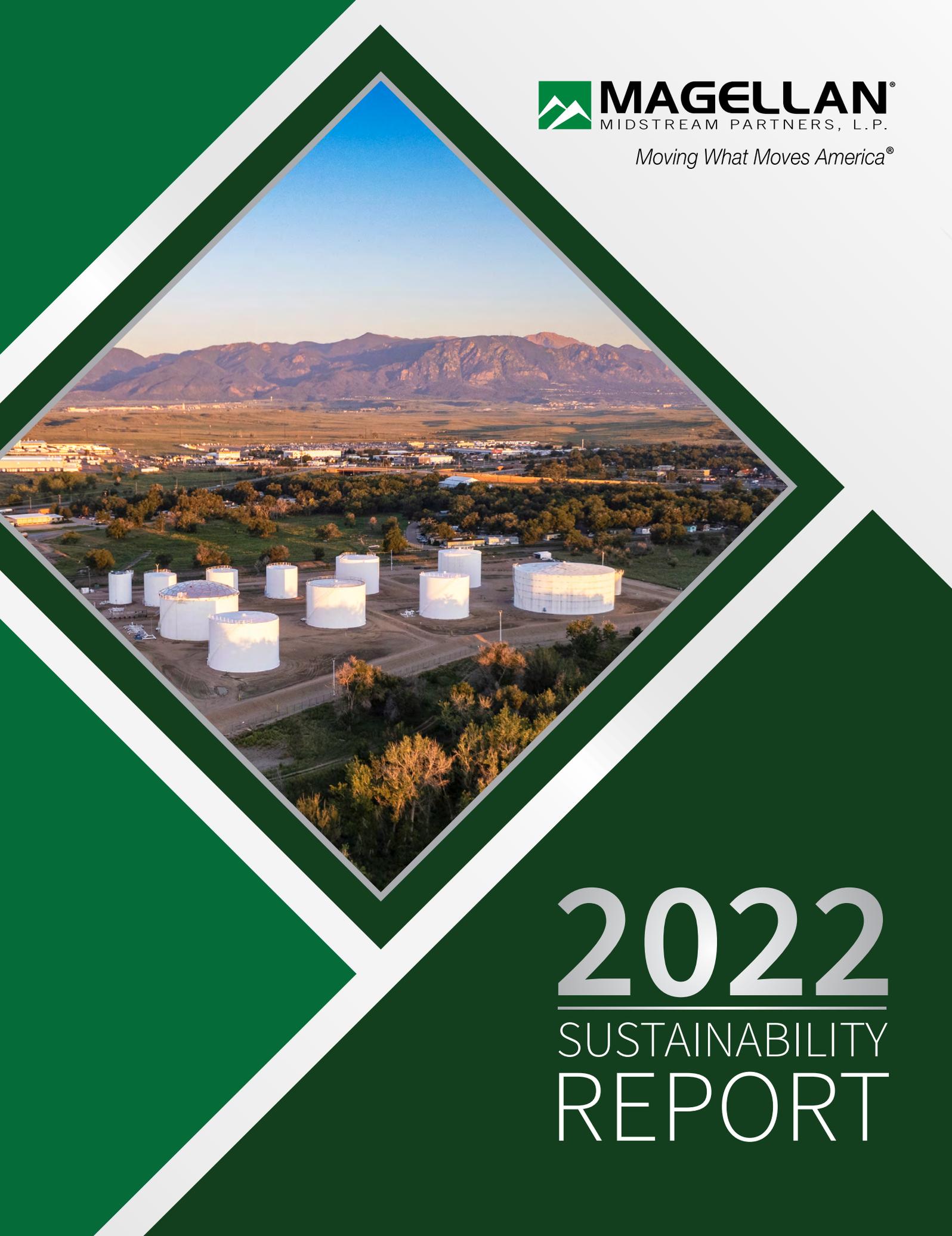




Moving What Moves America[®]



2022

SUSTAINABILITY REPORT

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Reporting Guidelines

Reporting Boundaries and Standard

Report disclosures are for the period January 1, 2022 to December 31, 2022, except as noted. This report includes voluntary environmental, social and governance (“ESG”) reporting that has been informed by the Global Reporting Initiative for the Oil and Gas Sector (“GRI”) and the International Financial Reporting Standards Foundation’s Sustainability Accounting Standards Board for Oil and Gas Midstream (“SASB”).

Disclaimer

The midstream energy industry is heavily regulated by multiple state and federal agencies. Certain activities and data described in this report, including some within the associated performance data table (collectively, the “report”), are legally required.

Our discussions of assessments and relevant issues herein are informed by various standards and frameworks (including standards for the measurement of underlying data), and the interests of various stakeholders. As such, any significance may differ from, and should not be read as necessarily rising to, the definition of “materiality” under the federal securities laws or regulations of the U.S. Securities and Exchange Commission (“SEC”). Moreover, given the uncertainties, estimates, and assumptions required to make some of the disclosures in this report, and the timelines involved, materiality is inherently difficult to assess far in advance.

Furthermore, much of this information is subject to assumptions, estimates or third-party information that is still evolving and subject to change. For example, we note that standards and expectations regarding greenhouse gas (“GHG”) accounting and the processes for measuring and counting GHG emissions and GHG emission reductions are evolving, and it is possible that our approach to measuring our emissions may be, either currently by some stakeholders or at some point in the future, considered inconsistent with common or best practices with respect to measuring and accounting for such matters. If our approaches to such matters are out of step with common or best practice, we may be subject to additional scrutiny, criticism, regulatory and investor engagement or litigation, any of which may adversely impact our business, financial condition, or results of operations. Moreover, our disclosures, as well as relevant internal controls, based on any standards may change due to revisions in framework guidelines or requirements, availability or quality of information, changes in our business or applicable government policies, or other factors, many of which are beyond our control. Further, the information in this report has not been prepared in accordance with generally accepted accounting principles (“GAAP”) and has not been audited. This report is expressly excluded from and not incorporated by reference into any filing, report, application or other statement made by Magellan pursuant to the requirements of the SEC, the Federal Energy Regulatory Commission or any other governmental authority. Please refer to the additional disclaimers and cautionary information regarding non-GAAP financial measures and forward-looking statements on page 61 of this report.



Letter to Stakeholders

AARON L. MILFORD
President and Chief Executive Officer

Magellan has been *Moving What Moves America*® for more than 20 years. Our motto describes more than our business today — it also reflects our shared future. More than ever, turbulent world events have reinforced the criticality of the energy industry and the essential fuels we deliver that impact people's daily lives and help foster America's prosperity. While some question the important and necessary role of traditional energy, the transportation and terminals services we provide are vital to our communities, now and for many decades to come.

I am proud of Magellan's continued solid performance. This fourth sustainability report demonstrates our ongoing commitment to responsible corporate governance, safe operations, investing in our people and environmental stewardship.

In 2022, we took steps to enhance and reinforce our safety-first culture, utilize technology to digitize and streamline processes, strengthen our employee development program and reduce our waste disposal.

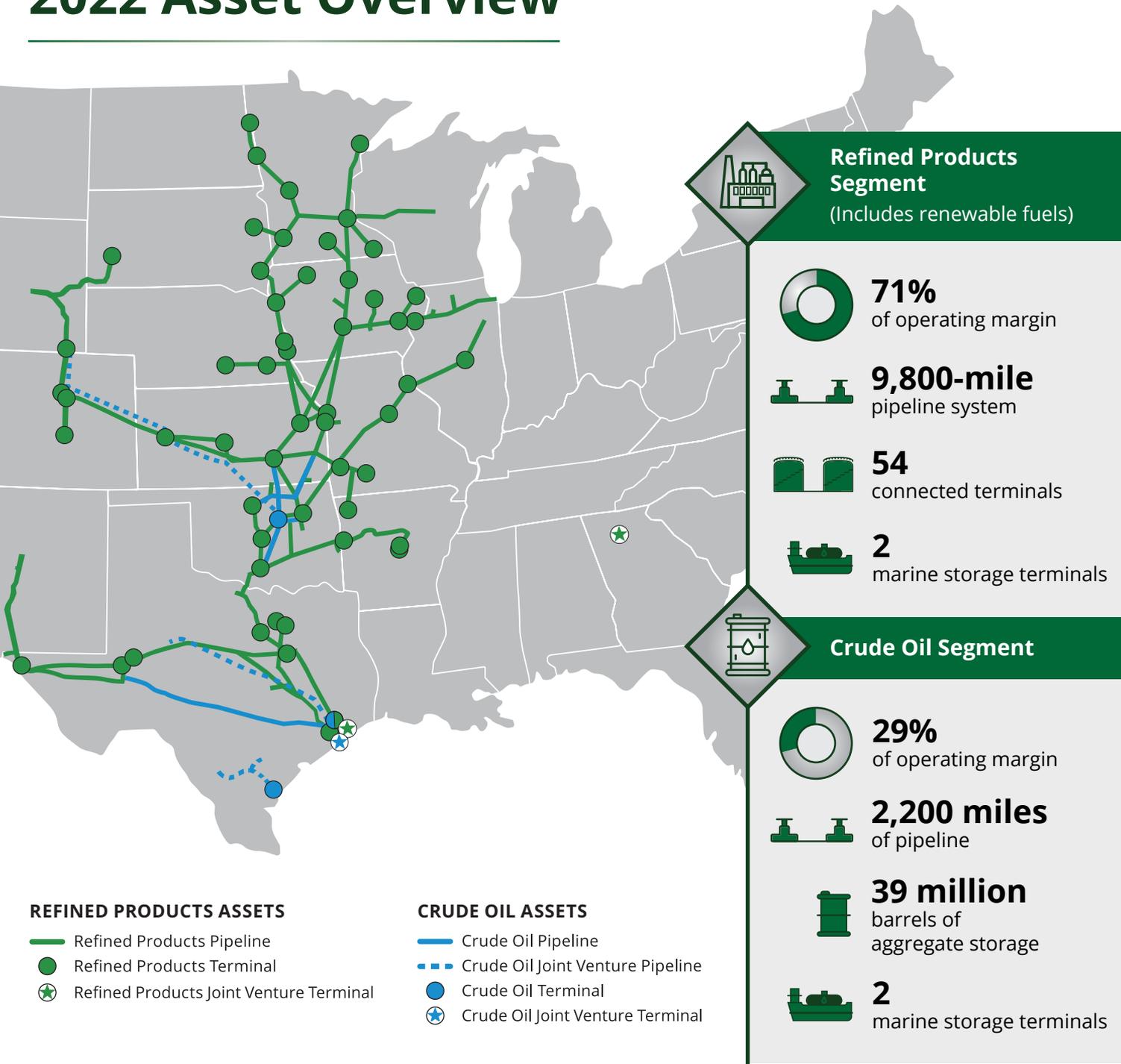
"This fourth sustainability report demonstrates our ongoing commitment to responsible **corporate governance, safe operations, investing in our people and environmental stewardship.**"

I invite you to read this report and learn more about Magellan. I am passionate about our people, optimistic about our business and believe in the importance of the energy we deliver to the communities we serve every day.

Thank you for your interest in Magellan,

Aaron L. Milford
President and Chief Executive Officer

2022 Asset Overview



12,000 miles of pipeline and over 100 million barrels of storage capacity, with nearly 1.4 billion barrels of total throughput during 2022.

Magellan's Role In Energy

Continued global uncertainty and disruption highlight the necessity of reliable access to dependable energy. As energy markets continue to evolve, near-term effects of this transition have resulted in constrained supplies and higher energy prices for many Americans.

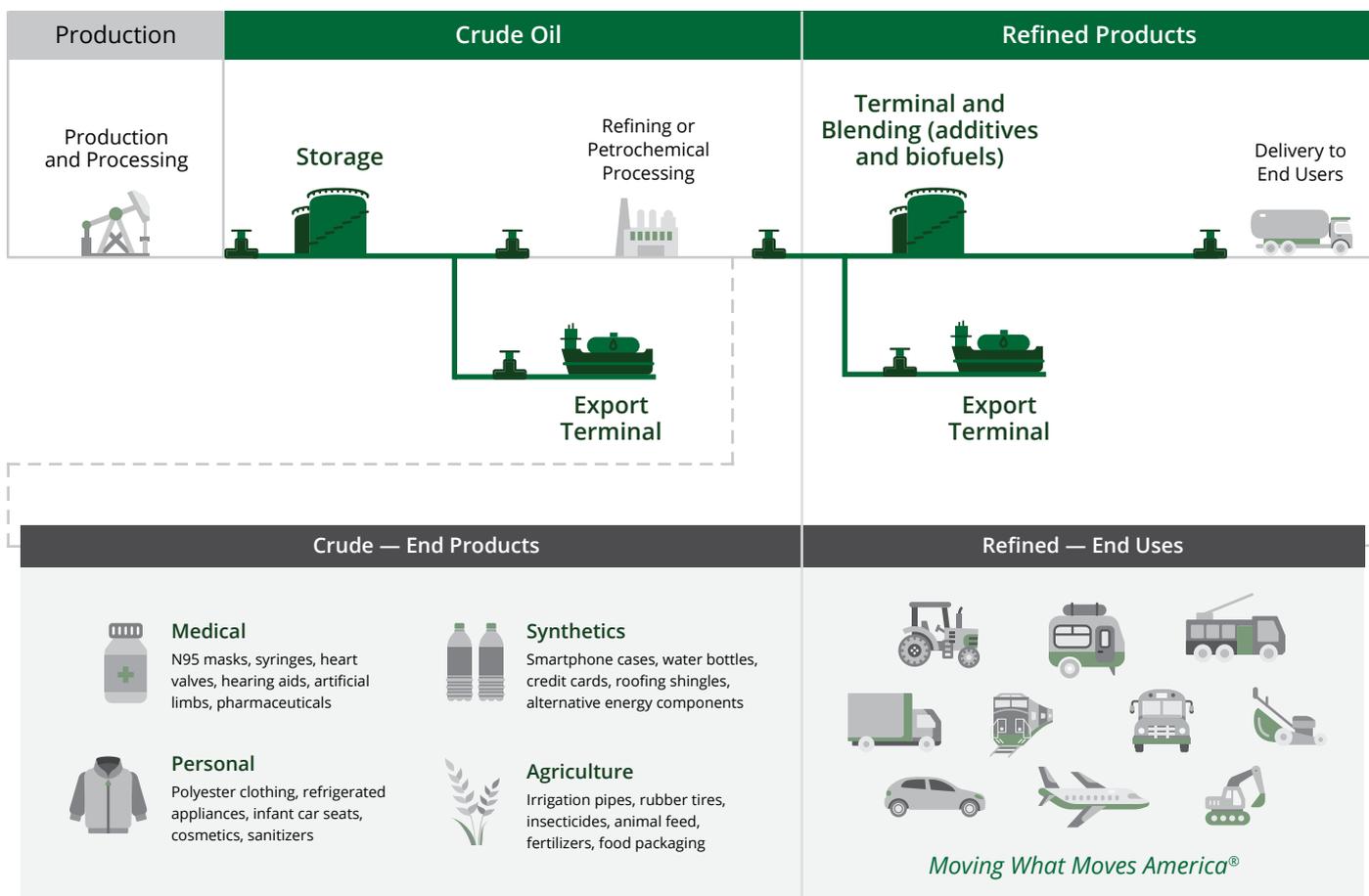
To help stabilize energy prices and meet growing consumer demand, an abundance of crude oil and refined products such as gasoline, diesel fuel and aviation fuel remains crucial to the communities we serve, our country and the world. Magellan's employees strive to provide safe, convenient and reliable access to these fuels, enabling our neighbors to travel by vehicle and air, farmers to work their fields to feed the world and industries to move important

goods across the country, which contribute to our economic growth and quality of life.

