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Overview of Magellan Midstream

March 2021

Forward-looking statements

Except for statements of historical fact, this document constitutes forward-looking statements as defined by federal law. Although management believes such statements are based on reasonable assumptions, such statements necessarily involve known and unknown risks and uncertainties that may cause actual outcomes to be materially different. Among the key risk factors that may have a direct impact on the partnership's results of operations and financial condition are: impacts from the COVID-19 pandemic; impacts of the oversupply of crude oil and petroleum products; claims for force majeure relief by its customers or vendors; changes in price or demand for refined petroleum products, crude oil and natural gas liquids, or for transportation, storage, blending or processing of those commodities through its facilities; changes in the partnership's tariff rates or other terms as required by state or federal regulatory authorities; shut-downs or cutbacks at refineries, of hydrocarbon production or at other businesses that use or supply the partnership's services; changes in the throughput or interruption in service on pipelines or other facilities owned and operated by third parties and connected to the partnership's terminals, pipelines or other facilities; the occurrence of operational hazards or unforeseen interruptions; the treatment of the partnership as a corporation for federal or state income tax purposes or the partnership becoming subject to significant forms of other taxation; changes in its capital needs, cash flows and availability of cash to fund unit repurchases or distributions; and failure of customers to meet or continue contractual obligations to the partnership. Additional factors that could lead to material changes in performance are described in the partnership's filings with the Securities and Exchange Commission, including the partnership's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2020. You are urged to carefully review and consider the cautionary statements and other disclosures made in those filings, especially under the headings "Risk Factors" and "Forward-Looking Statements." Forward-looking statements made by the partnership in this presentation are based only on information currently known, and the partnership undertakes no obligation to revise its forward-looking statements to reflect future events or circumstances.

