

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

*Final*  
*2020*  
*Proxy Statement*

ESSENTIAL UTILITIES, INC.

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Jul 14 2020

2020  
**Annual Meeting of  
Shareholders**

Essential Utilities, Inc.



## 2019 Performance Highlights

During 2019, our leadership team remained focused on growing our customer base through acquisitions, prudently investing capital to renew our aging infrastructure, obtaining regulatory approval for the Peoples Natural Gas acquisition, successfully closing on the Company's first public equity offering since 2006 and its first corporate debt offering, and creating efficiencies across the organization. We see great opportunities ahead and remain focused on investing in infrastructure and delivering sustainable growth for our investors. We do this while building on our core values of respect, integrity, and the pursuit of excellence.

### Financial Highlights

During 2019, we remained focused on our mission to be the best possible provider of essential resources by serving the needs and expectations of our customers, shareholders, employees and the communities we serve both today and for future generations. At the same time we continued to focus on growing our customer base through acquisitions, prudently investing capital to renew our aging infrastructure, and creating efficiencies across the organization.

All of this was in addition to working on efforts to integrate and close the Peoples Natural Gas transaction and to negotiate and sign the DELCORA municipal wastewater acquisition, which is the largest municipal acquisition in our history. We continue to see great opportunities ahead and remain focused on investing in infrastructure and delivering sustainable growth for our investors.

In 2019, we invested \$550 million on infrastructure projects, helping to ensure safe and reliable water for all customers.

Revenues were \$889.7 million in 2019, an increase of 6.2 percent over 2018.

Earnings per share were \$1.04 in 2019, including items from the Peoples transaction. Excluding these items, adjusted (non-GAAP) earnings per share were \$1.47 compared to earnings per share of \$1.41 in 2018.\*

We added approximately 12,000 customer connections thru acquisition in 2019 and increased customers served by more than 2 percent, which includes customers from organic growth and acquisitions. Our acquisitions in 2019 added over \$50 million in rate base.

In September we announced the DELCORA acquisition, a \$276 million acquisition of a wastewater authority which provides service to over half a million people. DELCORA has the equivalent of 198,000 retail customers.

From January 1, 2017 to December 31, 2019, the total return to our shareholders, including share price appreciation and dividends paid, shows 67.75 percent growth. In 2019 alone our total return to shareholders was 40.41 percent.

In July 2019, the Board of Directors approved a 7 percent increase in the quarterly dividend to an annualized rate of \$0.9372 per share.

We completed the financing for the previously announced agreement to acquire Peoples Natural Gas, a natural gas distribution utility, that reflects an enterprise value of \$4.275 billion. This included an equity offering which was oversubscribed and a debt offering locking in long-term rates at under 4%.

We revisited our ESG program, publishing new tear sheets and disclosures in February 2020 and submitted our second report to the CDP, receiving an increased grade of B-.