Magellan believes that a responsible energy transition will take time to accomplish, with petroleum products and the pipeline industry continuing to play an important role in our nation's energy future, as reflected by industry and government forecasts that project petroleum products to remain essential for decades to come. An abrupt departure from traditional petroleum fuels could only serve to increase the risks to our nation's energy security and economic prosperity.

In addition to transportation fuels, over 6,000 every day products that contribute to human health and quality of life are derived from processed crude oil.

Magellan's Value Chain



Magellan operations are shown in solid green.

VISION STATEMENT

"The foundations of our business, to be driven through an **engaged** and **innovative** workforce, are **safe, reliable,** and **efficient** operations conducted in a **responsible manner** in combination with **superior customer service**. Upon these foundations, we will strive to **maximize long-term economic value** by providing essential fuels and related services to the communities and markets we serve in order to **thrive today** and in the **future**."

ONE MAGELLAN

Our culture and character are demonstrated in the respect we show our coworkers, our customers and our communities based on six core values.



SAFETY

We're committed to a culture where safety comes first.



RESPECT

We're committed to a culture where all are respected and included as members of one team.



INTEGRITY

We're committed to a culture of integrity.



EFFICIENCY

We're committed to a culture of efficiency in which we optimize our business processes to maximize value.



ENGAGEMENT

We're committed to a culture where an engaged, innovative team drives high performance and provides the best customer service in the industry.

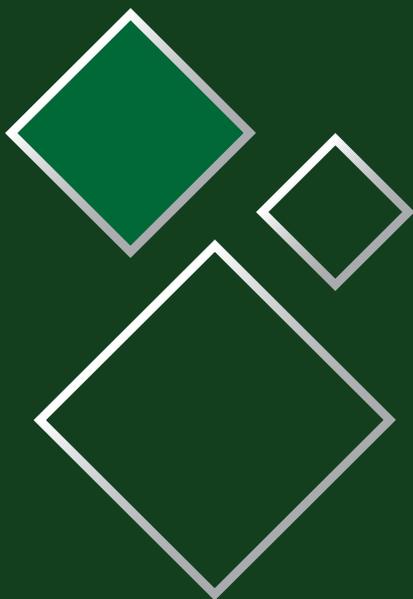


COMPLIANCE

We're committed to a culture where compliance with laws is non-negotiable.

Governance and Ethics

Magellan's long-standing governance practices include effective board engagement, performance-based executive compensation, enterprise-wide risk management and robust cybersecurity.



For over 20 years as a public company, Magellan’s transparent engagement has been integral to maintaining the confidence of our employees, investors, policy makers, customers, communities and other stakeholders. For additional detail regarding our governance structure, policies, processes and controls, please see the [Management Approach](#) section of this report.

Governance at a Glance

- Investment-grade master limited partnership with no incentive distribution rights
- Unitholder election of board members
- Independent board chair
- Equity ownership requirements for executive officers and independent directors
- Annual board self-assessment compliant with [Governance Guidelines](#)

Board Leadership

Magellan’s board and its committees provide our highest level of oversight enabling us to maintain a clear strategic and operational focus, assess and mitigate risks and evaluate regulatory and legal requirements.

Board Committees

Four fully independent board committees with individual written charters:



Board of Director Oversight



Director Overview and Experience

Our board of directors meets the independence and financial literacy requirements of the New York Stock Exchange and U.S. Securities and Exchange Commission.

Our nine directors bring diverse perspectives and relevant career expertise to their role on our board. Each has developed personal competencies through direct experience, oversight responsibilities and education as self-reported in the following areas which have been combined and weighted based on degree of experience as reflected in the size of the graphic below.

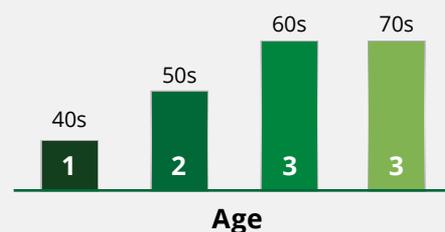
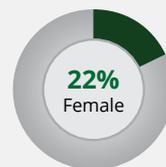


Boardroom Diversity

as of December 31, 2022



Eight of nine directors are independent



Sustainability Program

Our Sustainability Committee assists the board with its oversight of our sustainability activities, processes and voluntary public reporting. This is Magellan’s fourth annual sustainability report and our third year to complete the Energy Infrastructure Council’s Midstream ESG Reporting Template that provides relevant, industry-comparable data to institutional investors. Data collection processes continue to mature for improved accuracy and once again, our internal auditors sampled key data points to validate source documents and calculations. Our board and executive leadership reviewed and approved this report for publication.



SPOTLIGHT:

What is Sustainability?

Launched our employee-created video, “What is Sustainability?” describing our 20+ years of sustainable operations, why sustainability matters to Magellan and to inform employees of opportunities for their involvement.



Political Engagement

Civic engagement is instrumental in building a more sustainable and secure energy future. Magellan is a member of multiple state petroleum marketers associations, state chambers of commerce and industry organizations to encourage responsible and informed energy policies.



Magellan does not fund political causes at the company level. Voluntary employee donations to the Magellan Political Action Committee are matched dollar for dollar to a charity of the employee’s choice.

Executive Compensation

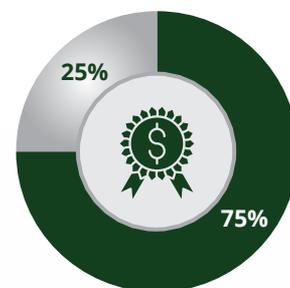
- Our board engages an independent consulting firm to assist in annual executive compensation evaluations.
- 75%+ of our executive leadership’s targeted compensation is considered at risk, with approximately 60% paid in equity through our long-term incentive plan (“LTIP”).
- Equity is awarded pursuant to our LTIP metrics, which are based on three-year distributable cash flow performance per unit for long-term value creation to align the interests of our executives with our unitholders.
- In 2022, our CEO pay ratio to median employee pay decreased to 38:1 and remains well below our peer average.

Employee Bonus Program

For over 20 years, the target awards made under our annual, all-employee discretionary cash bonus program have included company financial performance metrics along with a safety and environmental compliance component. In 2021, we added a cultural element to this discretionary pay-for-performance award to incentivize and reward the individual and collective contributions to our overall performance. Our culture is critical to a positive work environment, driving performance and improving business results.

Historically, our annual bonus program included separate metrics for EBITDA (earnings before interest, taxes, depreciation and amortization) less maintenance capital (excluding commodity-related activities) and for commodity-related activities, which were weighted 65% and 10%, respectively.

Beginning in January 2023, the program was changed to include a single financial metric of 75% EBITDA (earnings before interest, taxes, depreciation and amortization), less Maintenance Capital and including Commodities, while keeping the 25% Environmental, Safety and Culture component.



Risk Management

Magellan’s management and select subject matter experts individually complete an annual risk assessment survey to identify enterprise-wide risks and their associated potential negative impact in order to help mitigate risk and improve processes.



100% participation rate for the 2022 Risk Assessment Survey

For information about risks to an investment in Magellan, see “Risk Factors” in our Annual Report for the year ended on December 31, 2022 on [Form 10-K](#), as updated from time to time in subsequent filings with the U.S. Securities and Exchange Commission on Forms 8-K and 10-Q.



SPOTLIGHT: Asset + Inventory Management Project

Our 2019 Risk Assessment Survey identified tracking the preventative maintenance of assets as our most critical function for safe operations. As a result, we launched Magellan’s Asset + Inventory Management (“AIM”) project to integrate and manage assets in a comprehensive enterprise asset management (“EAM”) system. Progress for the first year of this multi-phase project was evaluated, and in 2022, AIM was added as a culture component to our cash bonus award. The EAM platform is accessible on mobile devices to quickly allow employees to identify critical asset information via physical inventory tags, search for available inventory, initiate and complete work orders and easily view asset maintenance records. Additional assets and locations will continue to be incorporated within EAM through 2024.



2022 Year-end Results

111

facilities or stations live in EAM.

27,492

asset positions loaded into EAM.

729

pipng and instrumentation drawings (“P&ID”) updated and loaded into EAM.

20

compliance management tasks transferred to EAM.

8,819

assets physically tagged.

1,720

daily facility inspections completed in EAM.

Cybersecurity and Information Technology

- ◆ Continuous email monitoring to block suspicious activity, with 100% of employees receiving phishing simulations and awareness training.
- ◆ Aligns and complies with the current revision of the U.S. Transportation Security Administration’s (“TSA”) series of security directives Security Directive Pipeline-2021-01 and Security Directive Pipeline-2021-02.
 - TSA conducted security directive audit and toured Magellan’s Operations Control Center.
 - Submitted and received approval of our Cybersecurity Implementation Plan for TSA Security Directive Pipeline-2021-02C.
- ◆ Engaged third-party advisors to conduct penetration tests and validate the effectiveness of our infrastructure, policy and training protocols.
- ◆ Enhanced our two-factor authentication connectivity for network applications.



SPOTLIGHT: CIO100 Award

Magellan was named a CIO100 award recipient in recognition of our innovative achievements delivering business value through our digital strategy, data analytics and improved customer technology programs, some of which are shared in this report. The award is an acknowledged mark of enterprise excellence.



Ethics and Compliance

Our employees and board strive to maintain high ethical standards, and our Compliance and Ethics program is reviewed and updated periodically.

100%

of employees completed annual “Know the Code” training to enhance understanding and compliance with our One Magellan Code of Ethics and Business Conduct.

100%

of employees completed annual Federal Energy Regulatory Commission compliance training and testing for rules governing refined products and crude oil transportation pipelines.

244

newly hired employees and promoted leaders completed instructor-led Leadership Compliance training.

295

employees completed the half-day Leaders Developing Leaders training for supervisors and above.



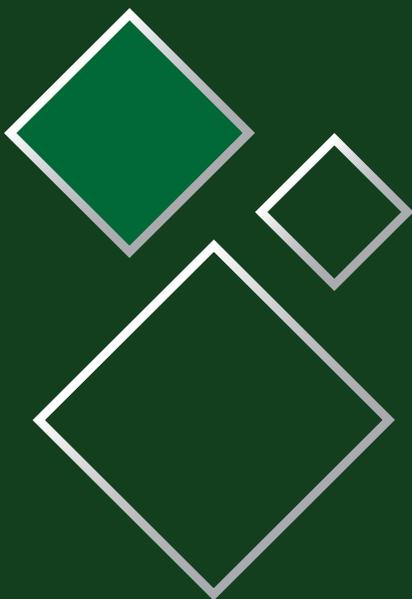
Confidential and anonymous 24-hour Action Line
(888) 475-9501



All Action Line reports are investigated with quarterly briefings provided to our board’s Audit Committee.

Safe Operations

Magellan promotes a culture of continuous improvement with attentive, engaged employees to protect our assets, and the health, well-being and safety of our employees, contractors, customers and communities.



Our board and senior management oversee our enterprise-wide pipeline safety management system (“SMS”), known internally as our System Integrity Plan (“SIP”), and we strive to maintain an accident-free, incident-free workplace where everyone returns home safely every day.

Our safety practices include release prevention, emergency preparedness, safety management and public awareness. For additional detail regarding our safety structure, policies, processes and controls, please see the [Management Approach](#) section of this report.



Release Prevention

We prioritize safety, compliance and release prevention when designing, operating and maintaining our pipelines and facilities.

Magellan’s facility risk reduction program, which is incorporated in our annual cash bonus program, is based on the personal intentionality that prevention is critical to eliminating incidents regardless of the root cause. Facility risk reduction focuses on the importance of facility inspections with the ability to quickly identify and mitigate issues, increased attention to electrical and rotating equipment, electrical safety enhancements and process and technology developments.

System Integrity Plan 2.0

Magellan’s SIP is organized into 15 elements and defines how we consistently manage and reduce operational risk to people, our assets and the environment in accordance with American Petroleum Institute Recommended Practice 1173 Pipeline Safety Management Systems. Our SIP contains approximately 1,500 individual regulatory forms and internal documents detailing initiatives, policies, procedures, qualifications and training requirements. Incorporating industry events and lessons learned, combined with regular employee feedback, are an integral part of our annual SIP continuous improvement process. An employee feedback survey identified additional enhancement opportunities that resulted in the 2022 launch of SIP 2.0. This comprehensive, multi-year update project transfers the overall SIP structure to a standardized format for improved search capability and ease of use. Each element will be validated to ensure the most current technical and change management processes with links to regulatory compliance forms verified for further accuracy and completeness.



2022 Facility and Asset Protection Highlights

\$200 million

spent on asset integrity projects.

includes

\$106 million

invested in pipeline integrity testing, monitoring and management.

2,431

miles of pipeline inspected for corrosion protection effectiveness.

374

water crossings inspected — the highest in six years.

0.036

PHMSA* reportable liquid release intensity per mile of pipeline.

82

facility risk assessments completed.

53% Reduction

in valve misalignments associated with incorrect valve lineups, leaks or improper procedures since 2017. We have prioritized improving automation in our control room operations and reducing human errors with significant results.

1

Pipeline reportable release.



*U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration ("PHMSA").

Innovation and Efficiencies

We initiated several proof of concept projects focused on automating operations to help reduce errors and gain efficiencies. These technology evaluation projects have already provided useful release prevention and risk analysis data. While some projects remain under review, several have been implemented at various scale, including:



Transitioned from paper facility risk assessments and handwritten field notes to an asset management iPad application with highly customized mark-up annotation options allowing immediate data compilation and aggregation. Coupled with our improved asset drawing software, over 100,000 individual facility, P&IDs and redline work flow processes are instantly accessible to multiple users for real-time collaboration.



Developed an interactive 3-D model of a single Magellan facility that overlays our existing 2-D P&IDs. Spatial integration of asset data is part of PHMSA's Integrity Management Program guidance, and this 3-D smart technology provides an accurate spatial representation of field assets. The data integration allows end users to quickly toggle between the 3-D model, 2-D drawings and corresponding device make, model, operating parameters and maintenance records from other Magellan applications. Operations and engineering teams can now communicate more efficiently, perform remote, real-time facility inspections with instant access to critical asset data, share expertise and facilitate training opportunities.

START
STOP

Enhanced pipeline integrated control that optimizes product movements, automates drag reducing agent and additive injections, decreases power usage and costs, and prevents valve misalignments and product contaminations. Control room staff will now have better visual recognition of valid pipeline flow paths, single push button start and stop integration in addition to automated shutdown programming.



Spotlight: Plan-Do-Check-Act Medallion

Our facility integrity management program provides the overall management for tank integrity, mechanical integrity, facility leak reduction, equipment technology and corrosion control based on a Plan-Do-Check-Act cycle to drive continuous improvement. In 2022, our operations leadership designed a medallion for recognition of individual or team contributions to further continuous improvement.

