %

(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.

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

(c) The Energy Services Credit Agreement includes a $50 sublimit for letters of credit and is guaranteed by certain subsidiaries of Energy Services.
(d) The UGI Utilities 2023 Credit Agreement includes a $50 sublimit for letters of credit.
(e) The Mountaineer Credit Agreements include a $20 sublimit for letters of credit. In May 2025, Mountaineer entered into the Mountaineer 2025 Credit Agreement and concurrently terminated the Mountaineer 2023 Credit Agreement, a predecessor agreement.
(f) Borrowings outstanding have been classified as "Long-term debt" on the Consolidated Balance Sheets.
(g) Supplemental cash flow information: the Company regularly uses its credit facilities (other than the UGI Corporation 2025 Credit Agreement) to support its working capital needs with borrowings of $1,600 and repayments of $1,596 during Fiscal 2025.

N.A. - Not applicable

Energy Services Receivables Facility. Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2025, the expiration date of the Receivables Facility was extended to October 2026. The Receivables Facility provides Energy Services with the ability to borrow up to $150 of eligible receivables during the period October 17, 2025 to April 30, 2026, and up to $75 of eligible receivables during the period May 1, 2026 to October 16, 2026, with the option to request consent for an increase of $50. 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 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.

Information regarding the amounts of trade receivables transferred to ESFC and the amounts sold to the bank are as follows:

	2025	2024	2023
Trade receivables transferred to ESFC during the year	$ 1,406	$ 1,324	$ 1,946
ESFC trade receivables sold to the bank during the year	$ 125	$ 336	$ 535
ESFC trade receivables - end of year (a) (b)	$ 69	$ 51	$ 62

(a) At September 30, 2025, there were $17 of ESFC trade receivables sold to the bank and is reflected as "Short-term borrowings" on the Consolidated Balance Sheets. At September 30, 2024, there were no ESFC trade receivables sold to the bank.
(b) Supplemental cash flow information: Energy Services regularly uses the Receivables Facility to support its working capital needs with borrowings of $125 and repayments of $108 during Fiscal 2025.

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

Long-term Debt

Long-term debt comprises the following at September 30:

	2025	2024
Utilities:		
UGI Utilities Senior Notes:		
4.12% due September 2046	$ 200	$ 200
4.98% due March 2044	175	175
3.12% due April 2050	150	150
4.55% due February 2049	150	150
4.12% due October 2046	100	100
6.21% due September 2036	100	100
2.95% due June 2026	100	100
1.59% due June 2026	100	100
1.64% due September 2026	75	75
4.75% due July 2032	90	90
4.99% due September 2052	85	85
6.02% due November 2030	25	25
6.10% due November 2033	150	150
6.40% due November 2053	75	75
5.24% due November 2029	50	—
5.52% due November 2034	125	—
UGI Utilities Medium-Term Notes:		
6.13% due October 2034	20	20
6.50% due August 2033	20	20
Mountaineer senior notes (a)	264	196
UGI Utilities variable-rate term loan due through July 2027 (b)	76	83
Other	1	2
Unamortized debt issuance costs	(7)	(7)
Total Utilities	2,124	1,889
Midstream & Marketing:		
Energy Services variable-rate term loan due through February 2030 (c)	778	786
Other	40	41
Unamortized discount and debt issuance costs	(11)	(13)
Total Midstream & Marketing	807	814
UGI International:		
2.50% Senior Notes due December 2029	469	446
UGI International, LLC variable-rate term loan due March 2028 (d)	352	335
Other	13	12
Unamortized debt issuance costs	(5)	(6)
Total UGI International	829	787
AmeriGas Propane:		
AmeriGas Partners Senior Notes:		
5.50% due May 2025	—	218
5.875% due August 2026	—	664
5.75% due May 2027	512	512
9.375% due June 2028	493	493
9.50% due June 2030	550	—
Other (e)	200	—
Unamortized debt issuance costs	(14)	(10)
Total AmeriGas Propane	1,741	1,877

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

	2025	2024
UGI Corporation:		
UGI Corporation Credit Facilities:		
UGI Corporation revolving credit facility maturing August 2025 (f)	—	115
UGI Corporation revolving credit facility maturing October 2028 (f)	263	—
UGI Corporation variable-rate term loan due August 2025 (g)	—	300
UGI Corporation variable-rate term loan due August 2025 (h)	—	215
UGI Corporation variable-rate term loan due October 2027 (i)	400	—
UGI Corporation senior notes due June 2028	700	700
Unamortized debt issuance costs	(16)	(19)
Total UGI Corporation	1,347	1,311
Less: eliminations (e)	(200)	—
Total long-term debt	6,648	6,678
Less: current maturities	(117)	(235)
Total long-term debt due after one year	$ 6,531	$ 6,443

(a) At September 30, 2025, long-term debt comprises $250 principal amount of Mountaineer senior secured notes plus unamortized premium of $14. At September 30, 2024, long-term debt comprises $180 principal amount of Mountaineer senior secured notes plus unamortized premium of $16. The face interest rates on the Mountaineer senior notes range from 3.50% to 6.21%, with maturities ranging from 2027 to 2052.

(b) At September 30, 2025 and 2024, the effective interest rate on this term loan was 3.92%. We have entered into a pay-fixed, receive-variable interest rate swap to effectively fix the underlying variable rate at approximately 2.82% on a portion of these borrowings through June 2026. Term loan borrowings are due in equal quarterly installments of $2, with the balance of the principal being due in full at maturity.

(c) At September 30, 2025 and 2024, the effective interest rates on the term loan were 7.39% and 7.09%, respectively. We have entered into pay-fixed, receive-variable interest rate swaps to effectively fix a substantial portion of the underlying variable rate on these borrowings at 4.53% through September 2026 and 3.55% through September 2028. Term loan borrowings are due in equal quarterly installments of $2, with the balance of the principal being due in full at maturity. Under certain circumstances, Energy Services is required to make additional principal payments if the consolidated total leverage ratio, as defined, is greater than defined thresholds. This term loan is collateralized by substantially all of the assets of Energy Services, subject to certain exceptions and carveouts including, but not limited to, accounts receivable and certain real property.

(d) At September 30, 2025 and 2024, the effective interest rates on the term loan were 4.94% and 4.95%, respectively. We have entered into a pay-fixed, receive-variable interest rate swap that fixes the underlying variable rate at 3.10% through March 2026.

(e) At September 30, 2025, the effective interest rate on the intersegment loan from UGI International to AmeriGas Partners was 9.13%. The intersegment loan was eliminated in consolidation.

(f) In October 2024, UGI entered into a new UGI Corporation 2025 Credit Agreement. The effective interest rate on credit facility borrowings was 6.64% at September 30, 2025, compared to 7.45% at September 30, 2024 under the prior UGI Corporation Credit Facility Agreement.

(g) At September 30, 2024, the effective interest rate on the term loan was 6.09%. The term loan was repaid early in October 2024.

(h) At September 30, 2024, the effective interest rate on the term loan was 6.75%. The term loan was repaid early in October 2024.

(i) At September 30, 2025, the effective interest rate on the term loan was 6.09%. We have entered into pay-fixed, receive-variable interest rate swaps to effectively fix the underlying variable rate at approximately 3.61% on a portion of these borrowings through September 2027.

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

Scheduled principal repayments of long-term debt for each of the next five fiscal years ending September 30 are as follows:

	2026	2027	2028	2029	2030
Utilities (a)	$ 107	$ 70	$ 40	$ —	$ 70
Midstream & Marketing	8	8	8	8	746
UGI International	2	2	354	2	471
AmeriGas Propane	35	677	493	—	550
UGI Corporation	—	—	1,100	263	—
Eliminations (b)	(35)	(165)	—	—	—
Total	$ 117	$ 592	$ 1,995	$ 273	$ 1,837

(a) Subsequent to September 30, 2025, UGI Utilities issued $150 of 5.10% Senior Notes due November 15, 2030, and $125 of 5.68% Senior Notes due November 15, 2035. A portion of the net proceeds from the issuance were used to repay $175 aggregate principal amount of existing senior notes which were set to mature in June and September 2026. As of September 30, 2025, the $175 aggregate principal amount of these senior notes has been classified as long-term debt on the Consolidated Balance Sheets based on the Company's intent and ability to refinance these short-term obligations on a long-term basis.

(b) Represents the elimination of the intersegment loan between UGI International and AmeriGas Partners.

Restrictive Covenants

Our long-term debt and credit facility agreements generally contain customary covenants and default provisions which may include, among other things, restrictions on the incurrence of additional indebtedness and also restrict liens, guarantees, investments, loans and advances, payments, mergers, consolidations, asset transfers, transactions with affiliates, sales of assets, acquisitions and other transactions. These agreements contain standard provisions which require compliance with certain financial ratios. Certain of the subsidiaries nonrecourse debt agreements contain cross-default provisions, whereby default under an agreement with one lender simultaneously causes default under agreements with other lenders. In addition, under the default provisions, a default of a subsidiary results in or is at risk of triggering a cross-default under the debt of the parent company. UGI and its subsidiaries were in compliance with all debt covenants as of September 30, 2025.

Restricted Net Assets

At September 30, 2025, the amount of net assets of UGI's consolidated subsidiaries that were restricted from transfer to UGI under debt agreements and regulatory requirements under foreign laws totaled approximately $3,400.

Note 7 — Income Taxes

Income (loss) before income taxes comprises the following:

	2025	2024	2023
Domestic	$ 580	$ 305	$ (346)
Foreign	116	35	(1,491)
Total income (loss) before income taxes	$ 696	$ 340	$ (1,837)

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

The provisions for income taxes consist of the following:

	2025	2024	2023
Current expense (benefit):			
Federal	$ —	$ (25)	$ (1)
State	14	12	37
Foreign	50	32	49
Total current expense (benefit)	64	19	85
Deferred expense (benefit):			
Federal	(41)	82	34
State	8	34	(21)
Foreign	(13)	(64)	(433)
Total deferred expense (benefit)	(46)	52	(420)
Total income tax expense (benefit)	$ 18	$ 71	$ (335)

Federal income taxes for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are net of foreign tax credits of $47, $17, and $25, respectively.