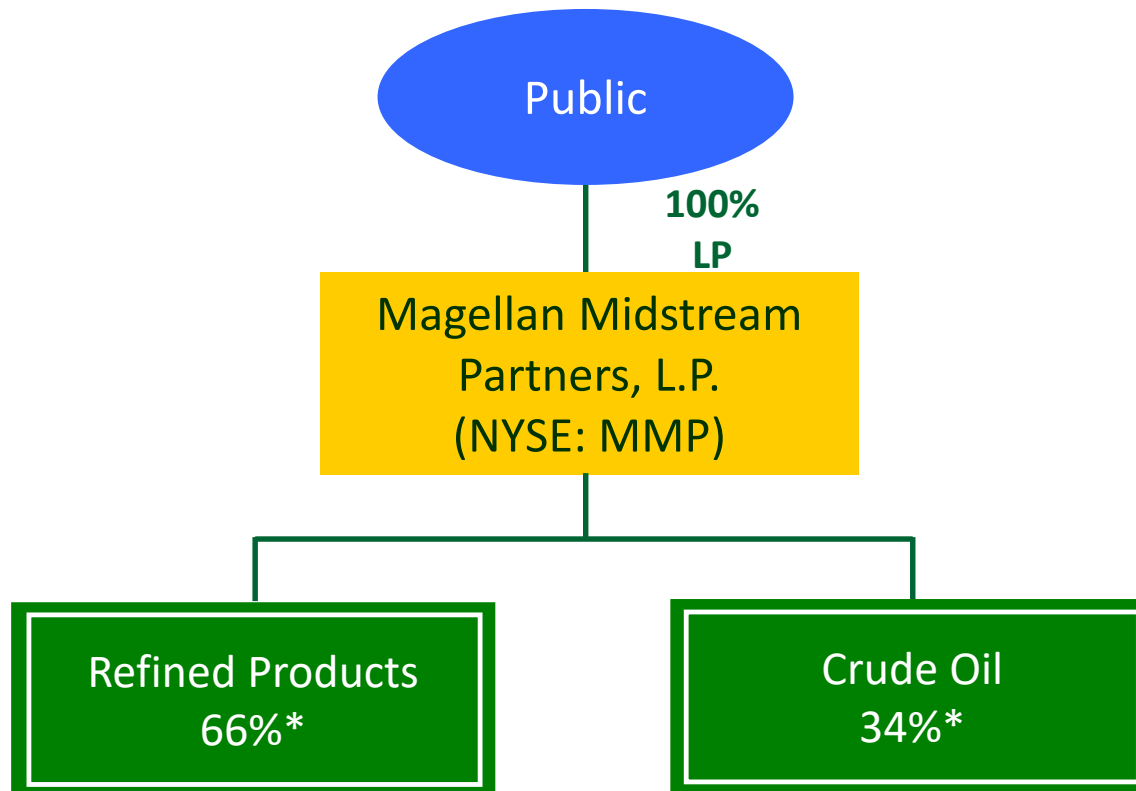
Magellan investment highlights

- Essential U.S. petroleum midstream infrastructure
- Straight-forward primarily fee-based business model
- Proven history of strong returns on invested capital, cash flow growth and distribution coverage
- Consistent quarterly cash distribution, currently yielding 9%+
- Strong balance sheet with low leverage and investment-grade credit
- Responsible corporate governance
- Disciplined management team focused on creating long-term investor value



Straight-forward governance and organization

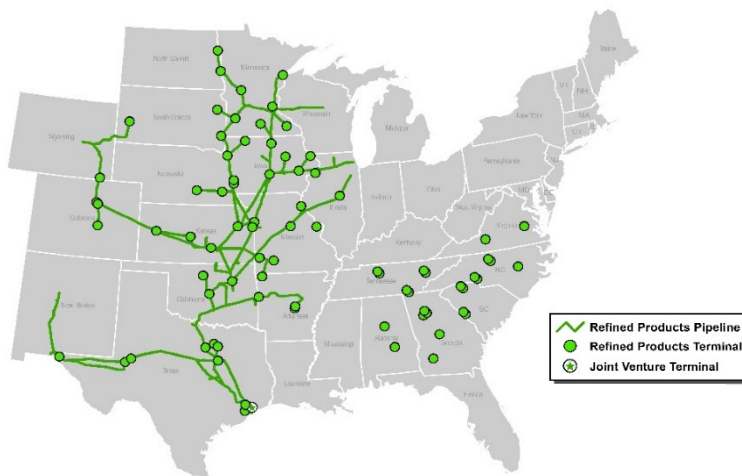
- Investment grade MLP with no incentive distribution rights
- Strong governance, with all board members elected by the public
 - 8 of 9 board members are independent



* Percentage of 2020 operating margin

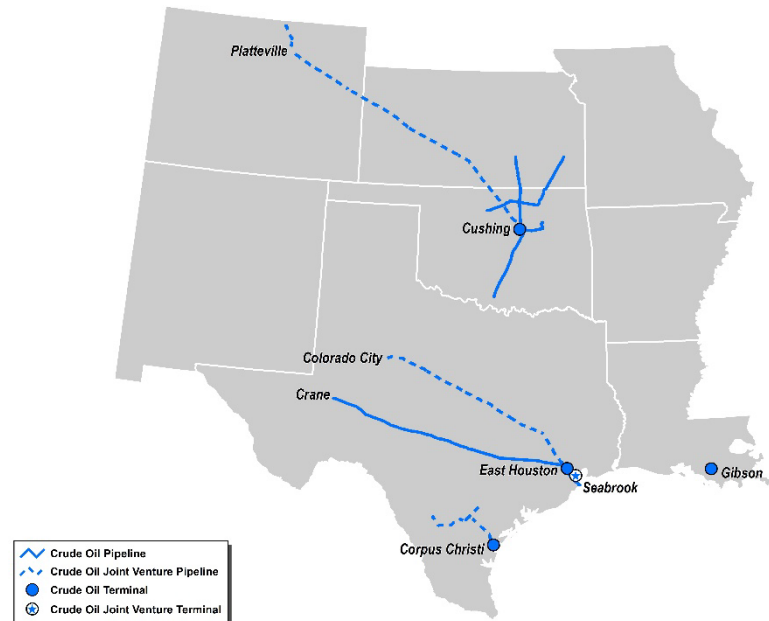
Refined products segment

- Longest refined petroleum products pipeline system in the U.S., primarily transporting gasoline and diesel fuel, with 9,800 miles, 54 terminals and 47mm barrels of storage
- Profit driven by throughput volume and tariffs
 - Tariff changes related to Producer Price Index; average tariff increased by ~3.5% mid-2020, guidance assumes ~2% average tariff increase on July 1, 2021
 - Volumes primarily function of market demand for transportation fuel
 - Electric vehicles not expected to have material impact in markets served by Magellan for foreseeable future
- Strong competitive position and stable business platform due to breadth of system (can access nearly 50% of refining capacity) and independent service provider model