Three medallions were awarded to members of our supervisory control and data acquisition ("SCADA") team for their development of customizable templates to efficiently document system changes, testing and deployment within the SCADA system. These templates improved the data gathering process, ensuring repeatability and consistency while driving a higher level of performance through the Plan-Do-Check-Act process.



Emergency Preparedness and Response

Our SIP and location-specific facility and pipeline response plans promote swift and effective actions for potential natural disasters, releases and human-instigated threats. We regularly practice response plan execution during annual drills and exercises to improve our tactical preparedness. Inviting local and state emergency responders and community stakeholders to participate with our area employees helps our response teams to employ risk reduction practices and maintain a high level of readiness.

2022 Highlights

120

announced and unannounced release and spill containment drills

20

hosted in-person tabletop exercises



ABOVE: In 2022, work began on a new middle school adjacent to our pipeline right-of-way. Magellan sponsored a tabletop exercise with school district personnel and emergency responders to identify the challenges and opportunities of unified command and shared our pipeline information to help the district establish safe construction practices.

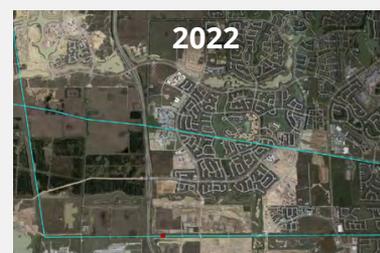


LEFT: We contributed to the Coffeyville, Kansas, Fire Department fund to purchase a thermal imaging camera equipped with a laser finder to help identify heat sources while fighting fires.



SPOTLIGHT: City Expansion

Some of the cities within our operational footprint have experienced significant expansion. As local populations grow, land use becomes multi-purpose with new construction and excavation projects increasing the risk of damage to underground pipelines. The satellite images to the right illustrate the importance of Magellan’s pipeline awareness efforts, damage prevention program and conducting emergency exercises and drills with local agencies and community partners. Vacant land along our pipeline right-of-way, as pictured in 2014, has now been developed to include a public school complex, neighborhoods, businesses and increased transportation infrastructure, further increasing the demand for our services and the importance of our safety measures.



Satellite images of our same Texas pipeline rights-of-way.

Safety Management

Magellan is committed to protecting the health and safety of our employees, contractors and communities as we help meet our nation's energy needs.

In 2022, we developed, designed and launched the DAYONE initiative to champion our safety culture. We believe safety is a life skill and mindset. Through DAYONE, we focus on driving continuous improvement and engaging employees to share their safety experiences through near-miss reporting and lessons learned. The four components of DAYONE are interconnected and remind us to put safety first each and every day.

DAYONE

Safety Is A Life Skill, A Mindset

MISSIONZERO

Mission ZERO is our intentional commitment to an accident-free and incident-free workplace where everyone returns home safely through a daily commitment to achieving zero injuries, zero Occupational Safety and Health Administration ("OSHA") recordable incidents, zero agency reportable releases, zero preventable motor vehicle accidents and zero notices of violation.

LMRA³

ASSESS » ANALYZE » ACT

Last Minute Risk Assessment (LMRA³) implements a 'pause and evaluate' safety tool to assess any risks and to analyze possible outcomes before acting or initiating a task. LMRA³ applies to all tasks — at home and at work — and our employees have embraced submitting personal stories and videos demonstrating proper, step-by-step procedures of task completion, which have been shared company-wide.

LMRA³ — Assess » Analyze » Act

- Assess asks, "What could go wrong?"
- Analyze evaluates, "What's the worst possible incident or outcome?"
- Act prompts, "What can I do to prevent an incident from occurring?"

S!F

SERIOUS INJURY
OR FATALITY

Serious Injury & Fatality Prevention (S!F) requires greater attention for activities that have the potential to cause serious injuries or fatalities. S!F narrows the focus to identify high-risk work activities and precursors such as unsafe acts or conditions that if left unmitigated, could lead to a potentially life altering or fatal incident.

LESSONSLEARNED

Lessons Learned promotes continuous learning and identifies valuable experiences that can serve as guideposts for others. Employees are strongly encouraged to share near misses and to report incidents immediately to broaden our understanding of what occurred. We maintain a robust system of incident reporting and investigation and communicate these lessons learned to help mitigate future incidents.

2022 Safety Highlights



90% participation in our anonymous Safety Culture survey conducted by a third party.



Improved communication for change management and resources to help employees manage stress were identified as top opportunities to enhance our safety culture.



Nearly 31,400 hours of technical, risk reduction and safety training hours completed.



Every Magellan employee and contractor is empowered to intervene and immediately stop any work they consider unsafe.

Among Magellan's 100* staffed facilities:



SPOTLIGHT: 0-0-0 Achieved

Many of Magellan's facilities, a combination of storage tanks, terminals and pump stations, have achieved 0-0-0 over multiple years for **zero** OSHA recordable incidents, **zero** agency reportable releases and **zero** preventable motor vehicle accidents.

5
Consecutive
Years

- **Colorado:** Colorado Springs, Fountain, Kit Carson
- **Iowa:** Bettendorf
- **Kansas:** Fairfax West Complex, Great Bend, Humboldt, Lane, Scott City, Wichita
- **Missouri:** Osborn, Palmyra, Springfield, St. Charles
- **Nebraska:** Capehart, Lincoln, Nebraska City
- **Oklahoma:** Allen, Wynnewood
- **Texas:** Barnhart Truck Terminal, Bryan, Chico, West El Paso, Houston, Southlake, Tye, West Fort Worth, Willis

10
Consecutive
Years

- **Iowa:** Bettendorf
- **Kansas:** Humboldt, Scott City
- **Missouri:** Palmyra, Springfield, St. Charles
- **Nebraska:** Capehart, Lincoln, Nebraska City
- **Oklahoma:** Allen
- **Texas:** Chico, Houston, Tye, Willis

15+
Consecutive
Years

- **Iowa:** Bettendorf
- **Kansas:** Scott City
- **Nebraska:** Capehart, Lincoln, Nebraska City
- **Texas:** Chico, Houston, Tye

*Facility count changed due to 2022 sale of southeast independent terminals network.

Contractor Management

In 2022, we enhanced our third-party contractor management program to provide a more comprehensive evaluation of contractor qualification and selection to help minimize risk. We expanded the Magellan scorecard to measure and evaluate contractor performance criteria which includes OSHA health and safety requirements, injury and illness history and rates, fatalities, regulatory citations, workers' compensation rates and current liability risk policies, and to audit their written safety programs. Our safety sensitive contractors are graded using a green-yellow-red scale as a quick visual for compliance and non-compliance. This performance scorecard mobile app is available on Magellan-issued hand held devices for efficiency and to help minimize business risk during pre-job planning and contractor selection.

2022 Contractor Management Highlights

98%

of our current active contractors, with whom Magellan spends \$100,000+ annually, subscribe to a global third-party provider to track their safety qualifications and records.

≤ 1.0

our contractor Total Recordable Incident Rate and Days Away, Restricted or Transferred threshold rates.

1,667

contractors screened for health and safety compliance.

≤ 1.0

our contractors' workers' compensation claims Experience Modification Rating.

Public Awareness

Magellan's public awareness outreach provides pipeline safety and enhanced public safety information and identification of underground assets while also sharing the vital ways community members can contribute to pipeline safety, hazard recognition, damage prevention, emergency response and environmental protection.

2022 Highlights

- **193,186** One Call tickets processed to mark and protect our underground assets prior to digging activities.
- Targeted communications and safety tips are shared during April for Safe Digging Month and August for 811 Awareness.
- **2.4** million estimated drivers reached through our "Call 811" billboard campaign.
- Nearly **495,000** Facebook and Instagram users received geofenced and sponsored "Call 811 Before You Dig" posts.
- Over **310,000** estimated listeners reached through our "Call 811" radio advertisements.
- Included a "Call 811" magnet listing an emergency phone number and QR code for easy access to pipeline safety information with each bilingual pipeline safety brochure mailed.
- Over **600** backpacks with the 811 and Magellan logos given to students and faculty at our pipeline education meeting held at a Missouri public middle school. We also marked our pipeline right-of-way on the school grounds and ball field for school personnel.

*Local emergency planning committee meetings are required at different intervals and tracked on a rolling four-year basis.

Safety Brochures

948,232

bilingual pipeline safety brochures mailed to:

778,982

landowners and community members

152,223

excavators

10,073

emergency officials

6,954

public officials

Emergency and Public Official Engagement

867*

local emergency planning committee meetings hosted by Magellan.

43,248

emergency and public officials invited to third-party hosted events.

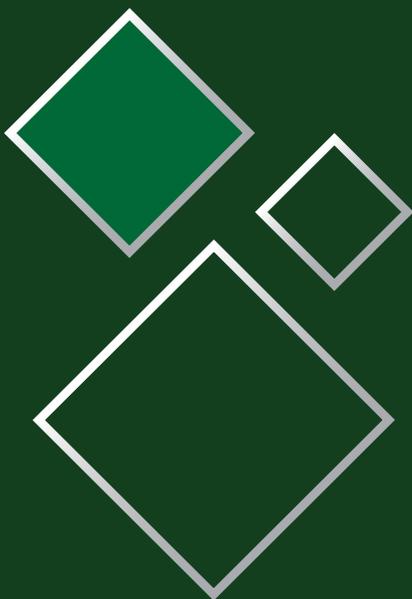
16,316

informational emails delivered.



People and Community

Magellan's most important social obligation is to safely and reliably deliver the essential fuels that drive our nation's economy and provide critical access to everyday goods and vital energy.



Our **Code** guides our dedication to operational safety and a work environment where an engaged, innovative team drives high performance and excellent customer service. We offer our employees competitive compensation, comprehensive benefits and opportunities for professional development. We are proud to support many charitable organizations and help meet community needs so that together we can thrive, today and in the future. For additional information, please see the **Management Approach** section of this report.

Employee Engagement

Magellan's employees are the fuel driving our business forward. Engagement, one of our core values, reinforces the importance of both individual contributions and the teamwork required to execute our strategic vision. We also foster a culture of employee recognition, with multiple award programs in place across the organization. Since 2020, we have deployed an annual confidential, third-party culture survey measuring employee satisfaction, ethics, diversity and inclusion, safety, collaboration and leadership.



2022 Culture Highlights

- ◆ Culture is a component of our annual, discretionary cash bonus award.
- ◆ Overall, our 2022 culture survey results reflected a positive trend based on our employees' candid feedback regarding our actions to strengthen trust and healthy workplace engagement.
 - Achieved a **91%** survey participation rate, +4% since 2020.
 - Engagement score significantly improved by **12 basis points** to 4.15 out of 5.0.
 - Most improved indicators included employees **receiving feedback** on individual progress, contributions and **receiving recognition**.
 - Communicating the **“how” and “why”** for each of our roles and the impact our individual daily work has on Magellan's vision and success was identified as our greatest opportunity for improvement.
 - Leaders formally shared survey results with employees and together established at least **one team goal** to further drive engagement.
- ◆ Launched the HRHub, a centralized and efficient singular point of contact for employees to access human resources information. Throughout 2023, additional digital enhancements to multiple employee systems and resources will be added to one easily accessible portal creating an exceptional employee user experience.

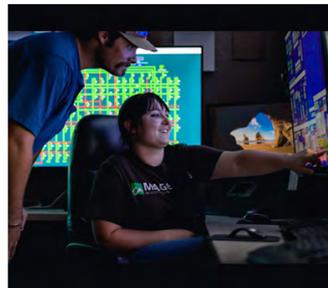


Diversity and Inclusion

Magellan strives to promote an engaged, innovative and diverse workforce, maintains fair and impartial processes and programs, and cultivates an environment of belonging and authenticity where we treat each other with dignity and respect.

Throughout 2022, we sponsored a number of events and participated with organizations celebrating the different backgrounds and experiences of the diverse voices within our community.

- Attended the annual Tulsa Regional Chamber's State of Inclusion forum, engaging in the ongoing conversation and sharing insights and best practices to cultivate an inclusive company culture.
- Sponsor of Advancing Oklahoma, supporting tools and resources for positive social change.
- Second year sponsor for Tulsa's 13th Annual John Hope Franklin National Symposium, dedicated to promoting social harmony.
- Cooling tent sponsor for the Juneteenth Festival on Tulsa's historic Greenwood Avenue.
- Tulsa's 5K Race Against Racism #racismstinks sponsor.
- Financial contribution to Oklahomans for Equality.



“We are committed to fostering an inclusive workplace where everyone’s contributions are valued, where every employee feels respected and where different perspectives are sought out in pursuit of exceptional results.”

— Aaron Milford, Chief Executive Officer

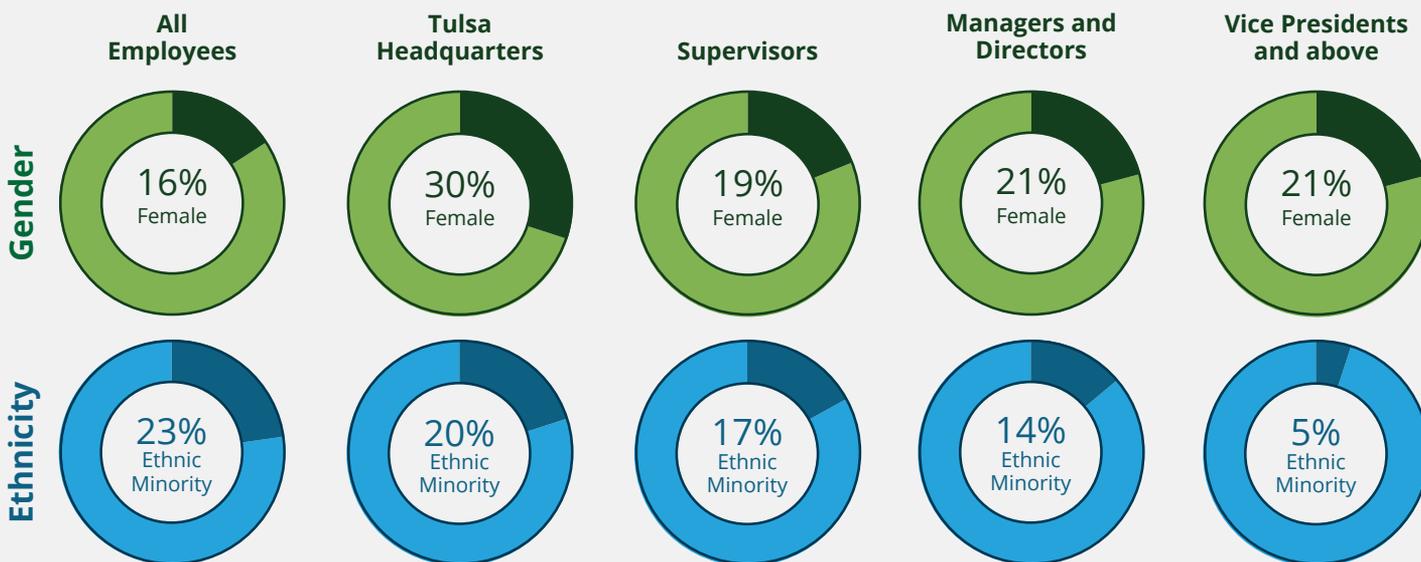
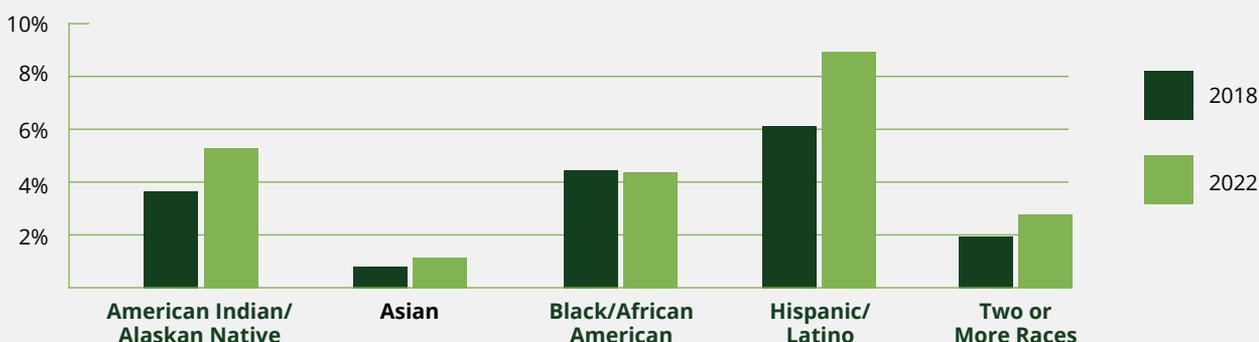
Diversity at Magellan



- Honored to receive Mosaic’s Top Inclusive Workplace award for 6th consecutive year.
- Continued scholarship funding for Pueblo of Isleta Tribe to support their 2022 high school graduates.
- Funded Hispanic American Foundation scholarship for Tulsa area high school graduates.