A reconciliation from the U.S. federal statutory tax rate to our effective tax rate is as follows:

	2025	2024	2023
U.S. federal statutory tax rate	21.0 %	21.0 %	21.0 %
Difference in tax rate due to:			
Goodwill impairment not deductible for tax	—	11.6	(7.3)
State income taxes, net of federal benefit	4.6	6.8	(1.7)
Investment tax credits	(12.7)	(6.8)	0.5
Valuation allowance adjustments	(8.8)	(6.3)	1.1
Regulated entity depreciation normalization	(2.0)	(4.5)	0.7
Notional interest deduction	(1.7)	(3.8)	0.7
Nontaxable sale of equity investment	1.5	—	—
Effects of tax rate changes – State, net of federal benefit	(0.7)	3.6	0.2
State NOL adjustment upon disposition	—	2.4	—
Uncertain tax positions	0.8	(2.4)	(0.7)
Impairment of equity investment	—	2.2	—
Federal refund interest accrual	(0.5)	(1.1)	—
Effects of foreign operations	(0.6)	0.1	3.1
Other, net	1.7	(1.9)	0.6
Effective tax rate	2.6 %	20.9 %	18.2 %

In July 2025, the One Big Beautiful Bill Act (the "OBBBA") was enacted, introducing certain amendments to the U.S. tax law. Key provisions affecting the Company include: (1) changes to interest expense limitations; (2) expanded bonus deprecation; (3) accelerated expensing of research and development costs; and (4) certain revisions to international tax rules. The Company recorded an income tax benefit of $31 in the fourth quarter of Fiscal 2025 related to the release of a valuation allowance associated with previously disallowed interest expense. The enactment of the OBBBA did not otherwise have a material impact on the Company's effective tax rate in Fiscal 2025.

In July 2022, tax legislation was enacted in Pennsylvania reducing the state's corporate net income tax rate from 9.99% to 4.99% over a nine-year period, beginning with an initial reduction to 8.99% beginning in Fiscal 2024. The legislation resulted in tax expense (benefit) of $5, $12 and $4 in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, based upon the Company's analysis of future reversals of net deferred tax liabilities.

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

Federal refund claims of $41 and $56 are included in "Income taxes receivable" on the Consolidated Balance Sheet at September 30, 2025 and 2024, respectively. Refund claims of $36 at September 30, 2025 and 2024, were related to Fiscal 2021 federal net operating losses carried back to Fiscal 2016 under CARES legislation enacted in 2020. The CARES refund claim is under Joint Committee review.

Our effective tax rate is subject to the impact of changes to the taxation of foreign source income made by the TCJA and the high tax exception regulations issued in July 2020. Income tax expense for Fiscal 2025, Fiscal 2024 and Fiscal 2023 includes $15, $2, and $13, respectively, of GILTI taxes that are treated as current period costs and carry no related deferred taxes.

Pennsylvania and West Virginia utility ratemaking practices permit the flow through to ratepayers of state tax benefits resulting from accelerated tax depreciation. For Fiscal 2025, Fiscal 2024 and Fiscal 2023, the beneficial effects of state tax flow through of accelerated depreciation reduced income tax expense by $11, $12, and $11, respectively.

Deferred tax liabilities (assets) comprise the following at September 30:

	2025	2024
Excess book basis over tax basis of property, plant and equipment	$ 1,051	$ 994
Intangible assets and goodwill	105	86
Utility regulatory assets	80	74
Investment in AmeriGas Partners	71	31
Other	113	50
Gross deferred tax liabilities	1,420	1,235
Interest expense	(150)	(118)
Operating loss carryforwards	(73)	(72)
Utility regulatory liabilities	(66)	(72)
Foreign tax credit carryforwards	(12)	(49)
Employee-related benefits	(25)	(33)
Investment tax credits	(116)	(26)
Utility environmental liabilities	(19)	(16)
Pension plan liabilities	—	(8)
Derivative instrument liabilities	(19)	(3)
Other	(121)	(58)
Gross deferred tax assets	(601)	(455)
Deferred tax assets valuation allowance	71	130
Net deferred tax liabilities	$ 890	$ 910

At September 30, 2025, we carried foreign net operating loss carryforwards of $10 relating to Flaga, $19 at certain subsidiaries of UGI France, $5 relating to Belgium, and $65 in the Netherlands with no expiration dates. We have state net operating loss carryforwards primarily relating to certain subsidiaries that approximate $1,269 and expire through 2045. We also have federal operating loss carryforwards of $1 for certain operations of AmeriGas Propane. At September 30, 2025, deferred tax assets relating to operating loss carryforwards amounted to $73 related to various UGI subsidiaries.

Valuation allowances against deferred tax assets exist for foreign tax credit carryforwards, net operating loss carryforwards of foreign subsidiaries, capital loss carryforwards and a notional interest deduction. The valuation allowance for all deferred tax assets decreased $59 in Fiscal 2025, which included a decrease of $45 against FTCs and $31 against previously disallowed interest expense, offset by an increase of $18 against the notional interest deduction.

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

We conduct business and file tax returns in the U.S., and various local, state and foreign jurisdictions. Our U.S. federal income tax returns are settled through the 2021 tax year, and our European tax returns are effectively settled for various years from 2017 to 2021. State and other income tax returns in the U.S. are generally subject to examination for a period of three to five years after the filing of the respective returns.

The Company's unrecognized tax benefits including amounts related to accrued interest, which if subsequently recognized would be recorded as a benefit to income taxes, amounted to $24, $18, and $26 at September 30, 2025, 2024 and 2023, respectively. Generally, a net reduction in unrecognized tax benefits could occur because of the expiration of the statute of limitations in certain jurisdictions or as a result of settlements with tax authorities. The expected change in unrecognized tax benefits and related interest in the next twelve months as the result of the expiration of certain statutes is not material.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

	2025	2024	2023
Unrecognized tax benefits — beginning of year	$ 18	$ 26	$ 5
Additions for tax positions of the current year	7	4	3
Decreases for tax positions taken in prior years	(2)	(11)	—
Increases for tax positions taken in prior years	1	—	19
Settlements with tax authorities/statute lapses	—	(1)	(1)
Unrecognized tax benefits — end of year	$ 24	$ 18	$ 26

Note 8 — Employee Retirement Plans

Defined Benefit Pension and Other Postretirement Plans

The U.S. Pension Plans consist of (1) a defined benefit pension plan for employees hired prior to January 1, 2009, of UGI, UGI Utilities, and certain of UGI's other domestic wholly owned subsidiaries and (2) a defined benefit pension plan for Mountaineer employees hired prior to January 1, 2023. U.S. Pension Plans' benefits are based on years of service, age and employee compensation. In addition, certain UGI International employees in France and Belgium are covered by defined benefit pension and postretirement plans. Although the disclosures in the tables below include amounts related to the UGI International plans, such amounts are not material.

We also provide postretirement health care benefits to certain retirees and postretirement life insurance benefits to certain U.S. active and retired employees. The ABOs of our other postretirement benefit plans were $21 and $24 as of September 30, 2025 and 2024, respectively. The fair values of the plan assets of our other postretirement benefit plans was $25 and $22 as of September 30, 2025 and 2024, respectively.

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

The following table provides a reconciliation of the PBOs of our pension plans (the U.S. Pension Plans and the UGI International pension plans), plan assets, and the related funded status of our pension plans as of September 30, 2025 and 2024. ABO is the present value of benefits earned to date with benefits based upon current compensation levels. PBO is ABO increased to reflect estimated future compensation.

	Pension Benefits	
	2025	2024
Change in benefit obligations:		
Benefit obligations — beginning of year	$ 707	$ 623
Service cost	9	8
Interest cost	34	36
Actuarial loss (gain)	(21)	76
Curtailments	(1)	—
Foreign currency	2	2
Benefits paid	(38)	(38)
Benefit obligations — end of year (a)	$ 692	$ 707
Change in plan assets:		
Fair value of plan assets — beginning of year	$ 657	$ 556
Actual gain (loss) on plan assets	44	118
Foreign currency	1	1
Employer contributions	15	19
Benefits paid	(38)	(37)
Fair value of plan assets — end of year	$ 679	$ 657
Funded status of the plans — end of year (b)	$ (13)	$ (50)
Amounts recorded in UGI Corporation stockholders' equity (pre-tax):		
Prior service cost	$ 3	$ 3
Net actuarial loss (gain)	(26)	(9)
Total	$ (23)	$ (6)
Amounts recorded in regulatory assets and liabilities (pre-tax):		
Net actuarial loss (gain)	$ 100	$ 106
Total	$ 100	$ 106

(a) The ABOs of the U.S. Pension Plans were $620 and $633 as of September 30, 2025 and 2024, respectively.
(b) Amounts are reflected in "Other noncurrent liabilities," "Other current liabilities," and "Other assets" on the Consolidated Balance Sheets. Amounts reflected in "Other current liabilities" and "Other assets" are not material.

In Fiscal 2025 and Fiscal 2024, the changes in the pension plans' PBOs due to actuarial gains and losses are principally the result of changes in discount rates.

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

Actuarial assumptions for our U.S. Pension Plans are described below. The discount rate assumption was determined by selecting a hypothetical portfolio of high quality corporate bonds appropriate to provide for the projected benefit payments of the plans. The discount rate was then developed as the single rate that equates the market value of the bonds purchased to the discounted value of the plans' benefit payments. The expected rate of return on assets assumption is based on current and expected asset allocations as well as historical and expected returns on various categories of plan assets (as further described below).

	Pension Plans		
	2025	2024	2023
Weighted-average assumptions:			
Discount rate – benefit obligations	5.54 %	5.05 %	6.09 %
Discount rate – benefit cost	5.05 %	6.09 %	5.70 %
Expected return on plan assets	7.50 %	7.50 %	7.50 %
Rate of increase in salary levels	3.25 %	3.25 %	3.25 %

The service cost component of our pension and other postretirement plans, net of amounts capitalized, is reflected in "Operating and administrative expenses" on the 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 Consolidated Statements of Income. Other postretirement benefit cost was not material for all periods presented. Net periodic pension (income) cost includes the following components:

	Pension Benefits		
	2025	2024	2023
Service cost	$ 9	$ 8	$ 9
Interest cost	34	36	35
Expected return on assets	(48)	(44)	(45)
Curtailment gain	(1)	—	—
Amortization of:			
Actuarial loss (gain)	5	1	(3)
Net benefit cost (income)	$ (1)	$ 1	$ (4)

It is our general policy to fund amounts for U.S. Pension Plans benefits equal to at least the minimum required contribution set forth in applicable employee benefit laws. From time to time, we may, at our discretion, contribute additional amounts. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, we made cash contributions to the U.S. Pension Plans of $13, $18 and $18, respectively. The minimum required contributions to the U.S. Pension Plans for Fiscal 2026 are approximately $18.