Crude oil segment

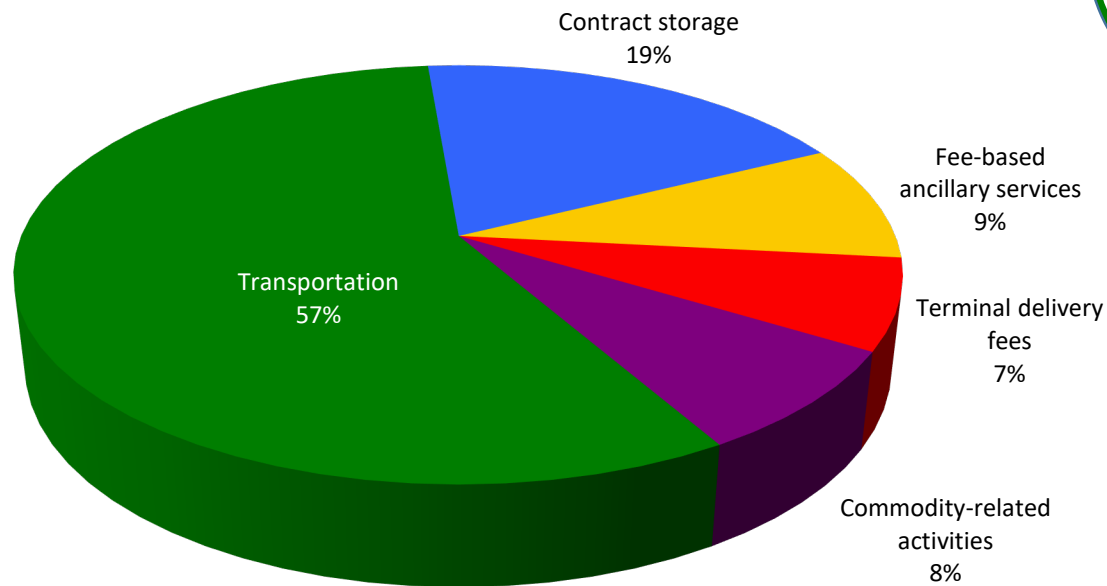
- 2,200 miles of crude oil pipelines, substantially backed by long-term throughput commitments
- 37mm barrels of total crude oil storage, including 27mm barrels used for contract storage, with largest locations in strategic Houston and Cushing storage hubs
- Independent, customer-focused service provider
 - Focus on quality and transparency as well as significant Houston connectivity provide competitive advantage



Primarily fee-based business

- Magellan’s business model is primarily focused on fee-based, low-risk activities, which are expected to comprise 85%+ of future operating margin*

