

UGI CORPORATION

**CHARTER of the
COMPENSATION AND MANAGEMENT
DEVELOPMENT COMMITTEE
of the BOARD OF DIRECTORS**

The Board of Directors of UGI Corporation (the “Company”) has determined that the Compensation and Management Development Committee of the Board shall assist the Board in fulfilling certain of the Board’s oversight responsibilities. The Board hereby adopts this charter to establish the governing principles of the Compensation and Management Development Committee.

Membership of the Compensation and Management Development Committee

A. The Board shall appoint the members of the Compensation and Management Development Committee at the Board’s annual organizational meeting and the members shall serve until the next such meeting or until their successors are appointed by the Board. The Board may also fill interim vacancies and remove and replace any member of the Committee at any time. The Board shall designate one member to serve as Chair of the Committee.

B. The Compensation and Management Development Committee shall be composed of not less than three members who are neither officers nor employees of the Company or any of its affiliates. The members will be Directors who are free of any relationship that, in the opinion of the Board, would interfere with their exercise of independent judgment as Committee members. Members of the Compensation and Management Development Committee shall also meet any additional requirements of applicable law and of the principal market or transaction reporting system on which the Company’s securities are traded or quoted (i.e. New York Stock Exchange).

Meetings of the Compensation and Management Development Committee

The Compensation and Management Development Committee shall hold at least two regular meetings annually. In addition, the Committee shall hold other meetings at such times and places as the Chair and the members of the Committee may deem appropriate. The Committee shall report periodically, but no less than once annually, to the Board concerning the deliberations at its meetings.

Responsibilities of the Compensation and Management Development Committee

Compensation:

- Review and approve the objectives of the compensation program for senior management as outlined in the Company’s “Compensation Discussion and Analysis.” For purposes of this charter, senior management shall be defined to comprise: (i) those employees of the Company designated by the Board pursuant to Rule 16a-1 of the rules promulgated pursuant to the Securities Exchange Act of 1934 (the “Exchange Act”) (persons so designated by the Board are referred to as “Executive Officers”), (ii) the Company’s General Auditor, and (iii) such other employees who report directly to the Chief Executive Officer as the Board may designate from time to time.

- Review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer.
- Review and evaluate, at least annually, the performance of the Chief Executive Officer in pursuing the goals and objectives approved by the Committee, as well as those goals and objectives set forth in the Company's Budget and Three Year Plan for the year then ended, and provide the independent members of the Board with its analysis and recommendation regarding the annual compensation, including salary, bonus payments, and equity-based awards, of the Chief Executive Officer. Based on this evaluation, the annual compensation of the Chief Executive Officer shall be determined and approved by the independent directors of the Board.
- Review with the Chief Executive Officer the evaluation of the performance of senior management.
- Review and approve general compensation guidelines for senior management, including proposed salary ranges and merit increase guidelines.
- Oversee the Company's annual bonus plan for senior management and approve targets for payments under the annual bonus plan.
- Approve actual salaries and bonus payments for members of senior management and approve any changes in the salary grades and bonus levels for senior management.
- Oversee the Company's long-term incentive plans, approve target awards and performance goals for performance-based awards, approve options and other equity-based awards, and certify payment of performance-based awards.
- Review and oversee compliance with the Company's stock ownership guidelines for executive officers.
- Periodically review compensation plans and arrangements for senior management, including salaries, annual and long-term incentive plans, severance plans, supplemental retirement plans, change in control agreements and perquisites, comparing such plans and arrangements to those of the Company's peer groups, establishing appropriate levels of incentive to management, aligning management's objectives with the interests of stakeholders and confirming that compensation plans and arrangements do not encourage unnecessary risk-taking.
- Review annually management's summary report on:
 - salaries, bonus levels and bonus payments for executives and managers other than senior management;
 - changes to exempt and non-exempt personnel salary structures.
- Review and oversee compliance by the Company with its recoupment policy for incentive-based compensation paid or awarded to current and former executive officers in

the event of a restatement of the Company's financial results due to material non-compliance with any financial reporting requirement under securities laws.