UGI Utilities has established a VEBA trust to pay certain retiree health care and life insurance benefits by depositing into the VEBA the annual amount of postretirement benefits costs, if any. Assets associated with the VEBA are not material and we do not expect to be required to make any contributions to the VEBA during Fiscal 2026.

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

Expected payments for postretirement benefits over the next 10 years are not material. Expected payments for pension benefits are as follows:

	Pension Benefits
Fiscal 2026	$ 45
Fiscal 2027	$ 43
Fiscal 2028	$ 45
Fiscal 2029	$ 50
Fiscal 2030	$ 51
Fiscal 2031 - 2035	$ 250

We also sponsor unfunded and non-qualified supplemental executive defined benefit retirement plans. At September 30, 2025 and 2024, the PBOs of these plans, including obligations for amounts held in grantor trusts, totaled $26 and $40, respectively. Costs associated with these plans and amounts recorded in UGI's stockholder's equity representing actuarial gains and losses were not material for all periods presented and are excluded from the tables above. During Fiscal 2025, the Company made $16 of payments for the supplemental executive defined benefit retirement plans. During Fiscal 2024, and Fiscal 2023, the payments the Company made with respect to the supplemental executive defined benefit retirement plans were not material. The total fair value of the grantor trust investment assets associated with the supplemental executive defined benefit retirement plans, which are included in "Other assets" on the Consolidated Balance Sheets, totaled $23 and $31 at September 30, 2025 and 2024, respectively.

U.S. Pension Plans' Assets

The assets of the U.S. Pension Plans are held in trust. The investment policies and asset allocation strategies for the assets in these trusts are determined by the Retirement Plan Committee comprising certain members of UGI's senior management. The overall investment objective is to minimize projected funded status volatility by more closely aligning the duration of the U.S. Pension Plans' fixed income portfolio to the duration of its liabilities. The proportion of plan assets allocated to fixed income investments will increase as the funded status increases. Investments are made principally in common collective trust funds that consist of equity investments, bond investments and short-term cash investments, and, to a much less extent, Common Stock and alternative investments.

The targets and actual allocations for the U.S. Pension Plans' trust assets at September 30 are as follows:

	Actual		Target Asset Allocation (a)	
	2025	2024	2025	2024
Equity investments	45.6 %	52.4 %	46.0 %	53.2 %
Fixed income funds & cash equivalents	52.3 %	44.9 %	51.8 %	43.4 %
Alternative investments	2.1 %	2.7 %	2.2 %	3.4 %
Total	100.0 %	100.0 %	100.0 %	100.0 %

(a) There is a permitted range for the allocation of the trust assets for the U.S. Pension Plans which is 5% less than and greater than the target allocation.

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

Common collective trust funds in the U.S. Pension Plans primarily include investments in U.S., Non-U.S. and global (a mix of U.S. and Non-U.S.) equities, fixed income and short-term cash investments. The fair values of common collective trust funds and cash equivalents are valued at the NAV of units of the collective trusts. The NAVs, as provided by the trustee, are used as a practical expedient to estimate fair value based on the fair values of the underlying investments held by the funds less their liabilities. The fair values of the U.S. Pension Plans trust assets by asset class as of September 30, 2025 and 2024 are as follows:

	2025	2024
U.S. Pension Plans:		
Domestic equity investments:		
Common Stock	$ 27	$ 20
Total domestic equity investments (a)	27	20
Common collective trust funds:		
U.S. equity index investments	171	188
Non-U.S. equity index investments	100	96
Global equity index investments	—	29
Bond index investments	336	274
Cash equivalents	6	11
Total common collective trust funds (b)	613	598
Alternative investments (b)	14	17
Total	$ 654	$ 635

(a) Level 1 investments within the fair value hierarchy.
(b) Assets measured at NAV and therefore excluded from the fair value hierarchy.

The expected long-term rates of return on U.S. Pension Plans' trust assets have been developed using a best estimate of expected returns, volatilities and correlations for each asset class. The estimates are based on historical capital market performance data and future expectations provided by independent consultants. Future expectations are determined by using simulations that provide a wide range of scenarios of future market performance. The market conditions in these simulations consider the long-term relationships between equities and fixed income as well as current market conditions at the start of the simulation. The expected rate begins with a risk-free rate of return with other factors being added such as inflation, duration, credit spreads and equity risk premiums. The rates of return derived from this process are applied to our target asset allocation to develop a reasonable return assumption.

Defined Contribution Plans

We sponsor 401(k) savings plans for eligible employees of UGI and certain of UGI's domestic subsidiaries. Generally, participants in these plans may contribute a portion of their compensation on either a before-tax basis, or on both a before-tax and after-tax basis. These plans also provide for employer matching contributions at various rates. The cost of benefits under the savings plans totaled $24 in Fiscal 2025, $23 in Fiscal 2024 and $22 in Fiscal 2023. The Company also sponsors certain nonqualified supplemental defined contribution executive retirement plans. These plans generally provide supplemental benefits to certain executives that would otherwise be provided under retirement plans but are prohibited due to limitations imposed by the IRC. The Company makes payments to self-directed grantor trusts with respect to these supplemental defined contribution plans. Such payments during Fiscal 2025, Fiscal 2024 and Fiscal 2023 were not material. At September 30, 2025 and 2024, the total fair values of these grantor trust investment assets, which amounts are included in "Other assets" on the Consolidated Balance Sheets, were $8 and $8, respectively.

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

Note 9 — Utility Regulatory Assets and Liabilities and Regulatory Matters

The following regulatory assets and liabilities associated with our Utilities reportable segment are included in our Consolidated Balance Sheets at September 30:

	2025	2024
Regulatory assets (a):		
Income taxes recoverable	$ 113	$ 105
Underfunded pension plans	100	106
Environmental costs	22	28
Deferred fuel and power costs	39	—
Removal costs, net	30	28
Other	36	52
Total regulatory assets	$ 340	$ 319
Regulatory liabilities (a):		
Postretirement benefits	$ 14	$ 13
Deferred fuel and power refunds	4	17
State income tax benefits — distribution system repairs	49	44
Excess federal deferred income taxes	239	247
Other	8	8
Total regulatory liabilities	$ 314	$ 329

(a) Regulatory assets are recorded in "Other current assets" and "Other assets" on the Consolidated Balance Sheets. Regulatory liabilities are recorded in "Other current liabilities" and "Other noncurrent liabilities" on the Consolidated Balance Sheets.

Other than removal costs, Utilities currently does not recover a rate of return on the regulatory assets included in the table above.

Income taxes recoverable. This regulatory asset is the result of recording deferred tax liabilities pertaining to temporary tax differences principally as a result of the pass through to ratepayers of the tax benefit on accelerated tax depreciation for state income tax purposes, and the flow through of accelerated tax depreciation for federal income tax purposes for certain years prior to 1981. These deferred taxes have been reduced by deferred tax assets pertaining to utility deferred investment tax credits. Utilities has recorded regulatory income tax assets related to these deferred tax liabilities representing future revenues recoverable through the ratemaking process over the average remaining depreciable lives of the associated property ranging from 1 to approximately 65 years.

Underfunded pension plans. This regulatory asset represents the portion of net actuarial losses and prior service costs (credits) associated with Gas Utility and Electric Utility pension benefits which are probable of being recovered through future rates based upon established regulatory practices. These regulatory assets are adjusted annually or more frequently under certain circumstances when the funded status of the plans is remeasured. These costs are amortized over the average remaining future service lives of plan participants.

Environmental costs. Environmental costs principally represent estimated probable future environmental remediation and investigation costs that PA Gas Utility expects to incur, primarily at MGP sites in Pennsylvania, in conjunction with a remediation COA with the PADEP. Pursuant to base rate orders, PA Gas Utility receives ratemaking recognition of its estimated environmental investigation and remediation costs associated with its environmental sites. This ratemaking recognition balances the accumulated difference between historical costs and rate recoveries with an estimate of future costs associated with the sites. The period over which PA Gas Utility expects to recover these costs will depend upon future remediation activity. For additional information on environmental costs, see Note 16.

Removal costs, net. This regulatory asset represents costs incurred, net of salvage, associated with the retirement of depreciable utility plant of UGI Utilities. As required by PAPUC ratemaking, removal costs include actual costs incurred associated with asset retirement obligations. Consistent with prior ratemaking treatment, UGI Utilities expects to recover these costs over five years.

Postretirement benefits. This regulatory liability represents the difference between amounts recovered through rates by PA Gas Utility and Electric Utility and actual costs incurred in accordance with accounting for postretirement benefits. A portion of this liability will be refunded to customers over the average remaining future service lives of plan participants. Another portion of this liability represents overcollections for which refund periods have been established within ratemaking proceedings. With respect to Gas Utility, postretirement benefit overcollections are generally being refunded to customers over a ten-year period beginning October 19, 2016. With respect to Electric Utility, the overcollections are being refunded to ratepayers over a 20-year period effective October 27, 2018.

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 underbilled costs are classified as a regulatory asset and net overbillings are classified as a regulatory liability.

WV Gas Utility uses fixed-price contracts to reduce volatility in the cost of gas it purchases for retail core-market customers. To lower winter bills for residential customers, the WVPSC removed transportation and storage costs from the volumetric rate and created a fixed monthly pipeline demand charge applicable only to residential customers effective December 1, 2022.

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 September 30, 2025 and 2024 were $(5) and $2, respectively.

State income tax benefits — distribution system repairs. This regulatory liability represents Pennsylvania state income tax benefits, net of federal benefit, resulting from the deduction for income tax purposes of repair and maintenance costs associated with UGI Utilities' assets that are capitalized for regulatory and GAAP reporting. The tax benefits associated with these repair and maintenance deductions will be reflected as a reduction to income tax expense over the remaining tax lives of the related book assets.