- Expanded our university recruiting efforts to include chapter meeting sponsorship for the Society of Hispanic Professional Engineers and Society of Women Engineers campus organizations.
- Participated in multiple university and technical school career fairs within underrepresented communities to share internship, professional development program and career opportunities.
- Advertised open position postings on multiple platforms reaching niche websites, state job sites and career center networks to build our talent pipeline.
- Female and ethnic minorities represent 35% of our diverse workforce, +2% from 2021.

Self-reported Ethnicity (All Employees)



Employee Benefits and Wellness

Magellan offers competitive, market-driven pay with excellent health and retirement benefits, which support overall employee satisfaction, retention, health and well-being. We are committed to providing our employees with a fair wage and our employee benefits program costs average an additional 35% of base salary. In 2022, we reviewed and adjusted salaries with the support of the board's Compensation Committee, further meeting our goal to provide better than a fair and living wage.

2022 Benefits Highlights

Up to 6%

company match for employee 401(k) retirement plan contributions.

91%

of employees participated in our 401(k) plan.

100%

company-funded pension plans.

80%

of medical benefits premiums paid by company.

94%

of employees selected employee medical coverage.

72%

of employees also selected medical coverage for family members.

\$145,000

median employee's total compensation.

Over \$72 million

contributed to company-funded pension plans, 401(k) company match and benefits plan premiums.



SPOTLIGHT: Moving What Moves Magellan

The mental and physical health and well-being of our employees is important to Magellan. The benefits of healthy employees include greater productivity, increased social inclusion, lower absenteeism and improved individual, team and organizational resilience.

2022 marks the 10th year of our Move Magellan Wellness Challenge. Held annually, participating employees log their daily steps or physical activity equivalency to reach their 16,000-mile team goal. For our operations employees, we even provided a step-equivalent for climbing a Magellan storage tank. Together, approximately 80% of our employees participated by walking nearly 865,000 miles.



Professional Development

We seek to hire and retain talented and motivated individuals at all stages of their professional career. Emerging business trends place importance on fostering strong workplace relationships and cultivating a culture where meaningful work leads to greater performance, personal development and recognition. Magellan is committed to providing the tools and resources for employees to reach their full potential and achieve personal career goals, including these programs below:

Our specialized **Front Line Leader Development program** for operations personnel recognizes the significant impact of leaders throughout the organization and was redesigned in 2022 to facilitate shared experiences and lessons learned, build leadership continuity and empower those transitioning into roles with greater operational responsibility.



Mentoring program focuses on cross-functional, diverse mentor/mentee pairings that provide guidance for leaders in their current positions and support as they progress to future roles.



SPOTLIGHT: Magellan’s Performance Playbook

Both the 2021 and 2022 Risk Assessment Surveys identified that communicating leadership skills and attributes valued by Magellan, as well as a consistent process for professional development, were areas for improvement. As a result, senior leadership identified a common set of non-technical skills and behaviors that we believe are core for all employees and in alignment with our Vision Statement and Code. Utilizing the Korn Ferry Competency Framework as a guide, we selected 10 desired competencies important to drive successful performance and incorporated them into the new Magellan Performance Playbook. Five additional key competencies for effective leadership were selected and added to a separate Performance Playbook for Leaders.

The newly created playbooks provide transparent definitions of each competency, and will help benchmark mastery of each skill, identify practical development opportunities and facilitate performance review conversations with implementation continuing throughout 2023.



Strengthening Our Communities Through Service

Magellan proudly supports programs and charitable organizations that align with our values and encourages our employees to share their time, talents and resources to contribute to positive community impacts. During 2022, our two largest community giving engagements included the ninth installment of our 10-year, \$5 million commitment to Tulsa's Gathering Place, and our annual company United Way campaign.

United Way



- Our 2022 workplace giving campaign raised nearly **\$720,000** with employee pledges and the company match.
- Together, our 22nd annual Greater Houston Area Golf Tournament and 16th annual Tulsa Charity Golf Tournament and driving range competition raised over **\$400,000**.

- Increased our Tulsa headquarters' employee participation by **20%**.
- Nearly **160 employees** volunteered on 14 projects at 11 different agencies for the United Way Tulsa Area Day of Caring, completing landscape and garden projects, cleaning and painting classrooms and repairing sports complex bleachers.

\$720,000 —



SPOTLIGHT: United Way Recognition



Magellan's custom Christmas ornament commemorating our support of the United Way was placed on the holiday tree as part of the 99th Annual New York Stock Exchange tree lighting celebration on Wall Street. The NYSE Global Giving Campaign provides their listed companies an opportunity to raise awareness of the charitable organizations they support.

The Tulsa Area United Way ("TAUW") once again recognized Magellan with its Pillar Award for contributions exceeding \$500,000. We were especially honored to be presented the Williams Summit Leadership Award this year and humbled by TAUW's words about our campaign: "Magellan's culture revolves around working together as one. Called One Magellan, their involvement in TAUW exemplifies this culture, and we are pleased to be part of the One Magellan family."



Our Employees Make the Difference

Magellan's employees further represent our culture and character by actively participating within our communities to help address the needs of our neighbors. Coupled with financial support, our volunteer efforts bring opportunities to inspire kindness, offer hope and make a difference.

Sharing to Ease Hunger and Homelessness



Every Soul Matters

FAYETTEVILLE, ARKANSAS

We continued our financial support used to build a mobile shower facility and donated a deep freezer to Every Soul Matters, an organization dedicated to "being a light in the darkness to the disenfranchised and our unhoused neighbors, administering and implementing homeless feeding programs and clothing distribution in northwest Arkansas through our pop-up care village."



City Lights Foundation of Oklahoma

TULSA, OKLAHOMA

We sponsored City Lights' Night Light Tulsa and served an outdoor dinner of grilled hamburgers, sides and drinks. Employees also held a clothing drive collecting adult coats, shoes and socks for their annual Socktober event. City Lights "believes in the power of meaningful relationships to restore community with a focus on serving our most vulnerable neighbors — connecting human to human, heart to heart."



Filling the Void

TULSA, OKLAHOMA

Throughout the year, we volunteer to fill hundreds of sack lunches with non-perishable items that are taken out to the streets to serve those in need in support of Filling the Void's mission to "help the hungry, the homeless, the hurting and those who need healing."

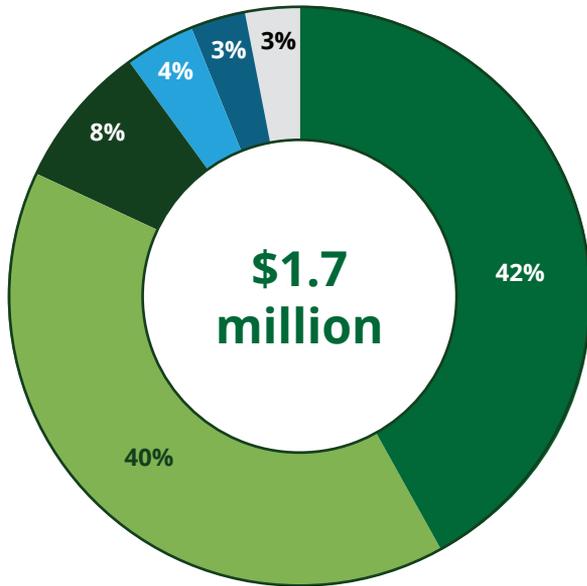


Tulsa Day Center

TULSA, OKLAHOMA

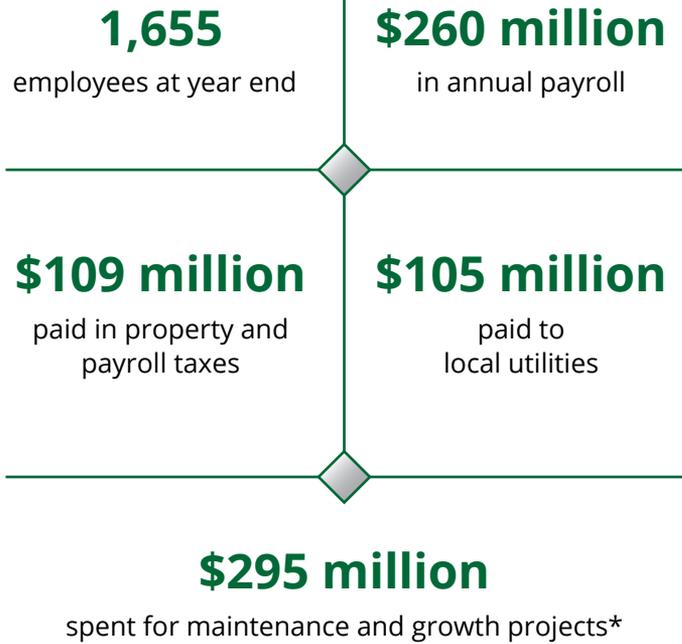
We continued our financial support for the Tulsa Day Center's programs providing general support, case management, a medical clinic and housing services designed to "help those who are about to become homeless, those who are newly homeless and those who are chronically homeless."

2022 Charitable Giving



- United Way
- Disease Prevention
- Civic
- Education and Youth Services
- Basic Needs
- Other

Delivering Economic Value in 2022



*includes Magellan's portion of joint ventures



SPOTLIGHT: Ronald McDonald House Charities of Tulsa

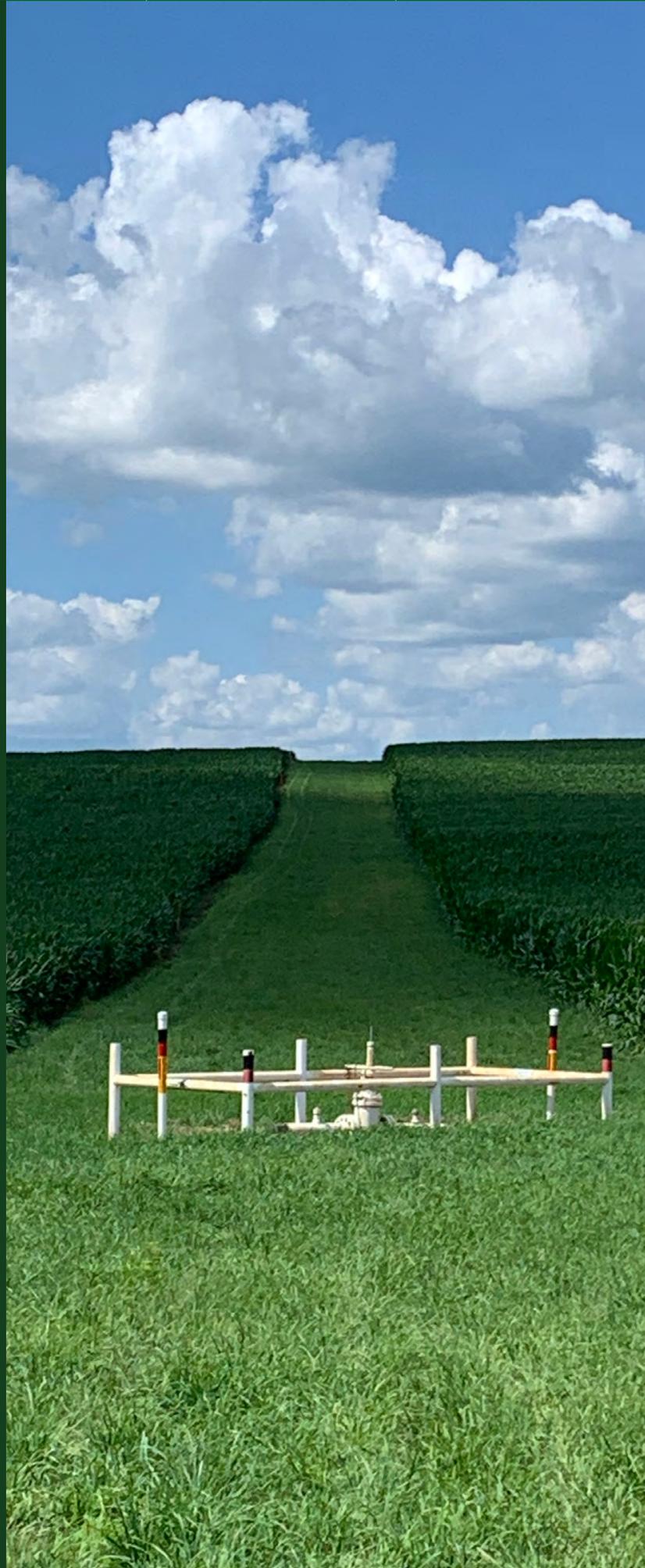
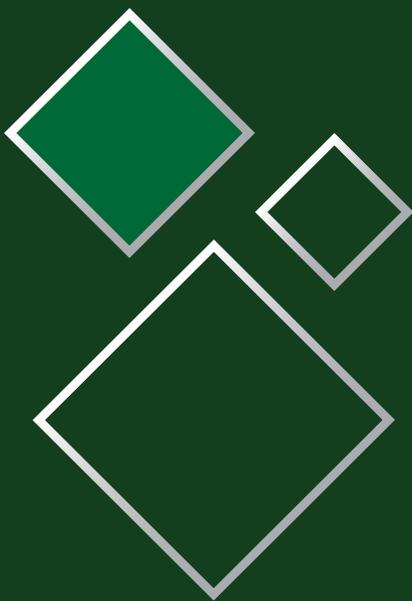


Our Professional Development Program employees and summer interns served as Guest Chefs to prepare custom homemade pizzas and chocolate chip cookies for the families of children staying at Tulsa's local hospitals. Additionally, they deep cleaned and organized their commercial kitchens and pantry, ensuring the freshness and availability of canned foods and staple items.