Revenues

**\$889.7M**

up 6.2%

Adjusted EPS

**\$1.47 vs**

**\$1.41**

TSR

**68%**

Growth,  
since 2017

Dividends to  
Shareholders

**7%**

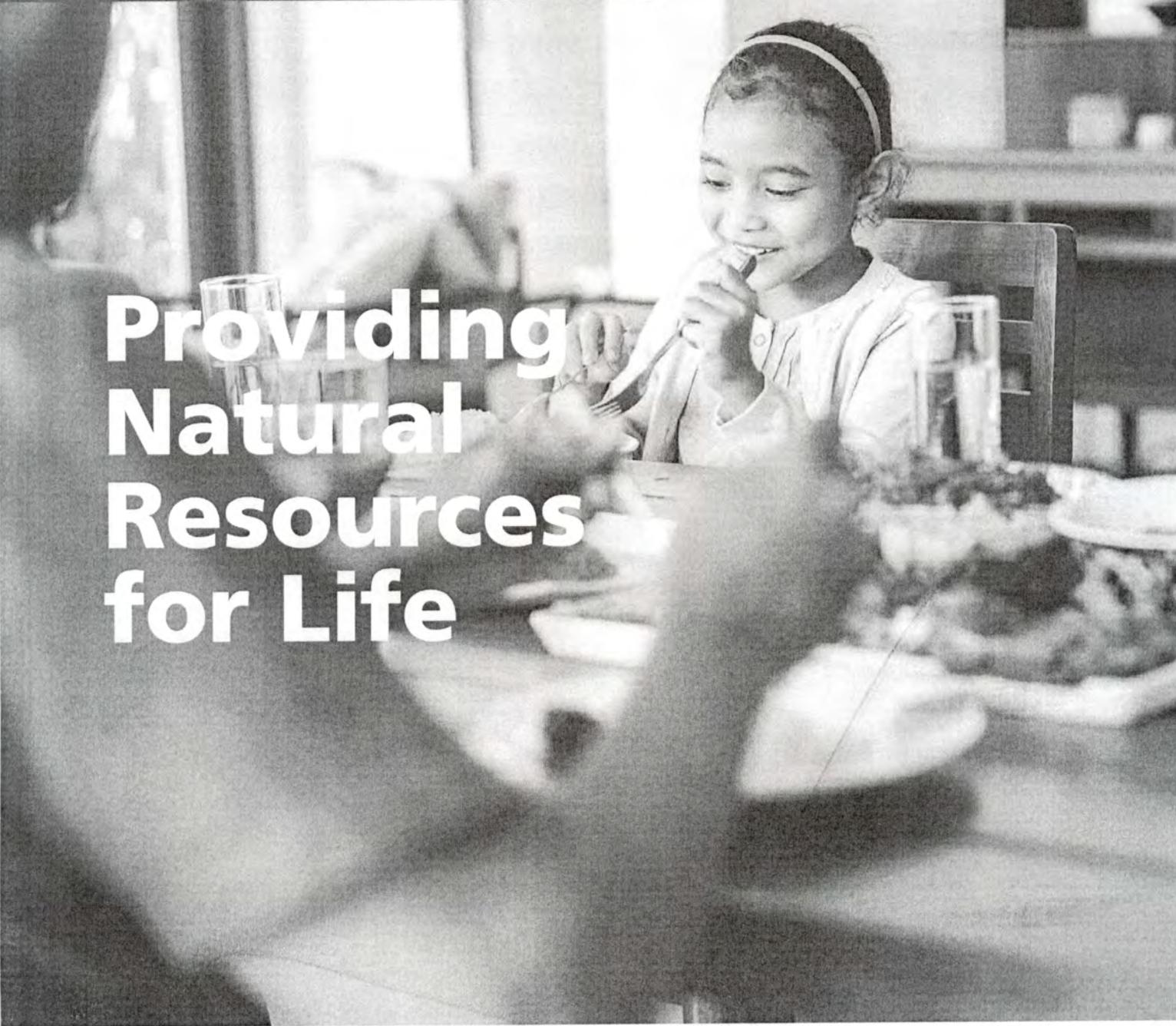
Increase

\* See Appendix B for a reconciliation of non-GAAP financial measures to GAAP financial measures.

2019

# Annual Report

Essential Utilities Inc.



**Providing  
Natural  
Resources  
for Life**

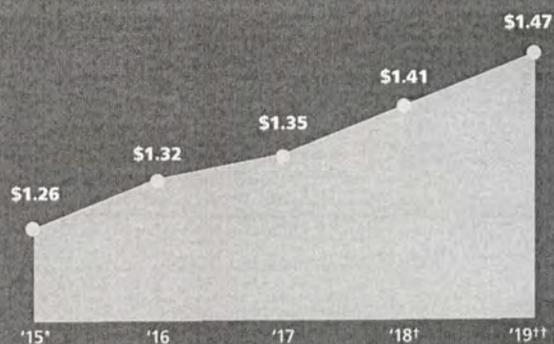


**Essential**<sup>™</sup>

Providing natural resources for life.

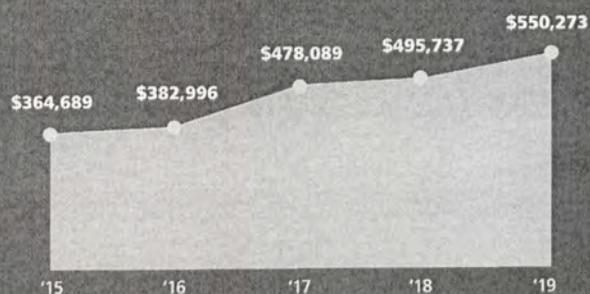
NYSE: WTRG

## Diluted Adjusted Income per Common Share

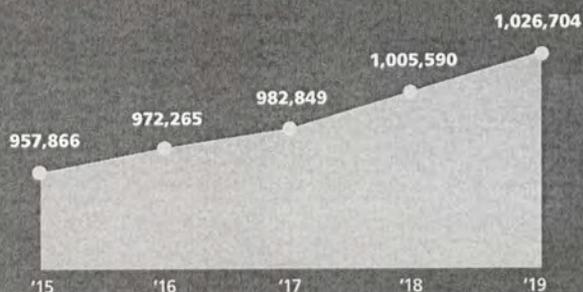


## Capital Spending

(existing operations, thousands)

