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Overview of Magellan Midstream

November 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: ongoing impacts from the pandemic; changes in supply, price or demand for refined petroleum products, crude oil, natural gas liquids and the commodities used in the production thereof or for transportation, storage, blending or processing of those commodities through its facilities; changes in laws applicable to the partnership; 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 the partnership's capital needs, cash flows and availability of cash to fund unit repurchases or distributions; and failure of customers or vendors 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 and subsequent reports on Forms 8-K and 10-Q. 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 release 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.

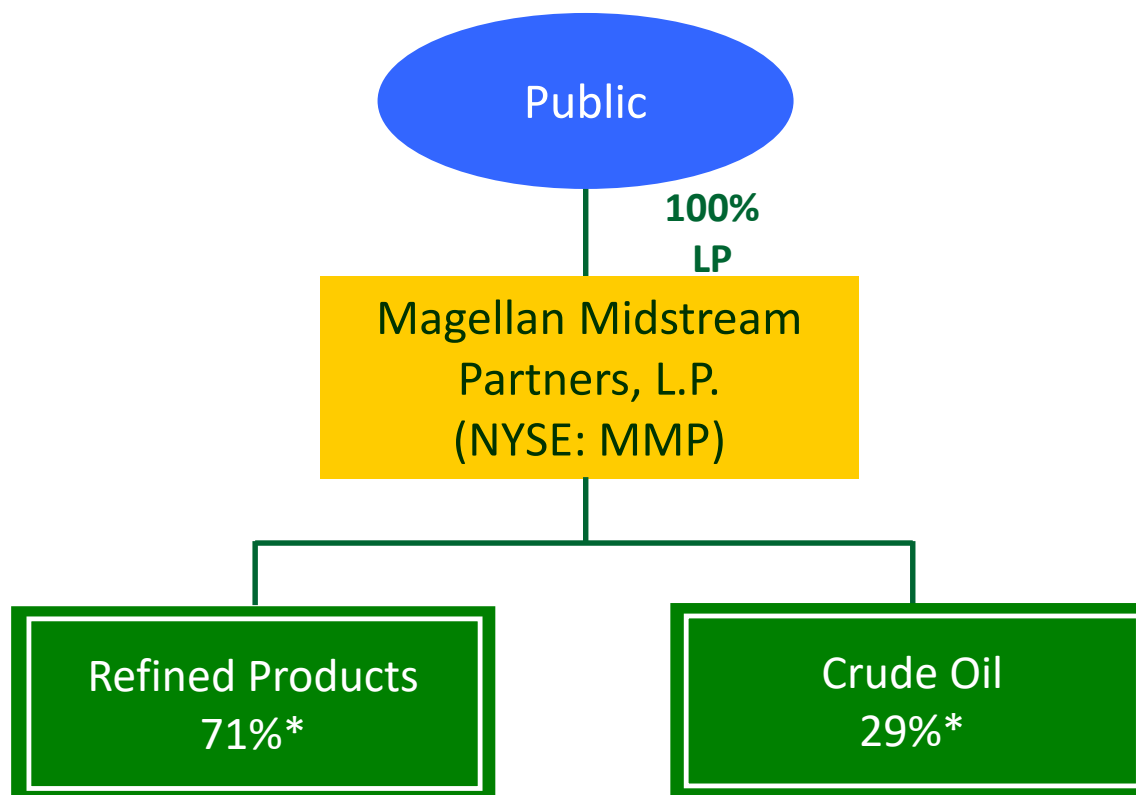
Magellan investment highlights

- Essential U.S. petroleum midstream infrastructure that will be needed for decades
- Straight-forward, primarily fee-based business model
- Consistent quarterly cash distribution with attractive yield and solid coverage
 - 20 years of annual distribution growth
- Strong balance sheet and investment-grade credit
- Responsible corporate governance
- Disciplined management team focused on creating long-term investor value