Environmental Stewardship

Magellan remains keenly focused on preventing petroleum product releases while safely operating approximately 12,000 miles of refined products and crude oil pipelines in an environmentally and financially responsible manner to safeguard our employees and communities.



Our System Integrity Plan (“SIP”) details our environmental management system for regulatory compliance, reporting transparency and credible data methodology for our air and greenhouse gas emissions monitoring, ecosystem protection, water and waste management, renewable fuels blending and energy management. For additional information, please see the [Management Approach](#) section of this report.

Managing Emissions

Pipelines are generally the most reliable, lowest cost, least carbon intensive and safest alternative for intermediate and long-haul transportation of petroleum products between different markets.

Pipeline Construction

During 2022, Magellan completed construction of a new pipeline to supply gas liquids to our East Houston terminal, eliminating nearly 12,225 over-the-road tanker truck deliveries per year. Receiving this same volume of gas liquids moved via our new pipeline will avoid an estimated 500+ metric tons (“MT”) CO₂e tanker truck emissions annually and help to decrease traffic congestion in the greater Houston metropolitan area.

Greenhouse Gas Emissions

Our midstream operations, including approximately 12,000 miles of underground pipelines and over 100 million barrels of storage capacity, contribute minimally to the direct production of greenhouse gas (“GHG”) emissions. Only one of our facilities requires a GHG permit. The majority of our air emissions are volatile organic compounds (“VOCs”), which are not categorized as greenhouse gases per the Greenhouse Gas Protocol. We provide quantification on both GHGs and VOCs in our [Performance Data Table](#).

How Magellan’s Pipeline Transportation Minimized CO₂e in 2022



Magellan transported
143 billion
 barrel-miles of refined products via pipeline, eliminating approximately 1.15 million MT* of tanker truck CO₂e.



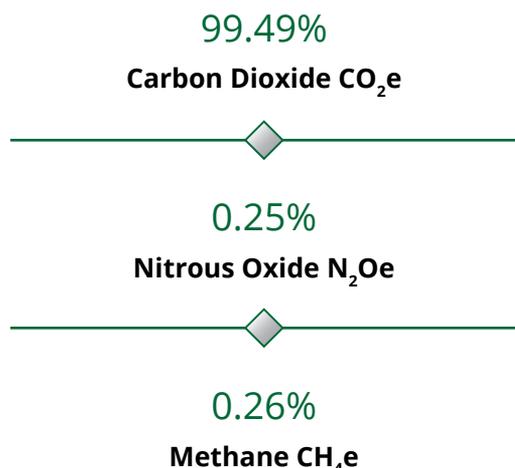
Magellan transported
129 billion
 barrel-miles of crude oil via pipeline, eliminating approximately 19,000 MT* of rail car CO₂e.

*Emissions calculations based on American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry (November 2021) and Magellan’s 2022 volumes.

Scope 1 and Scope 2 Emissions

In 2022, we continued using the equity share approach in which emissions reported are limited to assets to the extent they are owned by Magellan. The emissions below account for the 2022 sale of our southeast independent terminals network, for which the acquiring company now has the full year's GHG reporting responsibility.

Based on our midstream business, our total Scope 1 and Scope 2 emissions contribute to only three of the seven Kyoto Protocol GHGs.



SPOTLIGHT: CO₂ntinuous Improvement

Magellan's condensate splitter is our only facility requiring a GHG permit. The splitter relies on recycled natural gas to process approximately 50,000 barrels per day of petroleum condensate into separate fuel components. For operational safety, it is essential that the continuous natural gas stream stay free of contaminants and oxygen infiltration to keep the splitter flare system working properly.

Our engineers identified an optimization project to equip the splitter with an adjustable regulator and flow transmitters to provide more precise gas purge automation and remote monitoring. Timed to coincide with the splitter's scheduled turnaround to avoid additional downtime, this project reduced the natural gas purge flowrate and eliminated an estimated 400 MT CO₂e from its July installation to the end of 2022.

2022 GHG Emissions Results

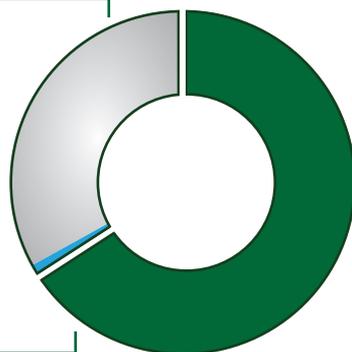
Total Scope 1 and Scope 2 Emissions equal 612,452 MT CO₂e

SCOPE 1

209,348

MT CO₂e (34% of total)

- 96.2% Stationary and other combustion sources*
- 3.8% Fleet vehicles and small sources



SCOPE 2

403,104

MT CO₂e (66% of total)

Total GHG Emissions Intensity

Scope 1 = 0.99

thousand MT CO₂e / billion barrel-miles of pipeline throughput

Scope 2 = 1.9

thousand MT CO₂e / billion barrel-miles of pipeline throughput

*Primarily emissions from vapor combustion units, splitter heaters and flare, natural gas and other liquid fuels combustion.

Task Force for Climate-related Financial Disclosure

During 2022, Magellan engaged a global consulting firm to perform a review and gap analysis of our operations using the Task Force for Climate-related Financial Disclosure (“TCFD”) framework. Additionally, we conducted an initial facility financial screening and analysis, which we plan to incorporate into our ongoing business continuity assessment.

Air Emissions Reduction

Criteria air pollution (“CAP”) emissions are not categorized as greenhouse gases. Of the CAP emissions, VOCs comprise the majority of Magellan’s air emissions. Since 2018, we have consistently reduced our CAP emissions despite continued year-over-year growth in throughput volumes. The reductions for 2022 are primarily due to the 2022 sale of our southeast independent terminals network, for which the acquiring company now has the air emissions reporting responsibility.

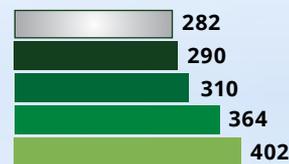
SINCE 2018
↑ 10%
in total throughput
↓ 22% VOCs

Magellan’s Criteria Air Pollutant Emissions (in MT)

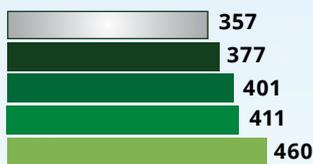
Volatile Organic Compounds (“VOC”)



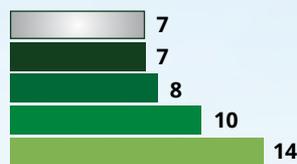
Carbon Monoxide (“CO”)



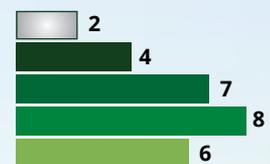
Nitrogen Oxides (“NOx”)



Particulate Matter (“PM₁₀”)



Sulfur Oxides (“SOx”)



2022 2021 2020 2019 2018

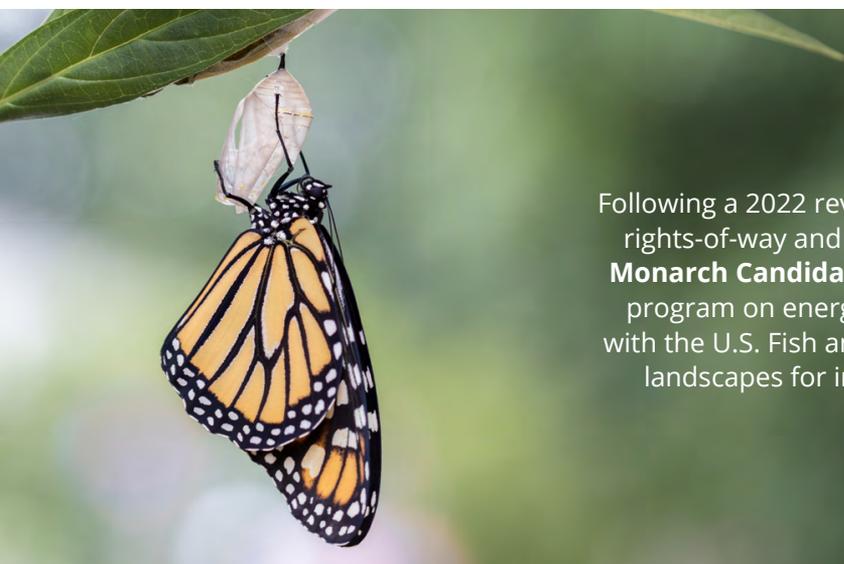
Biodiversity and Ecosystem Protection

We continuously monitor our facilities and inspect our pipeline routes across a range of landforms, waterways and wildlife habitats while employing stringent environmental and ecological protection protocols.

We consult the U.S. Fish and Wildlife Service's Information for Planning and Consultation digital tool and our own Protected Species Work Exclusion Schedule for all routine maintenance and construction projects. We schedule work in designated critical habitats to avoid the species exclusion periods and minimize impacts to breeding and nesting, migration of wildlife and flowering seasons of the sensitive plant species within our footprint.

We monitor these sensitive species within our operational footprint:

- Golden-cheeked Warbler
- Black-capped Vireo
- Houston Toad
- Lesser Prairie-chicken
- Bald Eagle
- Northern Long-eared Bat
- Indiana Bat
- Navasota Ladies'-tresses
- Tobusch Fishhook Cactus
- Texas Prairie Dawn



Following a 2022 review of the criteria, we plan to enroll our pipeline rights-of-way and certain facilities into the voluntary, nationwide **Monarch Candidate Conservation Agreement with Assurances** program on energy and transportation lands. This collaboration with the U.S. Fish and Wildlife Service would allow native vegetation landscapes for increased protection of the Monarch butterfly and pollinator habitats.

Greens Bayou | Houston, Texas

Greens Bayou begins north of Houston and flows southeast to the Houston Ship Channel. The 45-mile bayou connects neighborhood parks and features a public kayak launch, pedestrian bridges, nature trails and greenspace. Due to natural bank erosion along the bayou, Magellan relocated our existing pipeline crossing to avoid any potential line stress fractures or release events. Working with the Houston Parks Department, we also constructed a temporary entry road for heavy equipment, placed tree barrier protection around the job site and planted replacement trees upon project completion.

I-20 Wildlife Preserve and Jenna Welch Nature Study Center | Midland, Texas

Magellan financially supported the I-20 Wildlife Preserve, a thriving 100-acre oasis in the heart of the Permian Basin and located near our Midland terminal. The Preserve is built around an 86-acre urban lake, or playa, which provides a critical recharge source for the Ogallala Aquifer. Stretching from South Dakota to Texas, the Ogallala is the largest aquifer in the U.S., providing fresh water to millions of people. This Great Plains aquifer is continually replenished by over 80,000 playas that also serve as vital wetland habitats for migratory waterfowl and pollinators and support many native species.

Investing in Nature

An important aspect of our environmental stewardship involves working within our communities to promote biodiversity, expand wildlife habitat and participate in conservation efforts that support healthy, resilient ecosystems. Magellan sponsored our second annual Earth Day with nearly 170 employees across multiple states volunteering to form teams, identify needs, coordinate with area organizations and gather supplies to complete outdoor projects.

Throughout April, our employees cleared trash from several public parks and hiking trails, mended fencing, planted a butterfly garden at a children's home, built raised vegetable garden beds for a community food program, planted flowers at an elementary school, repaired sports bleachers, landscaped a xeriscape garden for the City of Thornton, Colorado, and removed debris from flower beds on the Iowa State Fairgrounds. Other teams planted native grasses and trees at our truck terminals, within wetland areas, at local sports complexes and public schools, and participated in the Texas Trees Foundation and White Oak Bayou Wetlands Conservancy tree planting programs.



Blessed is he who plants trees under whose shade he will never sit.

Water Management

Ecosystems, human life and economic development all depend on the availability of water. To conserve and manage our freshwater resources, Magellan designs our assets to minimize water usage, constructs our facilities to divert storm water away from operational areas to avoid contact with petroleum products, reuses freshwater where possible and properly disposes of any water volumes not reclaimed.

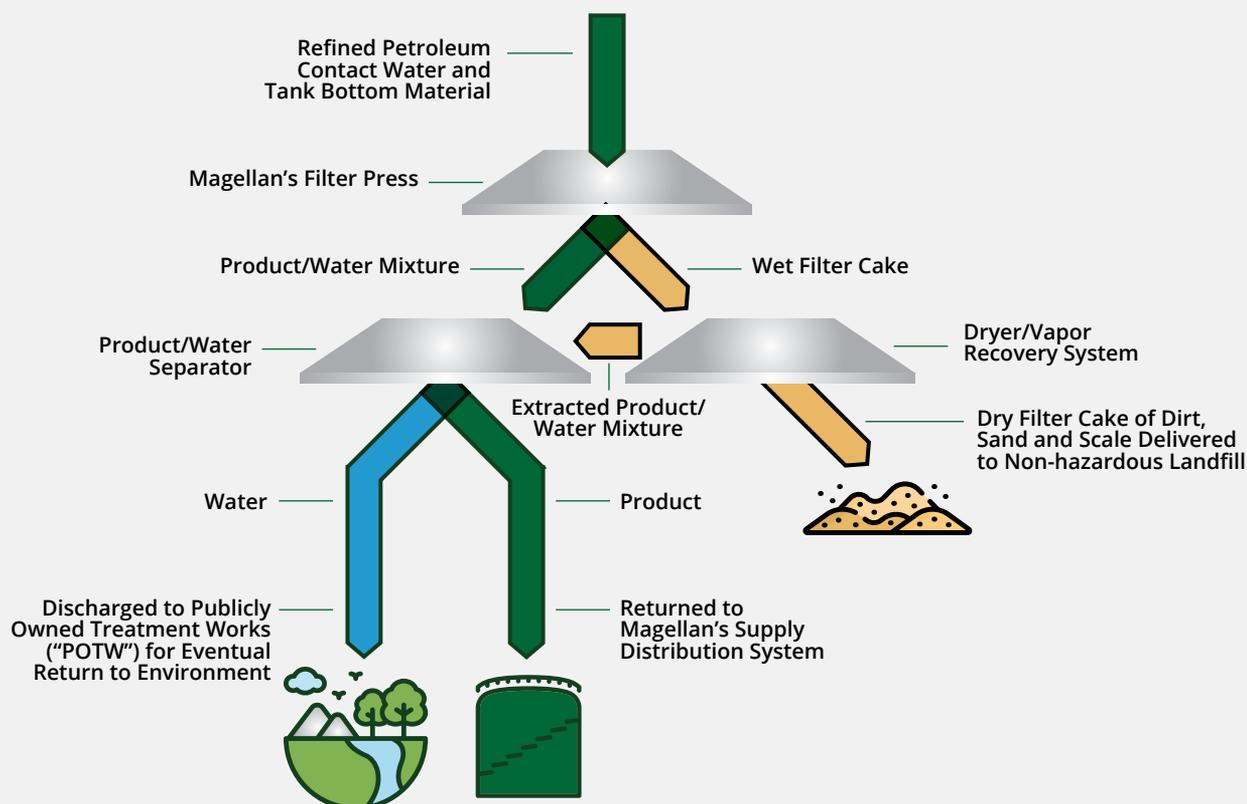
Hydrostatic testing comprises our largest enterprise-wide use of fresh and municipal water. In 2023, we began formally collecting data on our water withdrawals greater than 1,000 gallons and the discharge source locations to determine our total volume consumed during routine hydrostatic tests and to better understand our water footprint.