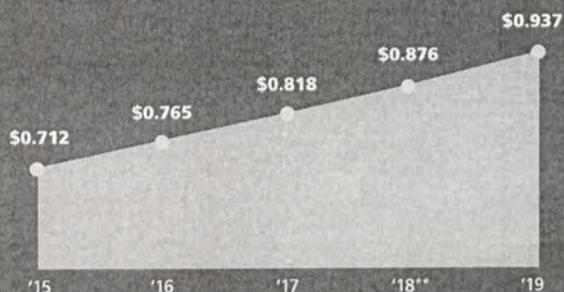


## Utility Customer Connections



## Dividends per Share

(annualized)



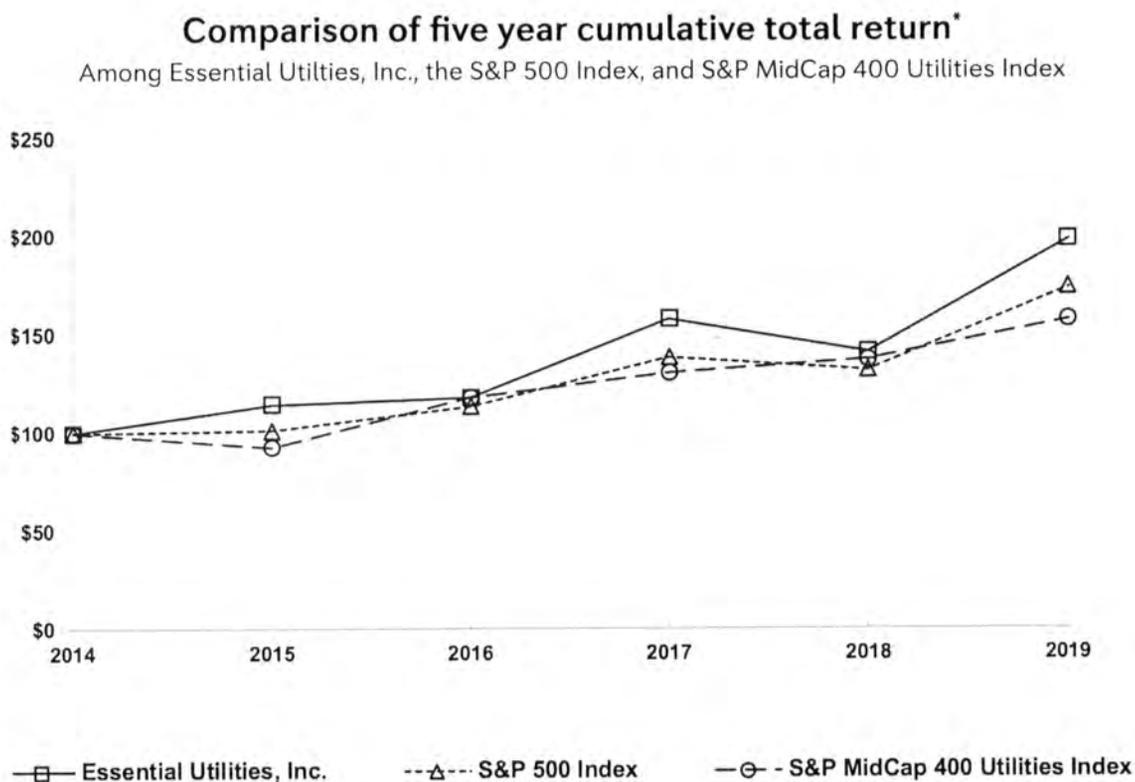
\* 2015 Net income per share was \$1.14 (GAAP). 2015 adjusted for joint venture impairment charge (Non-GAAP).

† 2018 Net income per share was \$1.08 (GAAP). 2018 adjusted for transaction costs and other items related to the Peoples transaction (Non-GAAP).

†† 2019 Net income per share was \$1.04 (GAAP). 2019 adjusted for transaction costs and other items related to the Peoples transaction (Non-GAAP).

Please see the investor relations page of Essential.co for a reconciliation of GAAP to non-GAAP financial measures.

The graph below matches the cumulative 5-Year total return of holders of Essential Utilities, Inc.'s common stock with the cumulative total returns of the S&P 500 index and the S&P MidCap 400 Utilities index. The graph assumes that the value of the investment in our common stock, in each index, and in the peer group (including reinvestment of dividends) was \$100 on 12/31/2014 and tracks it through 12/31/2019.



\*\$100 invested on 12/31/14 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

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	Years as of December 31					
	2014	2015	2016	2017	2018	2019
Essential Utilities, Inc.	100.00	114.49	118.18	158.08	141.19	198.25
S&P 500 Index	100.00	101.38	113.51	138.29	132.23	173.86
S&P MidCap 400 Utilities Index	100.00	92.90	118.22	130.52	137.42	157.48

*The stock price performance included in this graph is not necessarily indicative of future stock price performance.*