Straight-forward governance and organization

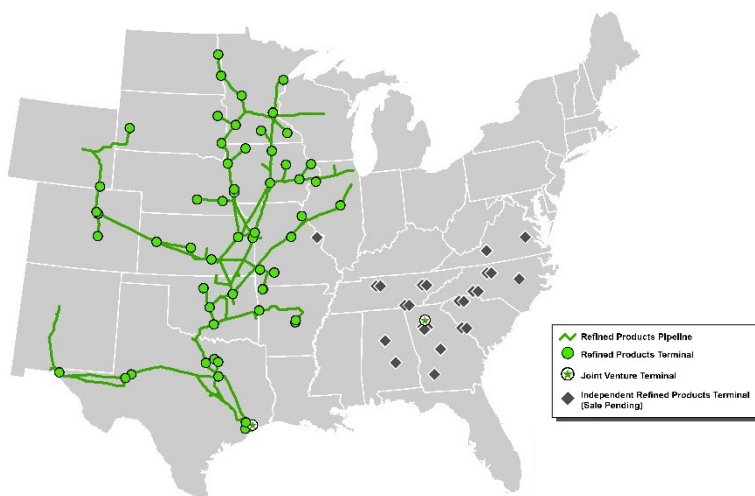
- Investment grade MLP with no incentive distribution rights
- Strong governance, with all board members elected by the public
 - 8 of 9 board members are independent



* Percentage of ytd 3Q21 operating margin

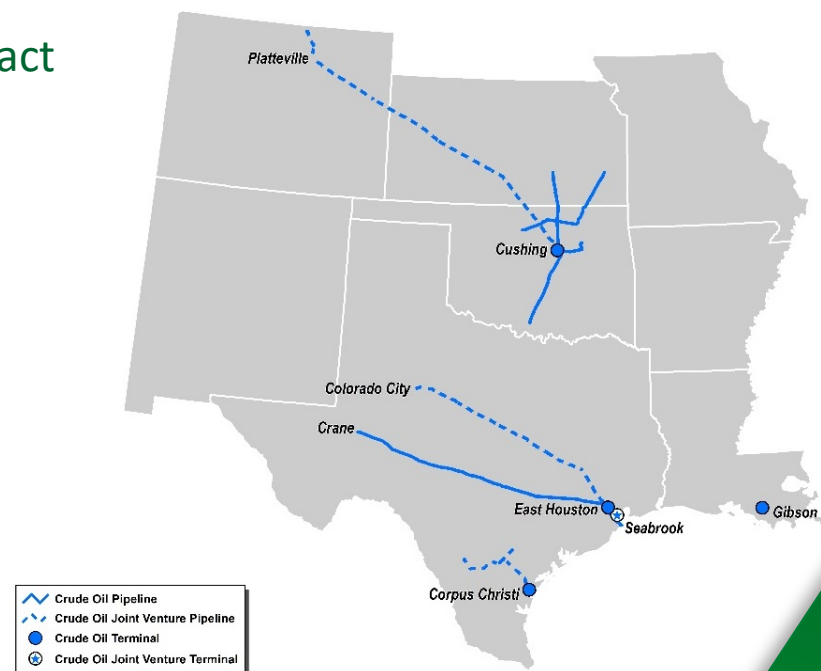
Refined products segment

- 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 as well as market factors; average tariff increased by ~3.5% mid-2020 and ~3% on July 1, 2021
 - Volumes primarily function of market demand for transportation fuel
- Strong competitive position and stable business platform due to breadth of system (can access nearly 50% of refining capacity) and independent service provider model
- Pending sale of independent terminals primarily located in the Southeast, expected to close in 2022 upon receipt of required regulatory approval