Excess federal deferred income taxes. This regulatory liability is the result of remeasuring Utilities' federal deferred income tax liabilities on utility plant due to the enactment of the TCJA on December 22, 2017. In order for our utility assets to continue to be eligible for accelerated tax depreciation, current law requires that excess federal deferred income taxes resulting from the remeasurement be amortized no more rapidly than over the remaining lives of the assets that gave rise to the excess federal deferred income taxes, ranging from 1 year to approximately 65 years. This regulatory liability has been increased to reflect the tax benefit generated by the amortization of the excess deferred federal income taxes and is being amortized and credited to tax expense.

Other. Other regulatory assets and liabilities comprise a number of deferred items including, among others, certain fair value adjustments related to the Mountaineer Acquisition, certain information technology costs, energy efficiency conservation costs and rate case expenses.

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. On September 11, 2025, the PAPUC issued a final order approving a settlement providing for a $70 annual base distribution rate increase, effective October 28, 2025, and maintenance of the Weather Normalization Adjustment through the end of its pilot period with modification.

On January 27, 2023, Electric Utility filed a request with the PAPUC to increase its annual base distribution revenues by $11. On September 21, 2023, the PAPUC issued a final order approving a settlement providing for a $9 annual base distribution rate increase for Electric Utility, effective October 1, 2023.

Mountaineer. On July 31, 2025, WV Gas Utility submitted its 2025 IREP filing to the WVPSC requesting recovery of $24, an increase of $5, for costs associated with capital investments after December 31, 2022, that total $274, including $77 in calendar year 2026. The filing included capital investments totaling $445 over the 2026 - 2030 period. An order from the WVPSC is expected in December, with new rates to be effective January 1, 2026.

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

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.

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. On October 6, 2023, the WVPSC issued a final order approving a settlement providing for a $14 net revenue increase, effective January 1, 2024. The WVPSC also approved a five-year weather normalization adjustment rider pilot program beginning October 1, 2024, which adjusts residential and small commercial distribution billings when weather deviates more than 2% from normal during the October-May heating season.

Note 10 — Inventories

Inventories comprise the following at September 30:

	2025	2024
Non-utility LPG and natural gas	$ 162	$ 195
Gas Utility natural gas	67	50
Energy certificates	64	69
Materials, supplies and other	92	97
Total inventories	$ 385	$ 411

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

Note 11 — Property, Plant and Equipment

Property, plant and equipment comprise the following at September 30:

	2025	2024	Estimated Useful Life
Utility:			
Distribution	$ 6,024	$ 5,595	
Transmission	134	125	
General and other	746	706	
Work in process	130	94	
Total utility	7,034	6,520	
Non-utility:			
Land	202	172	
Buildings and improvements	445	429	10 - 40 years
Transportation equipment	242	233	3 - 10 years
Equipment, primarily cylinders and tanks	4,052	3,985	5 - 30 years
Electric generation	48	48	25 - 40 years
Pipeline and related assets	1,710	1,598	25 - 40 years
Other	467	430	1 - 12 years
Work in process	150	258	
Total non-utility	7,316	7,153	
Total property, plant and equipment	$ 14,350	$ 13,673	

The average composite depreciation rates at our Gas Utility and Electric Utility were as follows:

	2025	2024	2023
Regulated natural gas utilities	2.5 %	2.6 %	2.4 %
Electric utility	2.4 %	2.5 %	2.3 %

Depreciation expense totaled $507, $496 and $476 for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Note 12 — Goodwill and Intangible Assets

Changes in the carrying amount of goodwill by reportable segment are as follows:

	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Total
Balance September 30, 2023	$ 432	$ 336	$ 911	$ 1,348	$ 3,027
Impairment of goodwill	—	—	—	(195)	(195)
Dispositions	—	—	(12)	—	(12)
Foreign currency translation	—	—	51	—	51
Balance September 30, 2024	432	336	950	1,153	2,871
Dispositions	—	—	(41)	(26)	(67)
Foreign currency translation	—	—	48	—	48
Balance September 30, 2025	$ 432	$ 336	$ 957	$ 1,127	$ 2,852

During the fourth quarter of Fiscal 2024, as part of its annual goodwill impairment assessment, the Company performed a quantitative assessment for its AmeriGas Propane reporting unit. In addition, during the third quarter of Fiscal 2023, the Company identified interim impairment indicators related to goodwill within the AmeriGas Propane reporting unit: (1)

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

AmeriGas Partners issued $500 of Senior Notes at an interest rate of 9.375%, which was significantly higher than the interest rates on the other AmeriGas Propane debt obligations; and (2) financial projections for the AmeriGas Propane reporting unit were reduced significantly compared to previous forecasts following declines in gross margins and customer retention and higher operating expenses. The Company concluded that these events constituted triggering events that indicate that the AmeriGas Propane goodwill may be impaired and, as such, performed an interim impairment test of its goodwill as of May 31, 2023.

Using level 3 inputs, we performed a quantitative assessment of the AmeriGas Propane reporting unit using a weighting of the income and market approaches to determine its fair value. With respect to the income approach, management used a discounted cash flow ("DCF") method, using unobservable inputs. The significant assumptions in our DCF model include projected EBITDA and a discount rate (and estimates in the discount rate inputs). With respect to the market approach, management used recent transaction market multiples for similar companies in the U.S. The resulting estimates of fair value from the income approach and the market approach were then weighted equally in determining the overall estimated fair value of AmeriGas Propane.

Based on our evaluations in Fiscal 2024 and Fiscal 2023, the estimated fair value of the AmeriGas Propane reporting unit was determined to be less than its carrying value. As a result, the Company recorded a non-cash pre-tax goodwill impairment charge of $195 and $656 in Fiscal 2024 and Fiscal 2023, respectively, included in "Impairment of goodwill" on the Consolidated Statements of Income, to reduce the carrying value of AmeriGas Propane to its fair value. The Company calculated the deferred tax effect using the simultaneous equation method.

Intangible assets comprise the following at September 30:

	2025	2024
Customer relationships	$ 967	$ 985
Trademarks and tradenames	4	4
Noncompete agreements and other	27	27
Accumulated amortization	(712)	(665)
Intangible assets, net (definite-lived)	286	351
Trademarks and tradenames (indefinite-lived)	42	40
Total intangible assets, net	$ 328	$ 391

Amortization expense of intangible assets was $54, $55 and $56 for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Estimated amortization expense of intangible assets during the next five fiscal years is as follows: Fiscal 2026 — $47; Fiscal 2027 — $25; Fiscal 2028 — $16; Fiscal 2029 — $14; Fiscal 2030 — $12.

Note 13 — Equity

On February 2, 2022, the Board of Directors authorized an extension of an existing share repurchase program for up to 8,000,000 shares of Common Stock for an additional four-year period, expiring February 2026. During Fiscal 2025 and Fiscal 2023, the Company purchased and placed in treasury stock 1,000,000 shares and 600,000 shares at a total cost of $33 and $22, respectively. In Fiscal 2024, there were no share repurchases made under the program.

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

UGI Preferred Stock and Common Stock share activity for Fiscal 2025, Fiscal 2024 and Fiscal 2023 is as follows:

	Preferred Stock	Common Stock		
	Issued/ Outstanding	Issued	Treasury	Outstanding
Balance at September 30, 2022	220,000	210,560,494	(978,282)	209,582,212
Issued:				
Employee and director plans	—	345,558	167,313	512,871
Repurchases of common stock	—	—	(600,000)	(600,000)
Balance at September 30, 2023	220,000	210,906,052	(1,410,969)	209,495,083
Issued:				
Settlement of Equity Units	(220,000)	5,054,030	—	5,054,030
Employee and director plans	—	164,250	(27,751)	136,499
Balance at September 30, 2024	—	216,124,332	(1,438,720)	214,685,612
Issued:				
Employee and director plans	—	908,950	(118,517)	790,433
Repurchases of common stock	—	—	(1,000,000)	(1,000,000)
Balance at September 30, 2025	—	217,033,282	(2,557,237)	214,476,045

UGI has 5,000,000 shares of UGI Series Preference Stock authorized for issuance. UGI had no shares of UGI Series Preference Stock outstanding at September 30, 2025 and 2024.

Equity Units

In May 2021, the Company issued 2.2 million Equity Units with a total notional value of $220. The Company received approximately $213 of proceeds from the issuance of the Equity Units, net of offering expenses and underwriting costs and commissions, and issued 220,000 shares of Convertible Preferred Stock which was recorded in “Preferred stock” on the accompanying Consolidated Balance Sheet.

Pursuant to the terms of the Equity Units, during Fiscal 2024, the Company announced the unsuccessful final remarketing of its Convertible Preferred Stock. As a result, each holder of an Equity Unit received 2.2973 shares of Common Stock, without par value, with cash paid in lieu of any fractional shares. The Company also (i) made the final contract adjustment payment to settle the 2024 Purchase Contract in full; (ii) canceled the Convertible Preferred Stock; and (iii) in a non-cash transaction, converted the Equity Units into 5,054,030 shares of Common Stock and issued the shares to the holders of the Equity Units under the 2024 Purchase Contract.

Note 14 — Equity-Based Compensation

The Company grants equity-based awards to employees and non-employee directors comprising UGI stock options and Common Stock-based equity instruments. We recognized total pre-tax equity-based compensation expense of $18 ($13 after-tax), $8 ($6 after-tax) and $17 ($13 after-tax) in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

UGI Equity-Based Compensation Plans and Awards. On January 29, 2021, the Company’s shareholders approved the 2021 IAP. Under the 2021 IAP, awards representing up to 20,500,000 shares of Common Stock may be granted. UGI Unit Awards granted to employees and non-employee directors, including dividend equivalents, are settled in shares of Common Stock and cash. The 2021 IAP supersedes and replaces the 2013 OICP for awards granted on or after February 1, 2021. The terms and conditions of the 2013 OICP will continue to govern any outstanding awards granted thereunder. Similar to the 2013 OICP, under the 2021 IAP, we may grant options to acquire shares of Common Stock, SARs, UGI Units (comprising “Stock Units” and “UGI Performance Units”), other equity-based awards and cash to key employees and non-employee directors. The exercise price for options may not be less than the fair market value on the grant date. Awards granted under the 2021 IAP may vest immediately or ratably over a period of years, and stock options can be exercised no later than ten years from the grant date. Except in the event of retirement, death or disability, each grant, unless paid, will terminate when the participant ceases to be employed. There are certain change of control and retirement eligibility conditions that, if met, generally result in accelerated vesting or elimination of further service requirements.