- In reviewing, evaluating, determining and making recommendations regarding compensation for senior management, including compensation for the Chief Executive Officer, review and consider the results of any say-on-pay vote and evaluate whether any actions are necessary to address any shareholder concerns.
- Select and oversee the performance of compensation consultants, outside counsel or other advisers who provide advice to the Committee, recommend to the Board approval or modification of the recommendations of such compensation consultants, outside counsel or other advisers, and enter into retention agreements or other appropriate arrangements with any such compensation consultants, outside counsel or other advisers establishing their compensation and any other retention terms. The Committee shall receive appropriate funding from the Company, as determined by the Committee, for the payment of reasonable compensation to its compensation consultants, outside counsel or other advisers who provide advice to the Committee. In selecting compensation consultants, outside counsel or other advisers who provide advice to the Committee, the Committee shall take into account before selecting such adviser all factors relevant to that person's independence from management, including those set forth in rules and regulations of the Securities and Exchange Commission and the New York Stock Exchange. Based on an evaluation of such factors, compensation consultants, outside counsel or other advisers need not be independent, and the Committee should exercise its own judgment in the fulfillment of its duties under this Charter. The Committee shall have sole authority to retain and terminate compensation consultants, outside counsel or other advisers who provide advice to the Committee and to review and approve compensation and other retention terms for such compensation consultants, outside counsel or other advisers. The Committee shall not be required to implement, or act consistently with, any particular advice or recommendations of its compensation consultants, outside counsel or other advisers.

Management Development:

- Assist the Board with establishing the succession plan for the position of Chief Executive Officer.
- Review the succession plan for each member of senior management as proposed each year by the Chief Executive Officer. To assist the Compensation and Management Development Committee with this task, the Chief Executive Officer provides the Committee with her/his evaluation of each of her/his senior management direct reports, and each member of that group meets with the Committee to review the succession plan for her/his immediate subordinates. The Chair of the Compensation and Management Development Committee then leads a discussion by the Board of the succession plan for senior management.
- Review annually the Company's organizational structure with respect to senior management and periodically review changes thereto.

Other Matters:

- Review director participation in the Company’s compensation and benefit plans and recommend any changes to the Board or other Board committees as necessary.
- Review annually the Company’s affirmative action plan and its attainment of the goals set forth in that plan and generally assess the diversity of the Company’s workforce.
- Review and discuss with management the annual “Compensation Discussion and Analysis” required by the rules of the Securities and Exchange Commission and recommend to the Board whether the ‘Compensation Discussion and Analysis’ should be included in the Company’s proxy statement and Annual Report on Form 10-K.
- Prepare, for inclusion in the Company’s proxy statement and Annual Report on Form 10-K, the “Compensation Committee Report” required by the rules of the Securities and Exchange Commission.
- Review disclosure with respect to any compensation consultant of the Committee included in the Company’s proxy statement and Annual Report on Form 10-K.
- Review and reassess the adequacy of this charter on an annual basis and recommend changes to the Board as needed.
- Conduct an annual performance self-evaluation and report to the Board the results of that self-evaluation.
- Review, and recommend to the Board for approval, the frequency with which the Company will conduct say-on-pay votes, taking into account the results of the most recent stockholder advisory vote on the frequency of say-on-pay votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the say-on-pay vote and the frequency of the say-on-pay vote included in the Company’s proxy statement.

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its duties. The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

Approved by the Board of Directors on February 24, 2004.

Amended by the Board of Directors on December 7, 2004.

Amended by the Board of Directors on December 6, 2005.

Amended by the Board of Directors on July 31, 2007.

Amended by the Board of Directors on July 27, 2010.

Amended by the Board of Directors on September 25, 2012.

Amended by the Board of Directors on July 30, 2013.

Amended by the Board of Directors on September 29, 2014.

Amended by the Board of Directors on November 20, 2015.

Amended by the Board of Directors on July 26, 2016.