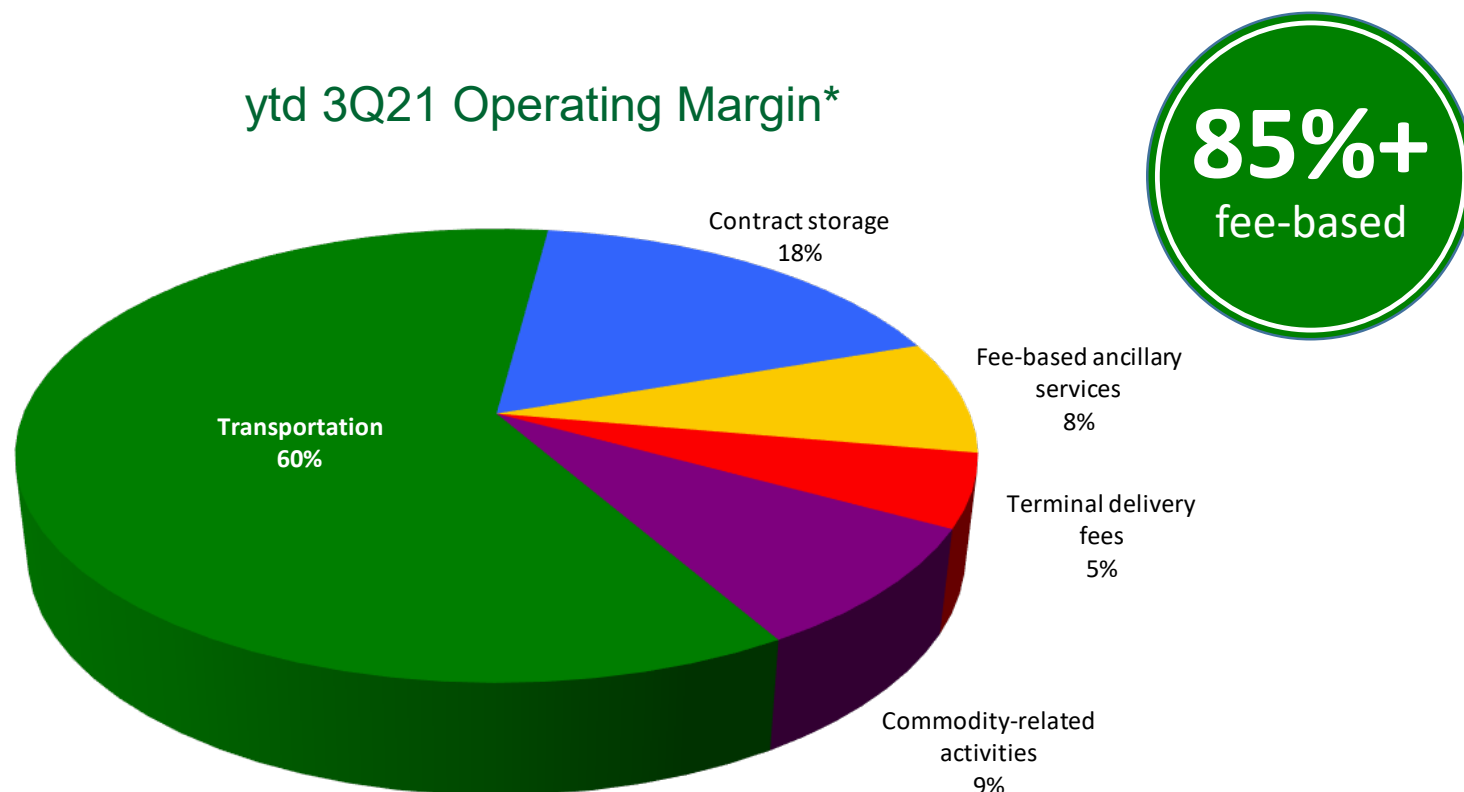
Crude oil segment

- 2,200 miles of crude oil pipelines, 70%+ of long-haul pipe capacity supported by take-or-pay commitments from creditworthy counterparties for next 4-6 years
- 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 service provider model
 - Focus on quality and transparency as well as significant Houston connectivity provide competitive advantage
- Launching new joint crude oil futures contract with EPD and ICE for Houston delivery of WTI by early 2022