There were 13,473,660 shares of Common Stock available for future grants under the 2021 IAP at September 30, 2025.

UGI Stock Option Awards. We measure the fair value of stock options using a Black-Scholes option pricing model that uses certain key assumptions for such options related to the expected life, volatility, dividend yield and the Company's risk-free rate at the valuation date. The per share weighted average fair value of stock options granted under our option plans was $6.32, $4.17 and $9.31 in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. As of September 30, 2025, there was $1 of unrecognized compensation cost associated with unvested stock options that is expected to be recognized over a weighted-average period of 1.1 years. There were 6,154,811 stock options outstanding at September 30, 2025, of which, 5,614,474 stock options were exercisable with a weighted-average option price of $43.51.

UGI Unit Awards. Awards of UGI Stock Units entitle the grantee to shares of Common Stock or cash once the service condition is met. Awards of UGI Performance Units subject to market-based conditions granted prior to Fiscal 2025 entitle the grantee to shares of Common Stock or cash subject to UGI's TSR percentile rank relative to companies in the UGI comparator group. Awards of UGI Performance Units subject to market-based conditions granted in Fiscal 2025 entitle the grantee to shares of Common Stock or cash subject to UGI's annualized absolute TSR performance. In either case, recipients of UGI Performance Units subject to market-based conditions are awarded a target number of such awards. The number of UGI Performance Units subject to market-based conditions ultimately paid at the end of the performance period (generally 3 years) may be higher or lower than the target amount, or even zero, based on either UGI's TSR percentile rank relative to companies in the UGI comparator group or UGI's absolute TSR performance, depending on the year of grant. Grantees may receive 0% to 200% of the target award granted. Awards granted vest ratably over the performance period.

In Fiscal 2024 and Fiscal 2023, the Company granted UGI EPS Performance Unit awards. UGI EPS Performance Units entitle the grantee to shares of Common Stock or cash once the service condition is met and subject to the achievement of a UGI EPS goal, which is a non-market performance condition. Recipients of UGI EPS Performance Units are awarded a target number of UGI EPS Performance Units. The number of UGI EPS Performance Units ultimately paid at the end of the service period (generally 3 years) may be higher or lower than the target amount, or even zero, based upon the actual EPS performance of the company. Grantees may receive 0% to 200% of the target award granted. Awards granted vest ratably over the performance period.

The fair value of UGI Stock Units on the grant date is equal to the market price of UGI Stock on the grant date plus the fair value of dividend equivalents if applicable. The fair value of UGI Performance Units is estimated using a Monte Carlo valuation model. The fair value associated with the target award is accounted for as equity and the fair value of the award over the target, as well as all dividend equivalents, is accounted for as a liability. The fair value of UGI EPS Performance Units is equal to the market price of UGI stock on the grant date plus the fair value of dividend equivalents if applicable.

The weighted-average grant date fair value of UGI Stock Units, UGI Performance Units and UGI EPS Performance Units granted to employees during Fiscal 2025, Fiscal 2024, and Fiscal 2023 was $30.26, $28.91 and $44.62, respectively.

As of September 30, 2025, there was a total of $21 unrecognized compensation cost associated with UGI Unit awards outstanding that is expected to be recognized over a weighted-average period of 1.8 years. As of September 30, 2025, there were 1,515,989 UGI Unit awards outstanding with a weighted-average grant-date fair value of $31.69 per share.

Note 15 — Leases

Lessee

We lease various buildings and other facilities, real estate, vehicles, rail cars and other equipment, the majority of which are operating leases. We determine if a contract is or contains a lease by evaluating whether the contract explicitly or implicitly identifies an asset, whether we have the right to obtain substantially all of the economic benefits of the identified leased asset and to direct its use.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. We recognize ROU assets at the lease commencement date at the value of the lease liability adjusted for any prepayments, lease incentives received, and initial direct costs incurred. Lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. These payments are discounted using the discount rate implicit in the lease, when available. We apply an incremental borrowing rate, which is developed utilizing a credit notching approach based on information available at the lease commencement date, when the implicit rate is not available.

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

Lease expense is recognized on a straight-line basis over the expected lease term. Renewal and termination options are not included in the lease term unless we are reasonably certain that such options will be exercised. Leases with an original lease term of one year or less, including consideration of any renewal options assumed to be exercised, are not included in the Consolidated Balance Sheets.

Certain lease arrangements, primarily fleet vehicle leases with lease terms of one to ten years, contain purchase options. The Company generally excludes purchase options in evaluating its leases unless it is reasonably certain that such options will be exercised. Additionally, leases of fleet vehicles often contain residual value guarantees that are due at the end of the lease. Such amounts are included in the determination of lease liabilities when we are reasonably certain that they will be owed.

Certain leasing arrangements require variable payments that are dependent on asset usage or are based on changes in index rates, such as the Consumer Price Index. The variable payments component of such leases cannot be determined at lease commencement and is not recognized in the measurement of ROU assets or lease liabilities, but is recognized in earnings in the period in which the obligation occurs.

Sale-leaseback transaction. During the fourth quarter of Fiscal 2023, AmeriGas OLP completed a sale-leaseback transaction with an independent third party for the land, building and improvements of an office and service center located in Gardena, California. The office and service center was leased back to AmeriGas OLP under an operating lease agreement having an initial six-year term with an option to renew. In conjunction with the transaction, AmeriGas OLP received approximately $32 in cash proceeds which resulted in a pre-tax gain of $29, reflected in “Other operating expense (income), net” on the Fiscal 2023 Consolidated Statement of Income.

ROU assets and lease liabilities recorded in the Consolidated Balance Sheets as of September 30 are as follows:

	2025	2024	Location on the Balance Sheet
ROU assets:			
Operating lease ROU assets	$ 416	$ 417	Other assets
Finance lease ROU assets	52	54	Property, plant and equipment
Total ROU assets	$ 468	$ 471	
Lease liabilities:			
Operating lease liabilities — current	$ 91	$ 86	Other current liabilities
Operating lease liabilities — noncurrent	336	343	Other noncurrent liabilities
Finance lease liabilities — current	3	3	Current maturities of long-term debt
Finance lease liabilities — noncurrent	52	52	Long-term debt
Total lease liabilities	$ 482	$ 484	

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

The components of lease cost for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are as follows:

	2025	2024	2023
Operating lease cost	$ 121	$ 111	$ 104
Finance lease cost:			
Amortization of ROU assets	5	4	3
Interest on lease liabilities	3	3	3
Variable lease cost	—	1	2
Short-term lease cost	6	10	4
Total lease cost	$ 135	$ 129	$ 116

The following table presents the cash and non-cash activity related to lease liabilities included in the Consolidated Statements of Cash Flows during Fiscal 2025, Fiscal 2024 and Fiscal 2023:

	2025	2024	2023
Cash paid related to lease liabilities:			
Operating cash flows — operating leases	$ 119	$ 109	$ 103
Operating cash flows — finance leases	$ 3	$ 4	$ 3
Financing cash flows — finance leases	$ 3	$ 2	$ 1
Non-cash lease liability activities:			
ROU assets obtained in exchange for operating lease liabilities	$ 40	$ 84	$ 136
ROU assets obtained in exchange for finance lease liabilities	$ 2	$ 7	$ 6

The following table presents the weighted-average remaining lease term and weighted-average discount rate:

Weighted-average remaining lease term (in years)	2025	2024
Operating leases	6.3	6.8
Finance leases	6.3	6.7

Weighted-average discount rate (%)	2025	2024
Operating leases	7.5%	4.8%
Finance leases	6.5%	6.9%

Expected annual lease payments based on maturities of operating and finance leases, as well as a reconciliation to the lease liabilities on the Consolidated Balance Sheet, as of September 30, 2025, were as follows:

	2026	2027	2028	2029	2030	After 2030	Total Lease Payments	Imputed Interest	Lease Liabilities
Operating leases	$ 112	$ 97	$ 83	$ 70	$ 47	$ 100	$ 509	$ (82)	$ 427
Finance leases	$ 7	$ 6	$ 6	$ 5	$ 5	$ 72	$ 101	$ (46)	$ 55

Approximately 80% of the operating lease liabilities presented above relate to AmeriGas Propane.

At September 30, 2025, operating and finance leases that had not yet commenced were not material.

Lessor

We enter into lessor arrangements for the purposes of storing, gathering or distributing natural gas and LPG. AmeriGas Propane and UGI International have lessor arrangements that grant customers the right to use small, medium and large storage tanks, which we classify as operating leases. These agreements contain renewal options for periods up to nine years and certain agreements at UGI International contain a purchase option. Energy Services leases certain natural gas gathering assets to customers, which we classify as operating leases. Lease income is generally recognized on a straight-line basis over the lease term and included in "Revenues" on the Consolidated Statements of Income. See Note 4 for additional information on these revenues.

Note 16 — 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 September 30, 2025 and 2024, our aggregate estimated accrued liabilities for environmental investigation and remediation costs related to the COA totaled $63 and $54, 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 9).

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.

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. We have a settlement agreement in principle that is being finalized.

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 investigated and the PAPUC is investigating the West Reading incident. The NTSB investigative team included representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company cooperated 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. On April 8, 2025, the NTSB released its final report concluding that a fracture in an R.M. Palmer steam pipe created elevated underground temperatures that caused thermal degradation of a UGI Utilities service tee, resulting in a natural gas leak, and recommended UGI Utilities inventory and address risks to plastic gas assets in high-temperature environments.

The Company has received claims as a result of the explosion and is involved in lawsuits relative to the incident. With the issuance of the final NTSB report, discovery in the litigation has begun. 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.

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

Note 17 — 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 as described in Note 2:

	Asset (Liability)			
	Level 1	Level 2	Level 3	Total
September 30, 2025:				
Derivative instruments:				
Assets:				
Commodity contracts	$ 85	$ 11	$ —	$ 96
Foreign currency contracts	$ —	$ 1	$ —	$ 1
Liabilities:				
Commodity contracts	$ (72)	$ (61)	$ —	$ (133)
Foreign currency contracts	$ —	$ (19)	$ —	$ (19)
Interest rate contracts	$ —	$ (12)	$ —	$ (12)
Non-qualified supplemental postretirement grantor trust investments (a)	$ 35	$ —	$ —	$ 35
September 30, 2024				
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

(a) Consists primarily of mutual fund investments held in grantor trusts associated with non-qualified supplemental retirement plans (see Note 8).