2020 Operating Margin*



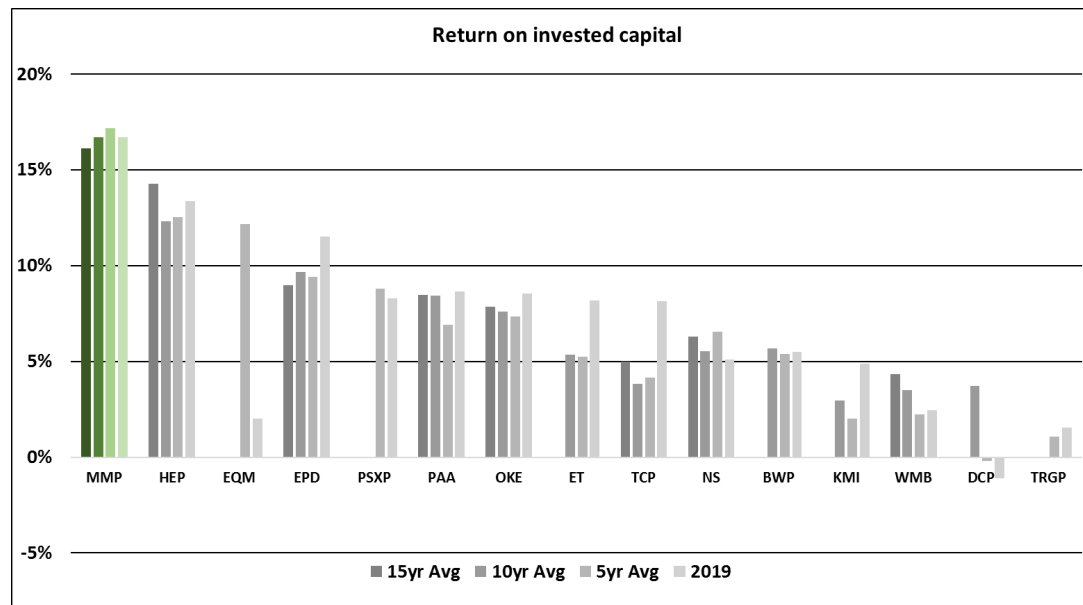
85%+
Fee-based

* Operating margin represents operating profit before depreciation, amortization & impairment expense and general & administrative costs; excludes unrealized mark-to-market and other commodity-related adjustments

Best-in-class returns

- Magellan has proven track record of delivering superior returns on invested capital
- Over the last 10 years, Magellan has invested \$6.1 billion in expansion capital related to the build out of our crude oil and refined products pipeline and storage network
- Reflects disciplined management style, high quality asset base and strong business position
- Continue to target 6-8x EBITDA multiple on projects

16%+
Historical
ROIC

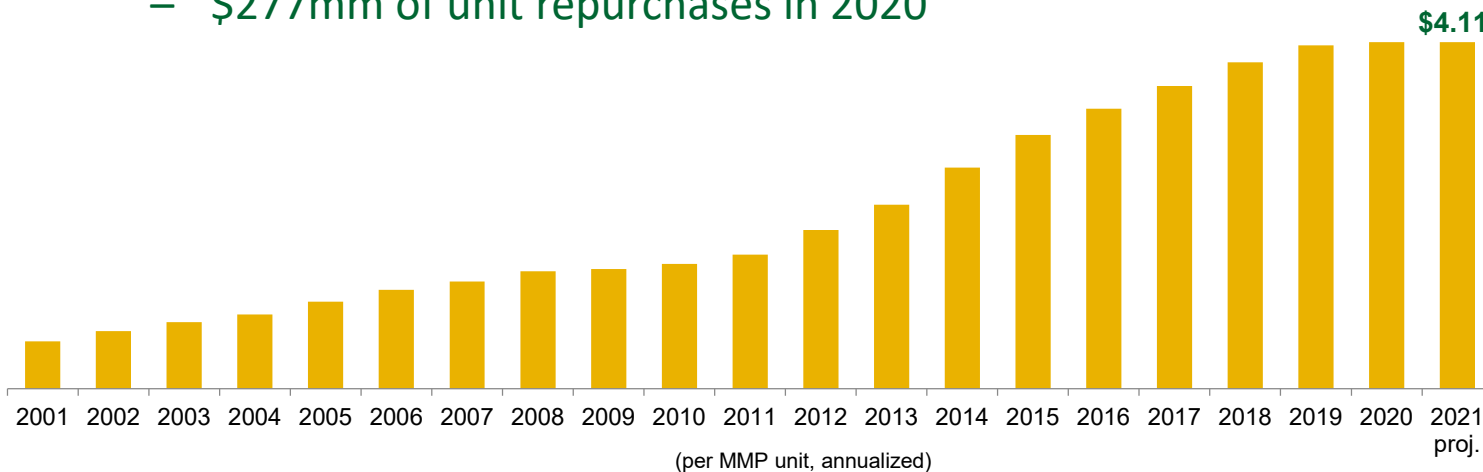


ROIC defined as trailing 12-month net operating profit after tax / average invested capital