SPOTLIGHT: Magellan's Reclamation Facility | Kansas City, Kansas

For more than 20 years, our reclamation facility has managed petroleum contact water ("PCW"), tank bottom material ("TBM") and off-specification petroleum products. Our reclamation process pumps material through a filter press to extract usable hydrocarbons, which are returned to the Magellan supply distribution system. PCW flows through an oil-water separator into separate tanks with the remaining water treated and returned to the water cycle per the applicable regulatory permit. TBM wet solids are conveyed through a dryer-vapor recovery system to become dry cakes of non-hazardous dirt, sand and tank scale and accepted for landfill disposal.

The Reclamation Process



Magellan also utilizes third-party reclamation facilities that are located geographically closer to the sites where the PCW and TBM are recovered. These third-party providers are important to our waste management.

2022 Reclamation Highlights

Magellan's Kansas City reclamation facility processed:

31,874

barrels of PCW

5,592

barrels of TBM

Magellan sent the following for processing at third-party facilities:

51,211

barrels of PCW

20,102

barrels of TBM

99% reclamation of TBM and PCW

Between our reclamation facility and approved third-party reclamation facilities, Magellan reclaims 99% of our TBM, greatly reducing material sent to landfill.

We use various reclamation methods to manage and reclassify this waste as non-RCRA regulated material in accordance with the U.S. EPA Resource Conservation and Recovery Act ("RCRA") guidelines.

Likewise, 99% of our PCW is reclaimed with the remaining 1% treated and tested to meet water quality permit standards before discharged to local publicly owned treatment works ("POTW") for eventual return to the environment.

Our Corpus Christi terminal managed 9,302 barrels of TBM from multiple tank cleanings using another U.S. EPA-approved method that qualified it for reclamation as fuel blending instead of disposal.

Waste Management

Magellan generates waste from certain operations, major maintenance and construction projects and general office use. Our waste management program is designed to minimize our overall waste generation and to properly classify and dispose of non-hazardous and hazardous waste while meeting state and federal regulatory requirements.

In late 2021, our environmental and operations teams collaborated to reduce Magellan's waste disposal in landfills and developed 2022 waste reduction pilot initiatives. For 2023, we expanded three of the 2022 pilot initiatives and will explore additional short-term and long-term hazardous and non-hazardous waste reduction initiatives.

Magellan's Waste Reduction Initiatives

2022 Pilot Initiatives	Status	Highlights
Recycle 100% of aerosol cans at all facilities.	 Achieved	<ul style="list-style-type: none"> Identified additional third-party disposal facilities Finalized internal processes and recycler documentation Excluded pesticides 567 pounds of aerosol cans recycled at disposal facilities
Recycle 100% of fluorescent bulbs at all facilities.	 Achieved	<ul style="list-style-type: none"> Identified additional third-party disposal facilities Finalized internal processes and recycler documentation 1,077 pounds of fluorescent bulbs recycled at disposal facilities
>50% of facilities registered as "Very Small Quantity Generators" of hazardous waste.	 Achieved	Source third-party hazardous waste management providers to blend fuels or reclaim petroleum-impacted materials not regulated by RCRA*.
Zero landfill for facility-generated non-hazardous waste.	 Achieved	Pilot project selected two Magellan facilities to eliminate all facility-generated landfill waste.
Zero landfill for facility-generated hazardous waste.	 Achieved	Pilot project selected eight Magellan facilities to send zero facility-generated hazardous waste to landfill.
2023 Initiatives	Description	
Recycle 100% of aerosol cans at all facilities.	Continue from 2022.	
Recycle 100% of fluorescent bulbs at all facilities.	Continue from 2022.	
>60% of facilities registered as "Very Small Quantity Generators" of hazardous waste.	Transition an additional 10% of Magellan facilities from "Small Quantity Generator" status to "Very Small Quantity Generator" status using third-party waste management providers that offer fuel blending and reclaim petroleum-impacted materials.	
NEW! Identify additional opportunities to reduce or eliminate waste streams and waste management costs.	Collect and evaluate all waste generation data and reduction or elimination ideas received. We anticipate this cross-functional collaboration to generate additional multi-year reduction initiatives.	

*U.S. EPA Resource Conservation and Recovery Act ("RCRA") is the public law that creates the framework for the proper management of hazardous and non-hazardous solid waste.

2022 Waste Management Highlights

- Magellan's Galena Park, Texas, terminal achieved 11 years of zero facility-generated hazardous waste disposal.
- Received State of Texas approval to relocate approximately 17,000 cubic yards of soil from our Corpus Christi terminal to the Port's waterfront property for beneficial reuse, which avoided landfill disposal.
- Removed inefficient glycol liquid-seal units on the two vapor combustion units ("VCUs") at our Minneapolis terminal and retrofitted both with next generation detonation arrestors, which improved the reliability of the VCUs and eliminated frequent loading rack downtime events. Additionally, removing the glycol seal units qualified the Minneapolis terminal to be designated a "Very Small Quantity Generator" of hazardous waste.

2022 Recycling by the Numbers

1,534,112

pounds of scrap metal

18,599

pounds of glass and aluminum containers

3,652

gallons of used motor oil

20,163

pounds of absorbent spill pads and rags for industrial kiln fuel (4x more than 2021)

189,000

pounds of cardboard shipping supplies

1,278

electronic devices, capturing 265 pounds of critical minerals for reuse

73,680

pounds of office paper

2,139

pounds of paint waste

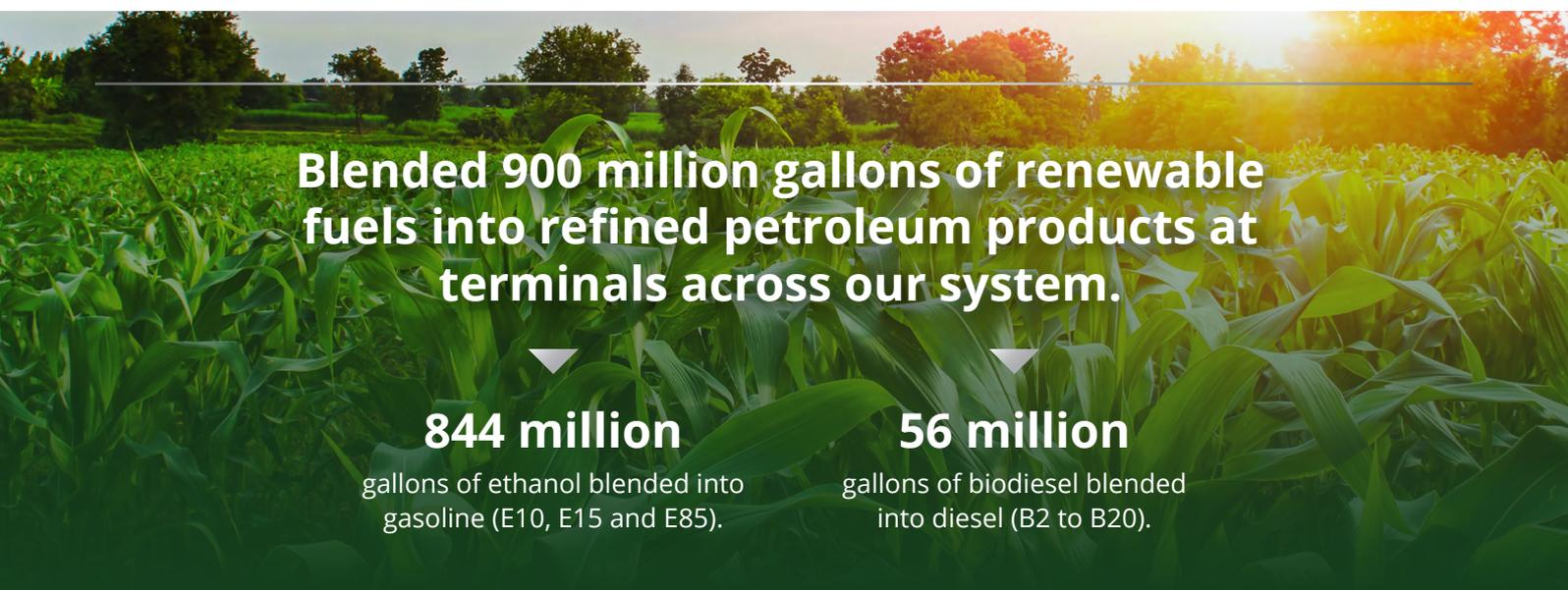
9,249

pounds of IT hardware

Renewable Fuels

Biofuels, such as ethanol, biodiesel and drop-in biofuels like renewable diesel, play an important role in supplying America's energy needs by providing renewable fuel alternatives. These biofuels, made from renewable feedstock such as corn, soybean, sugarcane, vegetable oils, recycled cooking oils and animal fats, are blended with refined products to comply with U.S. EPA renewable fuel standards.

Magellan's existing connections to major Midwest airports, railroad depots and truck racks position us to handle increased market demand for ethanol, biodiesel, renewable diesel and sustainable aviation fuel.



Blended 900 million gallons of renewable fuels into refined petroleum products at terminals across our system.

844 million

gallons of ethanol blended into gasoline (E10, E15 and E85).

56 million

gallons of biodiesel blended into diesel (B2 to B20).

Highlights

- Loaded the first truckload of renewable diesel at our joint venture Pasadena marine terminal in early 2023.
- Completed construction of our Kansas City and Springfield, Missouri, biodiesel blending terminals in early 2023. Utilizing the U.S. Department of Agriculture's Higher Blends Infrastructure Incentive Program ("HBIIIP") cost share, Magellan now has 15 terminals, including one joint venture terminal, with biodiesel blending infrastructure capable of blending B2 (2% biodiesel/98% diesel) to B20, and one additional marine terminal that can transport and store B99. We also offer additional biodiesel storage capacity to better adapt to markets and meet customer needs.
- Received our second HBIIIP cost-share grant award totaling \$2 million to expand our ethanol tank capacity at our El Paso terminal in Texas.
- Classified 17 Magellan terminals as E15 registered terminals per the U.S. EPA Fuel Programs' requirements, with each terminal receiving 100% of their ethanol supply from E15 registered production plants.

Energy Management and Optimization

Magellan's business optimization team is focused on improving internal processes, utilizing employee-driven innovative ideas and leveraging technological solutions to provide exceptional customer service and maximize long-term value. Where possible, we employ technological solutions and automation to reduce our energy consumption, electrical costs and Scope 2 GHG emissions.

2022 Highlights

- Prevented the use of over 1.3 billion kilowatt hours of electricity — avoiding the equivalent of 707,000 MT CO₂e — by injecting drag reducing agent, an additive designed to decrease friction between petroleum products and the internal wall of pipelines, which allows us to reduce the use of our pipeline pumps without compromising product quality.
- Reduced our electrical load by over 51,000 kilowatt hours through active management of the Electric Reliability Council of Texas' ("ERCOT") Four Coincident Peak program to avoid using electricity during peak hours.
- Our participation in Public Service Company of Oklahoma's Peak Performers Program for Businesses and ERCOT's Emergency Response Service helps ensure that communities have reliable access to electricity during high demand hours and grid emergencies.
- Magellan's total purchased electricity was 990,000 megawatt hours, with over 31% generated from renewable energy sources per the U.S. EPA eGRID database.
- Our total purchased electricity energy intensity is 0.7 megawatt hours per thousand barrels of throughput.
- Developed new procedures for field employees who support our remote sites that often require a long drive time to reach for inspections. Employees can now remotely access real-time data at multiple facilities, which has allowed quicker troubleshooting response, improved customer service, reduced overtime and enhanced employee work-life balance.



SPOTLIGHT: Carbon Task Force

Magellan formed a cross-functional carbon task force to proactively respond to the evolving carbon economy and regulatory environment and to explore overall market dynamics, the competitive landscape, technological implications and the perspectives of our customers and peer companies. Formed to help identify opportunities among all the technologies and fuels to provide a continued high quality of life and a healthy economy, the carbon task force will evaluate methods to effectively, efficiently and responsibly reduce emissions.

Management Approach

◆ Governance

Board Leadership	Investor Relations
Priorities Assessment	Public Policy and Advocacy
Executive Compensation	Compliance and Ethics Program
Risk Management	Reporting Concerns
Cybersecurity and Information Technology	

◆ Safety

Release Prevention	Safety Training
Pipeline Monitoring	Contractor Management
Emergency Preparedness and Response	Incident Reporting and Investigation
Safety Management	Public Awareness

◆ Social

Employee Engagement	Stakeholder Engagement
Diversity and Inclusion	Native American Engagement
Compensation	Supply Chain Management
Benefits and Wellness	Community Giving
Employee Training and Development	
Talent Management	

◆ Environmental

Low Carbon Emission Pipelines	Water Management
Greenhouse Gases	Waste Management
Air Emissions Control and Reduction	Renewable Fuels
Biodiversity and Ecosystem Protection	Optimization and Efficiency



Magellan is committed to the safe and reliable transportation, storage and distribution of refined petroleum products, renewable fuels and crude oil. We hold firm to our values of safety, respect, compliance, integrity, engagement and efficiency. Since our inception, we have continued to develop and enhance our foundational practices described in this management approach section. Our sustainable business principles embody responsible environmental, social and governance performance while safely operating critical infrastructure assets as we continue supplying the energy our country will need for decades to come.



Governance

Magellan's board and leaders actively maintain high ethical standards, responsible governance policies and practices, and comprehensive financial controls. Together, our employees, leaders and board make daily decisions guided by our [One Magellan Code of Ethics and Business Conduct](#) ("Code"), which reflects our shared core values of safety, respect, integrity, compliance, engagement and efficiency. We believe that effective board engagement, in addition to a resilient business model and disciplined management, is fundamental to safeguarding our mission to safely and reliably provide the essential fuels our nation needs.

Since our inception, we have focused on long-term, safe, environmentally responsible operations and disciplined decision-making with appropriate board oversight. We endeavor to maintain public confidence and trust as we provide transparent disclosure to our stakeholders regarding how we manage and measure our performance.

Board Leadership

Magellan's board and its committees provide our highest level of oversight to enable us to maintain a clear strategic and operational focus, assess and mitigate risks and evaluate regulatory and legal requirements. The board has four standing committees — Audit, Compensation, Nominating and Governance, and Sustainability, with responsibilities described in written [committee charters](#). In compliance with our [Governance Guidelines](#), our board annually assesses its effectiveness.