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 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.

Nonrecurring Fair Value Measurements

During Fiscal 2025 and Fiscal 2024, in connection with the disposition of UGI International's cylinder business in the United Kingdom and the disposition of UGID, we recognized a non-cash, pre-tax impairment charge of $3 and $62, respectively, to reduce the carrying amount of the long-lived assets included in the disposal groups to their estimated fair values. The Company determined the estimated fair value of such assets fell within Level 2 of the fair value hierarchy and was based upon the estimated sales price. See Note 5 for additional information on these transactions.

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

Based on our goodwill impairment evaluation in Fiscal 2024 and Fiscal 2023, the estimated fair value of the AmeriGas Propane reporting unit was determined to be less than its carrying value. As a result, the Company recorded a non-cash pre-tax goodwill impairment charge of $195 and $656 in Fiscal 2024 and Fiscal 2023, respectively. See Note 12 for additional information on the impairment test, including the key assumptions used to determine the fair value of the AmeriGas Propane reporting unit.

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:

	2025	2024
Carrying amount	$ 6,701	$ 6,733
Estimated fair value	$ 6,777	$ 6,663

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. See Note 18 for information regarding concentrations of credit risk associated with our derivative instruments.

Note 18 — 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 9 for further information on the regulatory accounting treatment for these derivative instruments.

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. Prior to the exit of substantially all of the Company's energy marketing business in Europe (see Note 5), UGI International also used 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.

Electricity

In order to manage market price risk relating to fixed-price sales contracts for electricity, Midstream & Marketing entered into electricity futures and forward contracts. Prior to the sale of UGID in September 2024, 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 the exit of substantially all of the Company's energy marketing business in Europe (see Note 5), UGI International also used electricity futures and forward contracts to economically hedge market price risk associated with fixed-price sales and purchase contracts for electricity.

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.

Energy Services has a variable-rate term loan with an interest rate that is indexed to short-term market interest rates. Energy Services has entered into a forward starting, amortizing, pay-fixed, receive-variable interest rate swap agreement commencing September 30, 2026, that generally fixes the underlying variable interest rate on borrowings at 3.549% through September 2028. We designated this interest rate swap as a cash flow hedge.

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 September 30, 2025, 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 $10.

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, realized and unrealized gains and losses on these contracts are recorded in "Other non-operating income (expense), net" on the 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 $(42), $(39) and $(57) during Fiscal 2025, Fiscal 2024, and Fiscal 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 September 30, 2025 and 2024 and the final settlement dates of the Company's open derivative contracts as of September 30, 2025, but excluding those derivatives that qualified for the NPNS exception:

			Notional Amounts (in millions)	
			September 30,	
Type	Units	Settlements Extending Through	2025	2024
Commodity Price Risk:				
Regulated Utility Operations				
PA Gas Utility NYMEX natural gas futures and option contracts	Dekatherms	September 2026	28	26
Non-utility Operations				
LPG swaps	Gallons	May 2028	608	458
Natural gas futures, forward, basis swap, options and pipeline contracts	Dekatherms	December 2029	237	325
Electricity forward and futures contracts	Kilowatt hours	December 2028	929	1,113
Interest Rate Risk:				
Interest rate swaps	Euro	March 2026	€ 300	€ 300
Interest rate swaps	USD	September 2028	$ 1,443	$ 1,231
Foreign Currency Exchange Rate Risk:				
Forward foreign currency exchange contracts	USD	September 2028	$ 500	$ 389
Net investment hedge forward foreign exchange contracts	Euro	December 2026	€ 106	€ 181

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 September 30, 2025, 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 $97. 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 September 30, 2025, we received cash collateral from derivative instrument counterparties totaling $2. 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 September 30, 2025, 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 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 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.

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

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, as of September 30:

	2025	2024
Derivative assets:		
Derivatives designated as hedging instruments:		
Foreign currency contracts	$ 1	$ 6
Interest rate contracts	—	1
	1	7
Derivatives subject to PGC and DS mechanisms:		
Commodity contracts	3	4
Derivatives not designated as hedging instruments:		
Commodity contracts	93	129
Total derivative assets – gross	97	140
Gross amounts offset in the balance sheet	(65)	(88)
Cash collateral received	(2)	(14)
Total derivative assets – net (a)	$ 30	$ 38
Derivative liabilities:		
Derivatives designated as hedging instruments:		
Interest rate contracts	$ (12)	$ (22)
Derivatives subject to PGC and DS mechanisms:		
Commodity contracts	(8)	(1)
Derivatives not designated as hedging instruments:		
Commodity contracts	(125)	(151)
Foreign currency contracts	(19)	(9)
	(144)	(160)
Total derivative liabilities – gross	(164)	(183)
Gross amounts offset in the balance sheet	65	88
Cash collateral pledged	19	36
Total derivative liabilities – net	$ (80)	$ (59)

(a) Derivative assets with maturities over one year are included in "Other assets" on the Consolidated Balance Sheets.

Effects of Derivative Instruments

The following tables provide information on the effects of derivative instruments on the Consolidated Statements of Income and changes in AOCI for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

	Gain (Loss) Recognized in AOCI			Gain (Loss) Reclassified from AOCI into Income			Location of Gain (Loss) Reclassified from AOCI into Income
	2025	2024	2023	2025	2024	2023	
Cash Flow Hedges:							
Interest rate contracts	$ 14	$ (19)	$ 25	$ 3	$ 49	$ 40	Interest expense
Net Investment Hedges:							
Foreign currency contracts	$ (9)	$ (5)	$ (21)				

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

	Gain (Loss) Recognized in Income			
	2025	2024	2023	Location of Gain (Loss) Recognized in Income
Derivatives Not Designated as Hedging Instruments:				
Commodity contracts	$ (1)	$ 1	$ 11	Revenues
Commodity contracts	3	(92)	(1,771)	Cost of sales
Commodity contracts	(1)	3	2	Other operating expense (income), net
Foreign currency contracts	(4)	(19)	(23)	Other non-operating income (expense), net
Total	$ (3)	$ (107)	$ (1,781)	

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.

Note 19 — Accumulated Other Comprehensive Income (Loss)

Other comprehensive income (loss) principally comprises (1) gains and losses on derivative instruments qualifying as cash flow hedges, net of reclassifications to net income; (2) actuarial gains and losses on postretirement benefit plans, net of associated amortization; and (3) foreign currency translation and long-term intra-company transaction adjustments.

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

	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI - September 30, 2022	$ 14	$ 37	$ (431)	$ (380)
Other comprehensive income (loss) before reclassification adjustments	5	16	132	153
Amounts reclassified from AOCI	(2)	(27)	—	(29)
Other comprehensive income (loss) attributable to UGI	3	(11)	132	124
AOCI - September 30, 2023	$ 17	$ 26	$ (299)	$ (256)
Other comprehensive income (loss) before reclassification adjustments	(7)	(14)	56	35
Amounts reclassified from AOCI	—	(35)	3	(32)
Other comprehensive income (loss) attributable to UGI	(7)	(49)	59	3
AOCI - September 30, 2024	$ 10	$ (23)	$ (240)	$ (253)
Other comprehensive income (loss) before reclassification adjustments	13	10	59	82
Amounts reclassified from AOCI	—	(2)	—	(2)
Other comprehensive income (loss) attributable to UGI	13	8	59	80
AOCI - September 30, 2025	$ 23	$ (15)	$ (181)	$ (173)

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

Note 20 — Other Operating Income (Expense), Net and Other Non-Operating Income (Expense), Net

Other Operating Income (Expense), Net

Other operating income (expense), net, comprises the following:

	2025	2024	2023
Finance charges	$ 15	$ 16	$ 17
Gains on sales of fixed assets, net (a)	25	22	61
Foreign currency transaction gains (losses)	—	2	7
Cylinder deposit income	17	17	23
Interest and interest-related income	12	11	6
Other, net	13	(6)	18
Total other operating income (expense), net	$ 82	$ 62	$ 132

(a) Fiscal 2023 includes a $15 gain on the sale of UGI Corporation's headquarters building in August 2023.

Other Non-Operating Income (Expense), Net

Other non-operating income (expense), net comprises the following:

	2025	2024	2023
Gains (losses) on foreign currency contracts, net	$ (4)	$ (19)	$ (23)
Amortization of excluded components of certain net investment hedges	2	5	7
Pension and other postretirement plans non-service income, net	7	6	9
Total other non-operating income (expense), net	$ 5	$ (8)	$ (7)

Note 21 — Equity Method Investments

Equity method investments which are included within "Other assets" on the Consolidated Balance Sheets, comprises the following as of September 30:

	Carrying Value		Ownership Interest	
Investees	2025	2024	2025	2024
Midstream & Marketing				
Aurum Renewables	$ 46	$ 47	40%	40%
Pine Run	101	86	49%	49%
MBL Bioenergy	222	206	99.99%	99.99%
Other	27	20	various	various
Total Midstream & Marketing	396	359		
UGI International	4	10	various	various
Other	—	1	various	various
Total investments in equity method investees	$ 400	$ 370		

Aurum Renewables. In January 2023, the Company, through its wholly owned indirect subsidiary, entered into a joint venture agreement with a third party Archaea Holdings, LLC ("Archaea"). The primary purpose of the joint venture, Aurum Renewables LLC, is to upgrade landfill gas from the Commonwealth Environmental Systems landfill located in Hegins, Pennsylvania to pipeline-quality RNG. Pursuant to this agreement, the Company contributed its existing 11 megawatt landfill gas-to-electricity facility, as non-cash consideration, in return for a 40% equity interest in the joint venture. Aurum Renewables is expected to have the capacity to produce approximately 9,600 standard cubic feet of landfill gas per minute of pipeline-quality RNG. Archaea led the development, engineering, construction, and operation of the new RNG facility, and Energy Services will take a lead role in marketing the RNG produced by the facility. Aurum Renewables is a VIE whereby the Company has determined that it is not the primary beneficiary since it does not direct the activities that most significantly impact the entity's economic performance. The project was operational as of September 30, 2024.