Source: Bloomberg

Consistent cash distribution payments

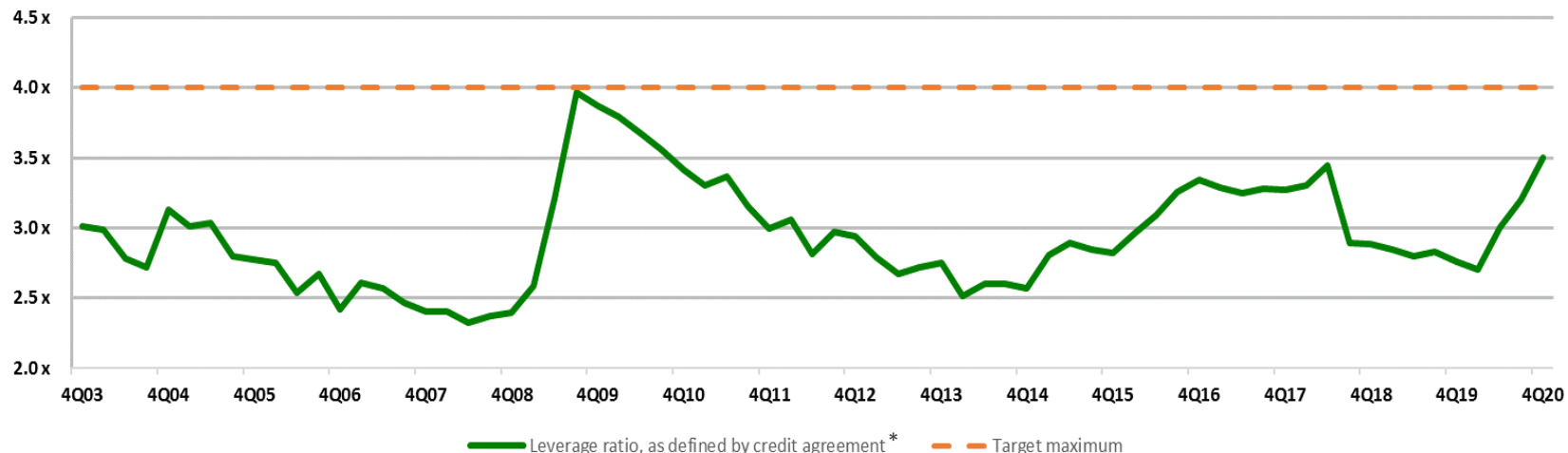
- Resilient business model provides strong cash flow to consistently pay distributions through various business cycles since our 2001 IPO
- Expect to maintain current distribution for 2021 with 1.1x coverage (~\$100mm excess cash) in light of ongoing impact of pandemic and compressed commodity margins
 - Targeting at least 1.2x once refined products demand and commodity prices return to more historical levels
- Also plan to opportunistically utilize our \$750mm unit repurchase program to deliver incremental value to investors
 - \$277mm of unit repurchases in 2020



Sector-leading credit metrics

- Committed to maintaining solid balance sheet
 - One of the highest-rated midstream companies at BBB+ / Baa1
- Long-standing target maximum leverage ratio of $\leq 4x$ debt-to-EBITDA
 - 3.5x leverage at 12/31/20
- Significant liquidity with \$1 billion credit facility
 - Next bond maturity not until 2025

3.5x
Leverage
at 12/31/20



* Excludes gain realized on the sale of a 20% interest in BridgeTex in 3Q18.

Magellan's resilient business

- Although refined products demand has been temporarily impacted by the pandemic, expect demand to continue increasing during 2021 as vaccines become more readily available, travel and economic activity recover and drilling activity returns due to an improved demand and commodity price environment
 - Long-term refined products business expected to remain strong
- Crude oil business benefits from long-term commitments from creditworthy counterparties, mitigating impact of a potentially protracted lower crude oil production environment
- Magellan is financially strong and well-positioned to manage through difficult business cycles
- Disciplined management team with proven track record focused on creating long-term investor value
- Solid quarterly cash distributions from investment-grade company, currently yielding 9%+



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