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*

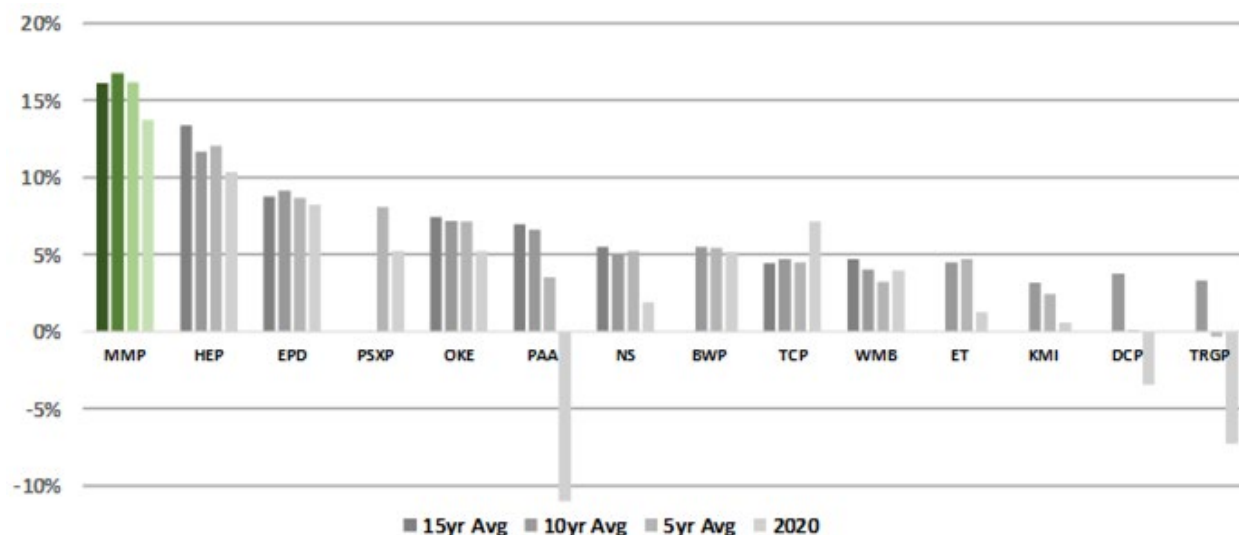


* Operating margin represents operating profit before depreciation, amortization & impairment expense and general & administrative costs; excludes unrealized mark-to-market and other commodity-related adjustments as well as contributions from independent terminals that are now deemed discontinued operations pending closure of asset sale

Best-in-class capital returns

- Magellan has a proven track record of delivering superior returns on invested capital while executing on \$6.1 billion of expansion capital projects over the last 10 years to build out our crude oil and refined products pipeline and storage network
- Reflects disciplined management style, high quality asset base and strong business position
- While less expansion capital opportunities expected over next few years due to competitive environment, continue to target 6-8x EBITDA multiple on future projects

Return on invested capital



16%+
historical
avg ROIC

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

Source: Bloomberg

Capital allocation – returning value to investors

- Focused on delivering long-term value for our investors through a disciplined combination of capital investments, cash distributions and equity repurchases
 - Returned nearly \$1.2 billion of value to investors during 2020 through quarterly cash distributions and equity repurchases
 - Expect to return \$1.4 billion to investors during 2021 following 3Q21 repurchases of \$390mm+
 - Total repurchases to date of \$750mm; program recently expanded by an additional \$750mm