Pine Run. Pine Run is a company jointly owned by UGI Pine Run, LLC (a wholly-owned subsidiary of Energy Services) and Stonehenge Energy Resources. Pine Run Midstream operates dry gas gathering pipelines and compression assets in western Pennsylvania. Pine Run is not a VIE and accounted for as an equity method investment as we have the ability to exercise significant influence, but not control, over the entity.

MBL Bioenergy. MBL Bioenergy is a company jointly owned by UGI Dakota, LLC (a wholly-owned subsidiary of Energy Services), Sevana Bioenergy and a subsidiary of California Bioenergy. The sole purpose of MBL Bioenergy is the development of RNG projects in South Dakota comprising three dairy waste anaerobic digester systems. MBL Bioenergy is a VIE whereby the Company has determined that it is not the primary beneficiary since it does not direct the activities that most significantly impact the entity's economic performance. In addition to consent being required for all equity holders for significant activities, such as major procurement, construction contracting and offtake, our partners manage the day-to-day project management and operations for MBL Bioenergy and its subsidiaries.

Other Equity Method Investments. The carrying values of our other equity investments totaled $31 at both September 30, 2025 and 2024, and principally comprise a number of investments in biomass and other renewable energy projects at Energy Services.

The Company evaluates equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired. The Company evaluates equity method investments for other-than temporary impairment ("OTTI") on at least a quarterly basis. During Fiscal 2024, UGI International recognized a pre-tax OTTI loss of $26 related to its investment in this joint venture that invests in renewable energy projects. This loss was recorded in "Income (loss) from equity investees" on the Consolidated Statements of Income.

Our maximum exposure to loss related to these investments is limited to the amount invested.

Note 22 — 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.

Our Utilities segment primarily derives its revenues from the sale and distribution of natural gas to customers in eastern and central Pennsylvania and in West Virginia. To a much lesser extent, Utilities also derives revenues from the sale and distribution of electricity in two northeastern Pennsylvania counties. Midstream & Marketing derives its revenues principally from the marketing of natural gas, liquid fuels and electricity as well as revenues and fees from storage, pipeline transportation, natural gas gathering, and natural gas and RNG production activities primarily in the Mid-Atlantic region of the U.S. eastern Ohio, the panhandle of West Virginia and California. Prior to the sale of UGID in September 2024, Midstream & Marketing also derived revenues from the sale of electricity through PJM, a regional electricity transmission organization in the eastern U.S. (see Note 5). UGI International derives its revenues principally from the distribution of LPG to retail customers throughout much of Europe. Prior to the sale and wind-down of substantially all of its European energy marking business, UGI International also derived revenue from the marketing of natural gas and electricity to customers in France, the Netherlands, Belgium and the United Kingdom (see Note 5). AmeriGas Propane derives its revenues principally from the sale of propane and related equipment and supplies to retail customers.

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

Corporate & Other includes UGI's certain corporate and general expenses as well as interest expense that is not allocated to its reportable segments. Corporate & Other also includes certain items that are excluded from our CODM's assessment of segment performance (see below for further details on these items).

No single customer represents more than ten percent of our consolidated revenues. In addition, all of our reportable segments' revenues, other than those of UGI International, are derived from sources within the U.S., and all of our reportable segments' long-lived assets, other than those of UGI International, are located in the U.S. The amounts of revenues and long-lived assets associated with our operations in France represent approximately 20% and 10% of the respective consolidated amounts, in all periods presented.

The accounting policies of our reportable segments are the same as those described in Note 2. Our Chief Executive Officer, who serves as the CODM, measures segment profitability based on "earnings before interest expense and income taxes." The CODM uses this financial metric by comparing current period results to budgeted and prior year results at the reportable segment level to assess the segment performance and to allocate resources between the segments.

The following tables provide information about the Company's reportable segments and the reconciliation to corresponding consolidated amounts:

	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
2025							
Revenues from external customers	$ 7,287	$ —	$ 1,681	$ 1,213	$ 2,119	$ 2,276	$ (2)
Intersegment revenues	—	(350)	80	270	—	—	—
Cost of sales	3,654	(350)	774	989	1,179	1,054	8
Operating and administrative expenses (b)	2,011	(107)	412	129	543	924	110
Depreciation and amortization	561	—	178	81	123	178	1
Income (loss) from equity investees	5	—	—	6	(1)	—	—
Other segment income (loss) (c)	41	(119)	6	3	41	46	64
Earnings (loss) before interest expense and income taxes	1,107	(12)	403	293	314	166	(57)
Interest expense	(411)	12	(100)	(49)	(46)	(144)	(84)
Income tax benefit (expense)	(18)	—	(66)	25	(26)	14	35
Net income (loss) attributable to UGI	$ 678	$ —	$ 237	$ 269	$ 242	$ 36	$ (106)
Total assets	$ 15,462	$ (376)	$ 6,434	$ 3,187	$ 3,134	$ 2,914	$ 169
Capital expenditures (including the effects of accruals)	$ 844	$ —	$ 556	$ 114	$ 93	$ 81	$ —

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

	Total	Elim-inations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
2024							
Revenues from external customers	$ 7,210	$ —	$ 1,549	$ 1,152	$ 2,279	$ 2,271	$ (41)
Intersegment revenues	—	(266)	49	217	—	—	—
Cost of sales	3,529	(266)	650	864	1,301	1,059	(79)
Operating and administrative expenses (b)	2,132	(84)	387	125	578	933	193
Depreciation and amortization	551	—	166	86	119	178	2
Income (loss) from equity investees	(19)	—	—	12	(5)	—	(26)
Other segment income (loss) (c)	(245)	(84)	5	7	47	41	(261)
Earnings (loss) before interest expense and income taxes	734	—	400	313	323	142	(444)
Interest expense	(394)	—	(93)	(41)	(44)	(156)	(60)
Income tax benefit (expense)	(71)	—	(70)	(34)	(17)	(9)	59
Net income (loss) attributable to UGI	$ 269	$ —	$ 237	$ 238	$ 262	$ (23)	$ (445)
Total assets	$ 15,098	$ (733)	$ 5,963	$ 3,183	$ 2,906	$ 3,051	$ 728
Capital expenditures (including the effects of accruals)	$ 805	$ —	$ 482	$ 150	$ 87	$ 86	$ —
2023							
Revenues from external customers	$ 8,928	$ —	$ 1,780	$ 1,596	$ 2,965	$ 2,581	$ 6
Intersegment revenues	—	(326)	74	251	—	—	1
Cost of sales	6,937	(325)	953	1,360	2,045	1,250	1,654
Operating and administrative expenses (b)	2,158	(85)	392	133	623	950	145
Depreciation and amortization	532	—	152	86	116	177	1
Income (loss) from equity investees	2	—	—	6	(4)	—	—
Other segment income (loss) (c)	(761)	(84)	8	17	57	64	(823)
Earnings (loss) before interest expense and income taxes	(1,458)	—	365	291	234	268	(2,616)
Interest expense	(379)	—	(82)	(45)	(37)	(163)	(52)
Income tax benefit (expense)	335	—	(64)	(53)	(25)	(34)	511
Net income (loss) attributable to UGI	$ (1,502)	$ —	$ 219	$ 193	$ 172	$ 71	$ (2,157)
Total assets	$ 15,401	$ (173)	$ 5,691	$ 3,160	$ 3,105	$ 3,415	$ 203
Capital expenditures (including the effects of accruals)	$ 956		$ 563	$ 130	$ 129	$ 134	$ —

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

(b) For the Utilities reportable segment, operating and administrative expenses less revenue-related taxes (i.e. gross receipts and business occupation taxes) is considered a significant segment expense and was $388, $363, and $368 in Fiscal 2025, Fiscal 2024, and Fiscal 2023, respectively.

(c) Excluding Corporate & Other, other segment items principally represent other operating and non-operating income and expenses.

(d) Corporate & Other includes specific items attributable to our reportable segments that are not included in the segment profit measures used by our CODM. The following table presents such pre-tax gains (losses) which have been included in Corporate & Other, and the reportable segments to which they relate, for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

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

	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
2025				
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	$ 38	$ (48)	$ 1
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	$ —	$ (10)	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ —	$ —	$ (9)
Gain (loss) on disposals of businesses	(Gain) loss on disposals of businesses	$ —	$ (53)	$ 17
Interest income from intersegment loan	Other operating expense (income), net	$ —	$ 12	$ —
2024				
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	$ 63	$ (5)	$ 21
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	$ —	$ (31)	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ (1)	$ —	$ (8)
Impairments of equity method investments and assets	Income (loss) from equity investees; Other operating expense (income), net		$ (33)	
Loss associated with impairment of AmeriGas Propane goodwill	Impairment of goodwill	$ —	$ —	$ (195)
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 operating expense (income), net	$ —	$ (13)	$ —
Costs associated with exit of the UGI International energy marketing business	(Gain) loss on disposals of businesses	$ —	$ (29)	$ —
Loss on disposal of business	(Gain) loss on disposals of businesses	$ (66)	$ —	$ —
AmeriGas operations enhancement for growth project	Operating and administrative expenses	$ —	$ —	$ (25)
Restructuring costs	Operating and administrative expenses	$ (1)	$ (57)	$ (1)

2023							
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Revenues	$	6	$	4	$	—
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of Sales	$	(236)	$	(1,402)	$	(16)
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	$	—	$	(38)	$	—
Loss on extinguishments of debt	Loss on extinguishments of debt	$	—	$	—	$	(9)
Loss associated with impairment of AmeriGas Propane goodwill	Impairment of goodwill	$	—	$	—	$	(656)
Costs associated with exit of the UGI International energy marketing business	Revenues; Operating and administrative expenses	$	—	$	(27)	$	—
Costs associated with exit of the UGI International energy marketing business	(Gain) loss on disposals of businesses	$	—	$	(221)	$	—
AmeriGas operations enhancement for growth project	Operating and administrative expenses	$	—	$	—	$	(24)

UGI CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

BALANCE SHEETS
(Millions of dollars)

	September 30, 2025	September 30, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4	$ 4
Accounts receivable – related parties	26	23
Prepaid expenses and other current assets	45	2
Total current assets	75	29
Investments in subsidiaries	6,011	5,625
Other assets	144	145
Total assets	$ 6,230	$ 5,799
LIABILITIES AND COMMON STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts and notes payable	$ 12	$ 15
Derivative instruments	1	1
Accrued liabilities	23	58
Total current liabilities	36	74
Long-term debt	1,347	1,312
Other noncurrent liabilities	70	68
Total liabilities	1,453	1,454
Commitments and contingencies (Note 1)		
Equity:		
Preferred Stock, without par value (authorized - 5,000,000; issued - 0 and 0, respectively)	—	—
Common Stock, without par value (authorized – 450,000,000 shares; issued – 217,033,282 and 216,124,332 shares, respectively)	1,709	1,676
Retained earnings	3,334	2,978
Accumulated other comprehensive income (loss)	(173)	(253)
Treasury stock, at cost	(93)	(56)
Total common stockholders' equity	4,777	4,345
Total liabilities and common stockholders' equity	$ 6,230	$ 5,799

Note 1 — Commitments and Contingencies:

At September 30, 2025, UGI had agreed to indemnify the issuers of $110 of surety bonds issued on behalf of certain UGI subsidiaries. UGI is authorized to guarantee up to $375 of obligations to suppliers and customers of Energy Services and subsidiaries of which $283 of such obligations were outstanding as of September 30, 2025.