Our board chair is an independent director, consistent with governance best practices. Eight of our nine board members are independent directors, as defined by the New York Stock Exchange ("NYSE"). All directors are publicly elected by our unitholders to serve three-year staggered terms. Each director meets the qualification standards of our Governance Guidelines and represents diverse experiences, knowledge and perspectives that are highly relevant for Magellan's business. To enhance our board expertise, Magellan encourages our directors to pursue learning opportunities and executive training programs. Additional detailed information about our board, committee charters, director data and Governance Guidelines is available in our [proxy statement](#) and on our [website](#).

Priorities Assessment

To better understand the environmental, social and governance topics that are most critical to our various stakeholders, we periodically conduct a priorities assessment, which is guided by the Global Reporting Initiative ("GRI") and the Sustainability Accounting Standards Board ("SASB") standards. Our process includes a customized and multidisciplinary, midstream energy-focused survey that is deployed to our board, internal leaders and key external stakeholders. Specific topics are ranked according to their likelihood or ability to impact our business objectives.

In addition to participating in our priorities assessment process, our entire board reviews

our sustainability report prior to publication. Furthermore, the board's Sustainability Committee works with our executive leaders to review our sustainability reporting plan and to help ensure that our ongoing sustainability efforts align with our business model and strategies.

Executive Compensation

Compensation of our named executive officers ("NEOs") is publicly disclosed in Magellan's annual [proxy statement](#). Our executive compensation program is linked to business performance, uses both annual and long-term incentives and aligns with unitholder interest. It also seeks to retain and motivate highly talented executives, while recognizing their individual contributions. Our compensation philosophy leverages competitive market data and peer company benchmarking analysis to achieve financially relevant and attractive executive compensation. NEOs serve without an employment agreement and have no role in determining their own compensation. The board's Compensation Committee engages an independent executive compensation consultant to assist in annual compensation evaluations and to provide regulatory guidance. Other compensation metrics include:

- Approximately 65% of our executive leadership's targeted compensation is tied to our company performance and paid in equity.
- Equity is awarded pursuant to our long-term incentive plan ("LTIP") metrics, which are based on three-year distributable cash flow performance per unit for long-term value creation to align the interests of our executives with our unitholders.
- Our annual cash incentive program ("bonus") uses the same metrics for all executives and employees:
 - 75% EBITDA (earnings before interest, taxes, depreciation and amortization) less maintenance capital
 - 25% environmental, safety and culture performance
- Pay equity analysis of our CEO's total target compensation compared to the median compensation of all other employees is conducted and published in our proxy statement.

Risk Management

Magellan's enterprise-wide risk management ("ERM") processes support an environment of continuous improvement including an annual company-wide risk assessment, board oversight, applicable policies and procedures and a safety management system. Our ERM processes include a multifaceted methodology to identify, analyze, prioritize and mitigate the principal and emerging risks to our business. Our related policies and procedures endeavor to meet or exceed applicable laws and regulations governing our business.

Our board and its committees provide high-level oversight of current, potential, internal and external risk exposures. Magellan's senior leadership is responsible for monitoring and managing daily risks, including those that could potentially compromise our safe operations. The board's Audit Committee receives regular updates on specific risks and helps evaluate the effectiveness of our ERM processes.

Magellan's management and select subject matter experts individually complete an annual risk assessment survey to identify enterprise-wide risks and their associated potential negative impacts. As part of our annual risk assessment, our internal audit team aggregates responses in a formal risk report ranking high-priority issues and provides them to the Audit Committee and senior leadership. This risk ranking helps identify opportunities for innovation, business strategy adaptation, employee engagement and continuous process and control improvement. For information about material risks to an investment in Magellan, see Risk Factors in our most recent Annual Report on Form 10-K, as updated from time to time in subsequent filings with the U.S. Securities and Exchange Commission.

Cybersecurity and Information Technology

Global cybersecurity threats are increasingly sophisticated and demand vigilance coupled with robust intelligence to assess the threat landscape to mitigate evolving risks. To protect our information technology and operational technology infrastructure, we maintain a comprehensive cybersecurity and data protection program in

alignment with the U.S. Department of Commerce National Institute of Standards and Technology (“NIST”) Cybersecurity Framework.

Our program includes strict access controls, multifactor authentication, a multilayered defense strategy, applicable policies, employee training, in-house and third-party assessments and advanced monitoring and filtering technologies. Secure information technology asset disposal is handled through a contractor that adheres to U.S. Department of Defense security protocols and provides auditable verification of destruction, recycling or repurposing of our electronic assets. We regularly measure key cybersecurity and data protection program metrics and provide quarterly performance updates and threat briefs to the Audit Committee of our board.

Continuous assessment helps protect the security, integrity and availability of our data, networks and fixed or mobile information technology assets. Additionally, we utilize external experts to help develop and execute thorough cybersecurity awareness training. Each year, employees are required to complete multiple cybersecurity awareness training modules and are subject to randomized monthly email phishing exercises to maintain alertness.

Investor Relations

As a publicly traded company, we strive to provide investors with company information that is accurate, timely and meaningful. Regularly, our dedicated investor relations team is recognized as one of the best within our industry. We directly engage with investors and research analysts to answer questions and educate them about our company, while carefully avoiding any selective disclosures of material non-public information. Throughout the year, investor relations and our executive management team attend in-person and virtual meetings with current and potential equity and debt investors. We also conduct an annual meeting of limited partners.

Additionally, we host quarterly earnings calls to review our financial results and address other topics of interest with the investment community,

as well as a biennial analyst day to provide a more thorough and transparent discussion of our company. Our earnings calls, news releases, analyst day and investor conference presentations are publicly available through our website. For further engagement, we invite our institutional investors and research analysts to participate in our periodic priorities assessment, which is used to guide our sustainability reporting.

Public Policy and Advocacy

Magellan encourages responsible and informed energy development and advocates for reasonable policies, regulation and continued access to reliable and abundant supplies of essential fuels. Through regular meetings with federal, state and local elected officials and regulators, we provide information and data about the safety and reliability of pipelines, and the fact that pipelines result in significantly lower consumer costs and greenhouse gas emissions than other modes of transportation. Additionally, we empower our employees to serve as engaged and effective energy advocates within our communities.

Our political engagement focuses on the maintenance and expansion of critical infrastructure pipeline and storage assets; renewable energy development opportunities; pipeline safety legislation aimed to protect the public and the environment; promoting informed policy for traditional transportation fuels and alternative energy sources; and advancing state and federal tax policies to promote the sustainability of the publicly traded partnership structure.

Magellan does not fund political causes at the company level; however, our employees may exercise their right to participate in civic engagement by voluntarily donating to the Magellan Political Action Committee (“PAC”). These PAC donations are matched dollar for dollar to a charity of the employee’s choice. The Magellan PAC contributes to bipartisan candidates for U.S. federal and state elected offices and to officials who are generally supportive of our long-term policy objectives. The Magellan PAC is registered with the U.S. Federal Election Commission and complies with all applicable federal, state and local rules and reporting requirements.

As a member of several industry associations, we periodically collaborate on special projects and in efforts to communicate the petroleum industry's fundamental role in our nation's economy and energy security. We serve on the Energy Infrastructure Council ("EIC") ESG working group. EIC publishes a midstream industry ESG reporting template to provide the investment community a useful comparison tool for midstream energy companies. For more information, see our latest [EIC-GPA Midstream ESG Reporting Template](#).

Compliance and Ethics Program

Magellan's employees and board are committed to maintaining high ethical standards with a diligent focus on compliance with applicable laws and regulations. To reinforce this commitment, we have adopted a compliance and ethics program led by our General Counsel, who also serves as our Compliance and Ethics Officer. Our program establishes and communicates standards of conduct to our directors, leaders and employees, and monitors whether the standards are followed. Standards include our [Code](#), Code of Ethics for Senior Officers, and various other policies and procedures as well as our Federal Energy Regulatory Commission ("FERC") Compliance Program. Our Code is at the heart of our daily decisions and actions and focuses on our core values of safety, respect, integrity, compliance, engagement and efficiency.

Each employee — from the CEO to every individual contributor — is expected to abide by our Code at all times. Annually, we assign all employees "Know the Code" training, which features senior leaders highlighting our expectation that each employee's behavior be guided by the Code. Employees are required to annually affirm that they have completed this training and understand their responsibilities.

Additionally, Magellan provides recurring regulatory compliance training for employees and leaders, including FERC awareness training and testing for employees and leadership compliance training for supervisors and above.

Reporting Concerns

Reporting suspected wrongdoing or unethical behavior is expected of all Magellan employees, is encouraged among our contractors, customers and stakeholders and is protected from retaliation. Magellan's confidential 24-hour Action Line is operated by an independent service and allows anonymous reporting by employees, customers or the general public. To maintain stakeholder trust and accountability, we investigate all Action Line reports and provide quarterly briefings to our board's Audit Committee. Employees are also encouraged to contact their supervisors, as well as our Human Resources or Legal departments with any concerns. Magellan's Action Line number is (888) 475-9501.





Safety

Safe petroleum pipeline and terminal operations require a holistic approach to integrating multiple processes and systems to identify and proactively manage risk while complying with regulations. A safety management system (“SMS”) supports this approach.

Magellan aligns our SMS to the American Petroleum Institute Recommended Practice (“API RP”) 1173 Pipeline Safety Management Systems. API RP 1173 is an industry-driven and regulator-endorsed framework designed to manage operations, promote a culture of safety and safeguard the environment with the objective of zero safety and pipeline incidents.

Known internally as the System Integrity Plan (“SIP”), our comprehensive SMS defines how we consistently manage and reduce operational risk to people, assets and the environment, while governing how we design, build, operate and maintain our assets. Our SIP framework is organized into 15 elements containing written policies, procedures, training competencies and regulatory requirements. It is scalable to accommodate major construction projects and includes our asset integrity, risk management, process safety, change management, and health and safety programs. Magellan’s board, executive leadership and all levels of management fully support the SIP to help ensure it is thorough, accurate and meets regulatory requirements.

Release Prevention

Magellan’s SIP contains our integrity management, preventative maintenance and risk reduction programs and procedures that include risk identification and mitigation practices for modifying, constructing, maintaining and operating our assets based upon sound technical principles and industry standards. The programs and procedures within our SIP were established to prevent product releases, maintain asset integrity and comply with regulatory requirements.

Embedded within the SIP, our integrity management plan details pipeline inspection activities including in-line inspections to detect corrosion, manufacturing anomalies and fatigue or mechanical damage such as dents; testing processes to measure the effectiveness of cathodic protection against external corrosion; and right-of-way surveillance by air and ground patrols. Cathodic protection uses a low electrical current to prevent corrosion of metal structures such as pipelines and tanks. To protect structural integrity from third-party activities, we conduct depth of cover surveys to verify that our pipelines are an appropriate distance below ground level, road beds, train tracks and water crossings.

Magellan’s geographic information system uses geospatial pipeline data to overlay pipeline information, monitor potential threats and access

current weather conditions for greater risk analysis and mitigation. Guided by our integrity management plan, we conduct pipeline inspections to validate the physical integrity of our pipeline systems and mitigate potential risks. Comprehensive risk analysis performed after each integrity assessment determines the frequency and priority of the reassessment interval for each pipeline segment, not to exceed five years.

Our SIP also contains our process safety management program designed to prevent operational incidents. The program identifies key risks that could impact asset integrity and documents site-specific operating procedures for existing and new assets. The scope of the process safety management program includes all Magellan assets regulated by Occupational Safety and Health Administration's ("OSHA") Process Safety Management Regulations and the U.S. Environmental Protection Agency's ("EPA") Risk Management Plan.

Pipeline Monitoring

Magellan's control room management includes actively monitoring the safety and performance of our entire pipeline system 24 hours a day. We maintain two independent, fully-functional, redundant control room locations to reinforce business continuity. We monitor our pipeline using supervisory control and data acquisition ("SCADA") technology. Additionally, our system has active leak detection monitoring and is enhanced with computational pipeline monitoring technology that uses a suite of complex calculations to detect pipeline releases. Using these technologies, our highly trained control room personnel analyze real-time pressure, flow and volume data to recognize and act on inconsistencies. Controllers are trained in Magellan's incident recognition and response program and utilize simulators to assure their proficiency at recognizing and responding to a variety of pipeline conditions. Our controllers have the knowledge and authority to immediately isolate and shut down assets in the event of a potential or actual pipeline incident. For additional safety measures, operators in the field can physically close valves, and our pipeline routes are regularly patrolled by air or ground to identify and proactively address potential hazards.

Emergency Preparedness and Response

We design, maintain and operate our pipelines and facilities with a priority placed on safety, compliance and preventing petroleum product releases. In the unlikely event of an incident, our priority is to minimize the impact to people and the environment.

At the core of our pipeline release response plan is Magellan's unique Code Red "60 Minute Assault." Established to create an immediate and overwhelming assault on potential or actual releases, our goal is to locate, contain and begin product recovery within 60 minutes of a pipeline release. Our 24-hour monitored control center initiates the emergency notifications while simultaneously shutting down the pipeline. Our specifically trained spill management teams are strategically placed across our geographic footprint for rapid mobilization and deployment to the release area, while local emergency response agencies are quickly advised of the event to further coordinate the response.

We routinely interact with local planning and response agencies, committing significant time and resources to help ensure that the appropriate personnel are trained to respond to a product release. To foster continued improvement, we review every release regardless of product type, size or regulatory requirement. Our SIP standards and procedures, along with our location-specific facility and pipeline response plans, promote swift and effective responses to natural disasters, releases and human-instigated threats. We practice response plan execution by hosting drills to which we invite local and state emergency responders, and we prepare joint emergency response plans for use in the event of a pipeline or terminal incident. Conducting these drills allows us to critique and improve our preparedness and to help ensure that our response teams maintain the highest level of readiness. We also provide donations for equipment and operating needs for local emergency planning committees and emergency response agencies.

To enhance our emergency response speed and efficiency, we maintain an all-hazard incident management software. Accessible from mobile devices, the scalable software allows us to preload our location-specific response plans and maps with

the ability to overlay real-time weather information to accelerate decision-making and data sharing. Automated tracking of personnel and equipment helps us to best manage our emergency resources when quick decisions are necessary. Using this data, we facilitate post-response evaluations to identify and implement process improvements where needed.

Safety Management

Magellan is committed to protecting the health and safety of our employees, contractors and communities as we help meet our nation's energy needs. Each day, our number one priority is to have an accident-free, incident-free workplace where everyone returns home safely. To reduce the risk of incidents, we diligently monitor our assets, and our employees receive extensive training in the safe performance of their job responsibilities.

Magellan's board and senior management oversee our SIP and performance related to preventable incidents, including human error events, employee injuries, preventable motor vehicle accidents, product releases, product contaminations and proactive measures taken to reduce incidents. We incorporate safety metrics and improvements into the annual cash bonus for all employees.

Our SIP requires active safety committees and annual facility safety reviews to help ensure that proper safety practices are instituted throughout each facility, and includes authorization to work permits, workplace hazard assessment procedures, personal protective equipment specifications and vehicle safety requirements. It houses our program descriptions and requirements for respiratory protection, hazard communication and fall prevention and protection. It includes applicable OSHA guidelines and additional industry-specific regulations to facilitate the compliance of our workplace safety programs. We monitor our work-related illness and injury occurrences using Total Recordable Incident Rate for both employees and contractors and Lost Time Incident Rate for employees. These metrics, found in our [Performance Data Table](#), provide an overview and annual

benchmark to measure the effectiveness of our health and safety programs.