\$1.4B
value returned
in 2021

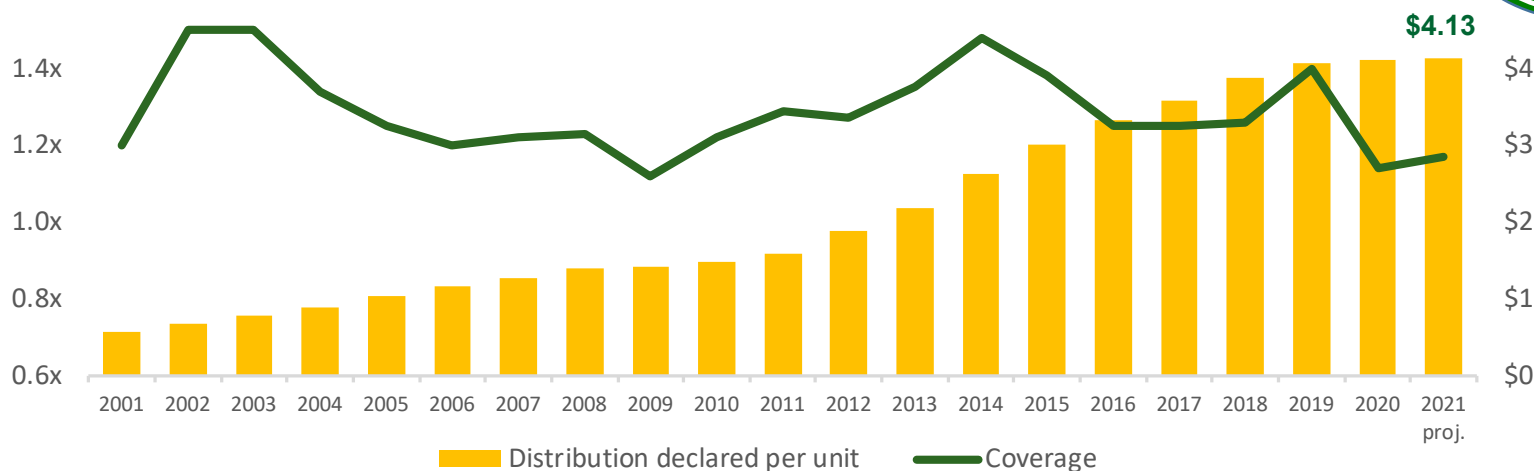


* Expansion capital includes acquisitions; 2021E includes ytd 3Q21 unit repurchases of \$473mm

Consistent cash distribution payments

- Resilient business model provides strong cash flow to consistently pay distributions through various business cycles since our 2001 IPO
- 20 years of uninterrupted annual distribution growth, setting Magellan apart within the MLP and midstream space
- Expect distribution coverage of 1.22x for 2021, targeting annual coverage of at least 1.2x on a long-term basis

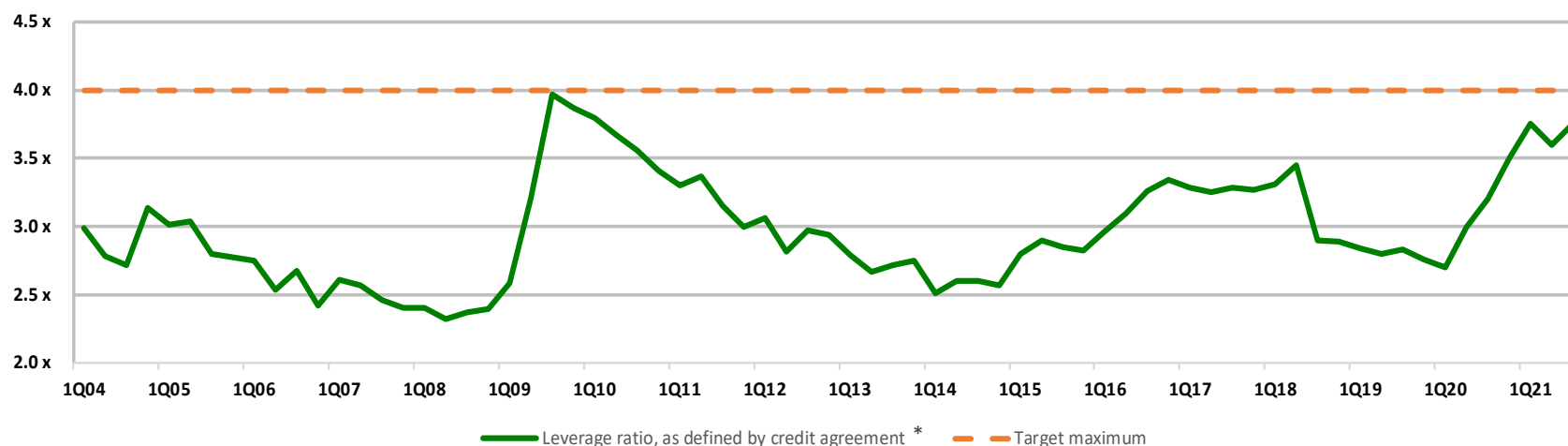
20
years of
distribution
increases



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
 - 3.75x leverage at 9/30/21*
- Significant liquidity with \$1 billion credit facility
 - Next bond maturity not until 2025