UGI CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF INCOME
(Millions of dollars, except per share amounts)

	Year Ended September 30,		
	2025	2024	2023
Revenues	$ —	$ —	$ —
Costs and expenses:			
Operating and administrative expenses	108	100	95
Other operating expense (income), net (a)	(107)	(86)	(83)
	1	14	12
Operating loss	(1)	(14)	(12)
Loss on extinguishments of debt	(1)	—	—
Interest expense	(84)	(61)	(52)
Loss before income taxes	(86)	(75)	(64)
Income tax (benefit) expense	(22)	(7)	(13)
Loss before equity in income of unconsolidated subsidiaries	(64)	(68)	(51)
Equity in income (loss) of unconsolidated subsidiaries	742	337	(1,451)
Net income (loss) attributable to UGI Corporation	$ 678	$ 269	$ (1,502)
Other comprehensive (loss) income	1	(17)	(8)
Equity in other comprehensive income (loss) of unconsolidated subsidiaries	79	20	132
Comprehensive income (loss) attributable to UGI Corporation	$ 758	$ 272	$ (1,378)
Earnings (loss) per common share attributable to UGI Corporation stockholders:			
Basic	$ 3.15	$ 1.27	$ (7.16)
Diluted	$ 3.09	$ 1.25	$ (7.16)
Weighted - average common shares outstanding (thousands):			
Basic	214,945	211,309	209,806
Diluted	219,160	215,271	209,806

(a) UGI provides certain financial and administrative services to certain of its subsidiaries. UGI bills these subsidiaries monthly for all direct expenses incurred by UGI on behalf of its subsidiaries as well as allocated shares of indirect corporate expense incurred or paid with respect to services provided by UGI. The allocation of indirect UGI corporate expenses to certain of its subsidiaries utilizes a weighted, three-component formula comprising revenues, operating expenses, and net assets employed and considers the relative percentage of such items for each subsidiary to the total of such items for all UGI operating subsidiaries for which general and administrative services are provided. Management believes that this allocation method is reasonable and equitable to its subsidiaries. These billed expenses are classified as "Other operating expense (income), net" in the Statements of Income above.

UGI CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF CASH FLOWS
(Millions of dollars)

	Year Ended September 30,		
	2025	2024	2023
NET CASH PROVIDED BY OPERATING ACTIVITIES (a)	$ 339	$ 379	$ 636
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net investments in unconsolidated subsidiaries	(30)	(355)	(309)
Net cash provided (used) by investing activities	(30)	(355)	(309)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends on Common Stock	(322)	(318)	(308)
Issuances of debt, net of issuance costs	898	1,078	327
Repayments of long-term debt	(870)	(775)	(333)
Issuances of Common Stock	18	—	12
Repurchases of Common Stock	(33)	—	(22)
Payments on Purchase Contracts	—	(12)	(16)
Net cash provided (used) by financing activities	(309)	(27)	(340)
Cash and cash equivalents increase (decrease)	$ —	$ (3)	$ (13)
Cash and cash equivalents:			
End of year	$ 4	$ 4	$ 7
Beginning of year	4	7	20
Cash and cash equivalents increase (decrease)	$ —	$ (3)	$ (13)

(a) Includes dividends received from unconsolidated subsidiaries of $466, $420 and $680 for the years ended September 30, 2025, 2024 and 2023, respectively.

UGI CORPORATION AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(Millions of dollars)

	Balance at beginning of year	Charged (credited) to costs and expenses	Other	Balance at end of year
Year Ended September 30, 2025				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 68	$ 37	$ (63) (1)	$ 42
Other reserves:				
Deferred tax assets valuation allowance	$ 130	$ 18	$ (77) (2)	$ 71
Year Ended September 30, 2024				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 71	$ 61	$ (64) (1)	$ 68
Other reserves:				
Deferred tax assets valuation allowance	$ 141	$ 16	$ (27) (2)	$ 130
Year Ended September 30, 2023				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 64	$ 69	$ (62) (1)	$ 71
Other reserves:				
Deferred tax assets valuation allowance	$ 141	$ (38)	$ 38 (2)	$ 141

(1) Uncollectible accounts written off, net of recoveries.
(2) Primarily a notional interest deduction valuation allowance adjustment.

EXHIBIT 31.1

CERTIFICATION

I, Robert C. Flexon, certify that:

1. I have reviewed this annual report on Form 10-K 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: November 21, 2025

/s/ Robert C. Flexon

Robert C. Flexon

President and Chief Executive Officer of UGI Corporation

EXHIBIT 31.2

CERTIFICATION

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

1. I have reviewed this annual report on Form 10-K 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: November 21, 2025

/s/ Sean P. O'Brien

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

EXHIBIT 32

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 annual report on Form 10-K for the period ended September 30, 2025 (the “Form 10-K”) 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-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

✶✶✶

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER
/s/ Robert C. Flexon	/s/ Sean P. O'Brien
Robert C. Flexon	Sean P. O'Brien
Date: November 21, 2025	Date: November 21, 2025

Investor Services

Comprehensive Shareholder Resources

ANNUAL MEETING

The Annual Meeting of Shareholders will be held virtually at 9:00 a.m. Eastern Standard Time on Friday, January 30, 2026. Interested parties may listen to the audio webcast at www.virtualshareholdermeeting.com/UGI2026

TRANSFER AGENT AND REGISTRAR

Shareholder communications regarding transfer of shares, book-entry shares, lost certificates, lost dividend checks or changes of address should be directed to:

By Mail:

Computershare Investor Services
P.O. Box 43006
Providence, RI 02940-3066

By Overnight Delivery:

Computershare Investor Services
150 Royal St., Suite 101
Canton, MA 02021

Phone: 800-850-1774 (U.S. and Canada), 312-360-5100 (other countries)

Shareholders can also view real-time account information and request transfer agent services online at the Computershare Investor Services website: www.computershare.com/investor

Computershare Investor Services can be accessed through telecommunications devices for the hearing impaired by calling: 800-822-2794 (U.S. and Canada), 312-588-4110 (other countries)

DIVIDEND REINVESTMENT & DIRECT STOCK PURCHASE PLAN

The plan is sponsored and administered by Computershare, N.A. and provides investors with a simple and convenient method to purchase shares of UGI common stock. Shareholders may use all or any part of the dividends they receive to purchase shares of common stock. The plan also permits participants to make monthly cash purchases of common stock not exceeding $75,000 per year. Investors may become participants by making an initial cash investment of at least $50 but not more than $75,000. All such purchases are without brokerage commissions or service charges

For More Information about the Plan:

By Mail:
Computershare Investor Services
P.O. Box 43006
Providence, RI 02940-3066

By Overnight Delivery:
Computershare Investor Services
150 Royal St., Suite 101
Canton, MA 02021

Phone: 800-850-1774 (U.S. and Canada), 312-360-5100 (other countries)
Plan information is also available on the Computershare Investor Services website www.computershare.com/Investor

INVESTOR RELATIONS

Securities analysts, portfolio managers, and other members of the professional investment community should direct inquiries about the Company to:

Vice President, Investor Relations & ESG
UGI Corporation
P.O. Box 858
Valley Forge, PA 19482
610-337-1000

Corporate Information

Leadership & Contact Details

MEET OUR EXECUTIVE LEADERSHIP

Robert C. Flexon
President & Chief Executive Officer
UGI Corporation

Sean P. O'Brien
Chief Financial Officer
UGI Corporation

John Koerwer
Chief Information Officer
UGI Corporation

Kathleen Shea Ballay
General Counsel & Chief
Legal Officer UGI Corporation

OTHER OFFICERS

Hans G. Bell
President, UGI Utilities, Inc.

Joseph L. Hartz
President, UGI Energy Services, LLC

Michael Sharp
President, AmeriGas Propane, Inc.

Jean Felix Tematio Dontsop
Vice President, Chief Accounting Officer & Corporate Controller, UGI Corporation

Julie Fazio
President, UGI International, LLC

C. David Lokant
President, Mountaineer Gas Company

Veronique Subileau
Senior Vice President, HR, UGI Corporation

BOARD OF DIRECTORS

Mario Longhi
Director since April 2020, Chairman

Robert C. Flexon
Director since November 2024

David Bingenheimer
Director since November 2024

Alan N. Harris
Director since March 2018

M. Shawn Bort
Director since January 2009

Kelly A. Romano
Director since January 2019

Theodore A. Dosch
Director since July 2017

Melanie Ruiz
Director since November 2024

Tina Faraca
Director since August 2024

Santiago Seage
Director since September 2023

NEWS, EARNINGS, FINANCIAL REPORTS, & GOVERNANCE DOCUMENTS

Comprehensive news, webcast events, governance documents, and other information about UGI is available via the Internet at https://www.ugicorp.com. You can request reports filed with the SEC and corporate governance documents, including the Company's Code of Business Conduct and Ethics, Principles or Corporate Governance, and the charters for the Company's Board Committee, free of charge by writing to Vice President, Investor Relations & ESG, at the address to the left.

P.O. Box 858
Valley Forge, PA 19482

You can obtain news and other information about
UGI Corporation at www.ugicorp.com