3.75x
leverage*
at 9/30/21



* Excludes gain realized on the sale of a partial interest in BridgeTex in 3Q18 and the sale of a partial interest in Pasadena in 2Q21.

Sustainable business model

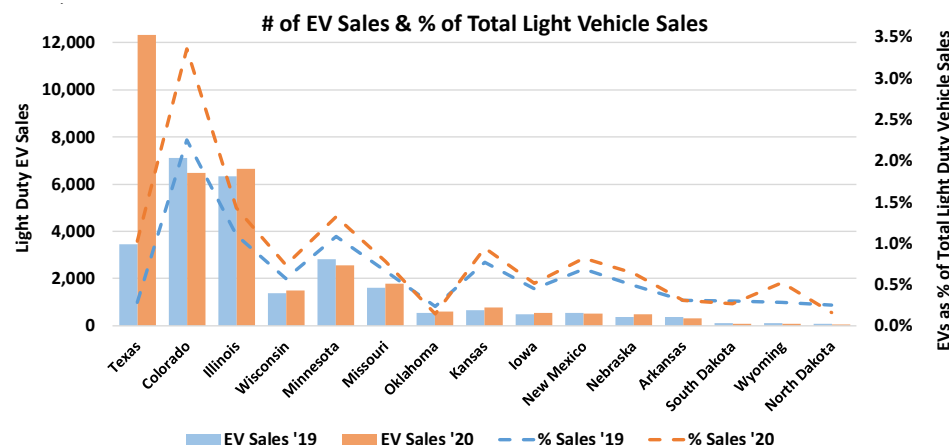
- Magellan's most important social obligation is to safely and reliably provide the fuels our nation relies on each day
- We follow an extensive program to ensure the integrity of our assets and safety of the communities we serve
- Pipeline transportation is considered to be carbon-friendly
 - MMP's midstream operations do not contribute significantly to the direct production of greenhouse gases (GHG), with only 1 location requiring a GHG permit
- All-employee annual compensation aligned with key environmental and safety metrics throughout company's history
- Industry leader in governance, with independent board of directors and proven track record of capital discipline
- Committed to transparency - inaugural sustainability report published in 2020, with latest edition now available online (www.magellanlp.com/Sustainability)



Moving What Moves America®

Our role in energy transition

- Magellan's base business is expected to remain healthy, with industry and government forecasts projecting petroleum products to remain essential to our nation's everyday lives for decades to come
 - Electric vehicles not expected to have a material impact in markets we serve for foreseeable future
 - EVs represented <1% of '20 light duty vehicle sales on average in MMP's markets*



- Focusing on significant potential to expand role in renewable fuels that are strategically related to our existing business
 - Magellan has been a provider of ethanol and biodiesel services for many years
- Committed to realizing returns in-line with historical 6-8x target, with emphasis on opportunities that leverage our expertise or provide a competitive advantage

* Source: Alliance for Automotive Innovation

Magellan's resilient business

- Although temporarily impacted by the pandemic, refined products demand has rebounded as travel, economic and drilling activity recover
 - Long-term, refined products business expected to remain healthy
- Crude oil business benefits from long-term commitments from creditworthy counterparties, mitigating impact of a lower crude oil production environment over the next few years
- 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



Investor relations contact information

- Paula Farrell – Associate vice president, investor relations
 - paula.farrell@magellanlp.com
 - (918) 574-7650
- Heather Livingston – Manager, investor relations
 - heather.livingston@magellanlp.com
 - (918) 574-7160



www.magellanlp.com