We empower and expect employees and contractors to intervene and immediately stop any work they consider unsafe. Employees who demonstrate a commitment to safety through their actions may be awarded a One Magellan recognition coin from our leadership team. Together, Mission ZERO, Last Minute Risk Assessment, stop work authority and an employee recognition program promote a strong safety-first culture with engaged leadership.

To further reinforce workplace accountability, we engage a third-party vendor to periodically conduct a safety culture survey and assessment with industry benchmark comparisons to identify potential opportunities for improvement.

Safety Training

To help ensure workplace safety and pipeline and facility integrity, many of our activities and tasks require specialized skills and knowledge obtained through comprehensive training for operator qualifications, assigned tasks, equipment inspections and hazard identification and mitigation. Our SIP contains these training requirements, as well as over 40 additional position-specific health and safety training topics and the required completion frequency.

Contractor Management

As contributors to our successful operations, contractors and subcontractors are expected to be safety-focused at all times. Contractor safety qualifications — including their current operator qualifications, training records and historical safety and compliance performance — are verified using internal criteria and third-party reviews before contractors are allowed to start work on Magellan-owned and operated property and pipeline easements. Contractor activities are regularly observed and inspected, and work is stopped if any contractor is observed performing work in an unsafe manner.

Incident Reporting and Investigation

To guard against complacency, help mitigate future incidents and continuously improve practices, our SIP outlines our processes to timely report and thoroughly investigate incidents to determine root causes. These processes are crucial to acquire and distribute knowledge about incidents, modify our behaviors or equipment as needed and update procedures based on lessons learned.

Public Awareness

Magellan's public safety outreach provides pipeline safety awareness and identification of pipeline facilities and underground assets while also sharing the vital ways community members contribute to pipeline safety, hazard recognition, damage prevention, emergency response and environmental protection. As a core component of our overall safety program, our Public Awareness Program complies with the standards established in API RP 1162 and 1173 and U.S. EPA regulations. Our SIP details outreach program activities, communication guidelines and annual audit processes to determine program effectiveness. Our damage prevention professionals promote the national "Call 811 Before You Dig" program — also referred to as "One Call" — which was established to identify and mark the location of underground assets prior to excavation, and is offered at no cost to the public.

Our pipeline safety brochure and contact information is published in 12 languages, and available for residents, property owners, businesses, excavators, farmers, ranchers, emergency responders, public officials and state One Call centers located along our pipelines. Outreach materials often target adults, but we also proactively engage students to foster pipeline safety champions. As a responsible pipeline operator, we routinely meet with public officials and local emergency planning committees in each county that our pipelines traverse.





Social

We believe our most important social obligation is to safely and reliably deliver the fuels our nation relies on every day. Magellan is guided by our [Code](#), which outlines how we execute our daily activities and highlights our core values of safety, respect, integrity, compliance, engagement and efficiency. We are committed to a culture where an engaged, innovative team drives high performance and excellent customer service. We encourage our employees to make decisions as if they own the company and are directly responsible for our reputation.

Our [Human Rights Policy](#) outlines the standards of conduct expected of our employees, suppliers and contractors and is aligned with our Code and with many of the principles set forth in the United Nations Universal Declaration of Human Rights.

Employee Engagement

Engagement, one of our core values, reinforces the importance of individual contributions and teamwork required to execute our strategic vision. Our leadership maintains transparent and frequent communication to relay timely information through a variety of channels. Company leadership also hosts periodic town hall meetings to personally connect with employees across our system and to discuss business priorities, answer questions and recognize successes.

We value our employees' input and conduct anonymous company-wide surveys for honest,

candid feedback. We regularly engage a third-party vendor to conduct a culture survey to measure engagement, ethics, diversity and inclusion, leadership and accountability. Employee responses are analyzed against global and industry benchmarks to help understand our strengths and identify areas of opportunity. Magellan leaders share results with their teams and develop action plans to foster meaningful discussion within each team. To drive accountability, we have incorporated a culture-focused metric into our performance-based annual cash bonus for all employees.

Diversity and Inclusion

Magellan strives to promote an engaged, innovative and diverse workforce, maintains fair and impartial processes and programs, and cultivates an environment of belonging and authenticity where we treat each other with dignity and respect. We work hard to attract and retain a talented and qualified workforce that brings unique perspectives, experiences and creative mindsets together to provide a competitive edge and nurture long-term success.

Magellan is an equal opportunity employer. We comply with applicable employment-related laws and regulations and do not tolerate unlawful discrimination against anyone. We routinely analyze the diversity demographics of applicants, leaders and employees, including subsets of internally promoted employees and new hires. Data trends are shared with our board and senior management to

help us cultivate teams that are inclusive and results-driven, while celebrating each employee's unique ability to contribute and drive value.

Compensation

Our compensation program includes market-driven competitive pay with excellent benefits and participation in a performance-based annual cash bonus. We periodically evaluate pay equity as a function of gender, ethnicity, age, position and external market data, with results reviewed at all levels of management during our annual compensation planning process. Individual pay decisions undergo a thorough review and approval process, with supervisor-led performance reviews conducted to evaluate performance and help employees meet their personal career development goals. Additionally, LTIP performance and retention equity awards may be granted to management and key employees as incentive to advance our long-term goals. Our performance-based LTIP uses distributable cash flow per unit as the basis for calculating payouts at the end of a three-year vesting period.

Benefits and Wellness

Magellan believes that offering competitive benefits supports overall employee satisfaction, retention, health and well-being. We provide our employees with a comprehensive and robust benefits program, averaging an additional 35% of base salary. Benefits include:

100% company-funded pension plans	Employee assistance program
401(k) retirement plan, with up to 6% company match	Educational assistance program
80% of medical premiums paid by company	Employee term life insurance
Paid time off (holiday, vacation, personal, family member illness, military and jury duty)	Employee accidental death and dismemberment ("AD&D") insurance
Parental leave policy for births and adoptions	Voluntary dependent life and AD&D insurance
Flexible spending accounts for health care and dependent care	Disability insurance (short and long term)
Wellness program with health enhancement subsidy	Business travel insurance

Employee Training and Development

Investing in employee training and growth is crucial to retaining top talent and developing employees into subject matter experts and leaders who will fuel innovation and move our business strategy forward. We provide on-the-job training programs and a company-wide training platform where all employees can access online courses related to technical development, leadership, safety, regulatory compliance and company policy. Magellan supports our employees' ongoing career goals and unique professional development through training programs designed to maximize their potential and develop the skills needed to succeed. Training program examples include New Employee Orientation; Diversity and Inclusion; Leadership Essentials for New Supervisors; Front Line Leader Development; and Leadership Compliance.

Talent Management

Magellan's own ongoing Leaders Developing Leaders program is designed to help prepare mid-level management (supervisors, managers and directors) to be skilled, effective leaders. Championed by our executive team, content is refreshed annually to focus on developing job-relevant leadership capabilities and expectations to drive alignment, engagement, high performance and retention throughout the organization.

We seek to hire and retain talented and motivated individuals at all stages of their professional career. Our highly competitive Professional Development Program offers an immersive and accelerated employment experience to recent college graduates as participants gain invaluable industry experience and personalized feedback working in key functional areas. Annually, we select college and trade school students to participate in corporate business internships or our operations-based work program held during the summer.

Stakeholder Engagement

Magellan maintains active engagement with investors, regulators, government officials, emergency responders, businesses, landowners and citizens in our communities. We seek their feedback, discuss items of interest and provide updates as we strive to safely and reliably deliver on our

commitment of *Moving What Moves America*[®]. We are proud of the benefits we provide to our communities through excellent career opportunities, economic development, volunteerism and access to reliable and abundant supplies of essential fuels.

Magellan's Stakeholder Engagement

Investors and Research Analysts	<ul style="list-style-type: none"> • Annual meeting of limited partners, biennial analyst day and quarterly earnings calls • Company presentations and news releases • Investor meetings and conferences • Participation in our priorities assessment for our sustainability reporting • Dedicated Investor Relations team
Employees	<ul style="list-style-type: none"> • Town hall meetings led by executive leaders • Anonymous, company-wide culture surveys and safety culture assessments conducted by third parties • Performance management, career development, mentoring and training programs • Wellness and employee assistance programs
Customers	<ul style="list-style-type: none"> • Frequent meetings with our customers • Customer experience surveys • Annual customer advisory meetings • Customer facility inspections as requested
Native American Representatives	<ul style="list-style-type: none"> • Environmental and archaeological surveys of Native American lands for project plan review as applicable • Community investment programs, events and scholarship opportunities
Community Members	<ul style="list-style-type: none"> • Public safety awareness programs, "811 Call Before You Dig" and informational mailers • Philanthropic contributions and volunteer community outreach efforts • Executive participation encouraged in community nonprofit boards
Response Agencies	<ul style="list-style-type: none"> • Emergency response coordination, training exercises, equipment drills and facility tours • Local Emergency Planning Commission funding for equipment and operating needs
Government Officials and Regulators	<ul style="list-style-type: none"> • Regular meetings with elected officials and regulators • Industry association memberships to support responsible public policy and advocacy • Voluntary, employee-funded Political Action Committee ("PAC") • Dedicated Government Affairs team
Suppliers and Contractors	<ul style="list-style-type: none"> • Enhanced supplier portal for contracts, purchase order and invoice management with automated vendor onboarding • Supplier Code of Conduct • Safety sensitive contractor screening with third-party safety scorecard

Native American Engagement

Magellan's relationship with Native American nations that have a sovereign interest in the land where our assets are located is key to productive and mutually beneficial agreements. Some of our pipelines traverse Native American territory. Through negotiated right-of-way agreements and consistent dialogue with Native American representatives and other governmental officials, we work cooperatively so that our operations do not inadvertently disturb their archaeological history or unreasonably encumber their use of natural resources.

Supply Chain Management

Access to quality goods and services is crucial to Magellan maintaining exceptional customer service, while focusing on the safety of our employees, suppliers, contractors and communities. Our employees treat suppliers and contractors with honesty, respect and integrity. Our [Supplier Code of Conduct](#) guides Magellan's suppliers and contractors to operate with high ethical standards, comply with all applicable laws and regulations, and conduct their business operations in a way that protects and sustains the environment. We expect suppliers to share our commitment to protect human rights by safeguarding against unlawful discrimination, providing a safe and healthy work environment, respecting the right to freely choose employment and adhering to age-related labor laws.

Community Giving

Magellan proudly supports programs and charitable organizations that align with our values and enhance life throughout the communities where we live and work. Our community-giving model includes financial and volunteer support that encompasses four main areas for involvement: United Way annual fundraising campaign and Day of Caring program; company-level strategic giving with an emphasis on organizations that address the needs of underserved populations; civic and economic development initiatives; and employee-requested company giving to local charitable organizations where our employees regularly volunteer their time.



Environmental

At Magellan, environmental compliance is fundamental to our business. We remain keenly focused on preventing petroleum product releases while safely operating approximately 12,000 miles of refined products and crude oil pipelines in an environmentally and financially responsible manner that safeguards our employees and communities. We strive to minimize our environmental impact through safe operations, capital investments, rigorous asset construction standards and compliance with applicable laws and regulations. Magellan's board and senior management oversee our environmental stewardship, protection and compliance with federal, state and local laws and regulations to preserve the natural environment as we deliver the fuels essential to our nation's energy security.

Our SIP provides standards, processes and procedures for our environmental management system. We measure environmental performance, evaluate strategies to protect biodiversity, manage water usage, strive to minimize waste generation and monitor our air and greenhouse gas emissions to promote a sustainable future. Other aspects of our environmental management system include robust inspection schedules; regulatory permitting requirements and standards; checklists and forms for compliance testing, monitoring and reporting; and remediation management.

Our team of experienced air, environmental and remediation specialists oversees and maintains our environmental management system processes

and procedures. Each specialist has a dedicated geographic area of responsibility and the expertise to analyze data, identify potential hazards and recommend solutions to protect our communities, employees, assets and surrounding ecosystems.

Our [Environmental Policy](#) reinforces our expectation for each employee, contractor, vendor and supplier to operate safely and embrace the responsibility to identify and mitigate environmental risks and impacts.

Low Carbon Emission Pipelines

The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration ("PHMSA"), in partnership with state pipeline safety agencies, regulates more than 2.6 million miles of pipelines.⁽¹⁾ These pipelines serve a vital role through the transportation of fuels and petrochemical feedstocks used in commuting and traveling, for cooking and cleaning, in heating homes and businesses, and in manufacturing thousands of products used daily. These pipelines, including Magellan's, act as an energy highway to safely and efficiently move petroleum products from producing regions to local markets across our country. To move the annual volume of even a modest pipeline transporting approximately 150,000 barrels per day would require a constant line of about 750 tanker trucks per day, each loading and moving out every two minutes, 24 hours a day, seven days a week. The railroad-equivalent of this single pipeline would be a train of 225 tank cars holding 28,000 gallons each.⁽¹⁾

Pipelines have the lowest greenhouse gas (“GHG”) emissions per barrel-mile⁽²⁾ moved among transportation alternatives. Transporting the same volume of energy products by rail increases the associated GHGs by 42% and tanker trucks emit 467% more GHGs, according to the Liquid Energy Pipeline Association.⁽³⁾ Properly designed and maintained pipelines provide the safest, most reliable and lowest carbon method of transporting petroleum products that are essential to the communities we serve.⁽⁴⁾

(1) Pipeline and Hazardous Materials Safety Administration.
<https://www.phmsa.dot.gov/faqs/general-pipeline-faqs>

(2) Barrel-mile means the total number of barrels transported multiplied by the distance in miles the specific barrels moved.

(3) Liquid Energy Pipeline Association. Factsheet. Pipelines have the lowest greenhouse gas emissions.
<https://liquidenergypipelines.org/page/resources>

(4) Liquid Energy Pipeline Association. Factsheet. Pipelines protect the environment.
<https://liquidenergypipelines.org/page/resources>

Greenhouse Gases

As a midstream energy company, Magellan does not drill wells for crude oil production or engage in hydraulic fracturing. Our midstream operations, including approximately 12,000 miles of underground pipelines that transport petroleum liquids, contribute minimally to the direct production of GHG emissions. We own and operate only one facility that requires a GHG permit. The majority of our emissions are volatile organic compounds (“VOCs”), categorized as criteria air pollutants by the U.S. EPA. VOCs are not GHGs per the World Resources Institute and World Business Council for Sustainable Development [Greenhouse Gas Protocol](#).

Establishing 2021 as our first reporting year, Magellan utilized a bottom-up approach to analyze our assets and operating activities to identify all internal and external GHG emissions sources, including those not requiring a permit, to quantify our Scope 1 and Scope 2 GHG inventory reporting. We defined our organizational boundary via the equity share approach in which emissions reported are limited to assets to the extent they are owned by Magellan. Our emission inventory management plan is based on the Greenhouse Gas Protocol guidance along with established GHG accounting methodology and associated emission factors.

Air Emissions Control and Reduction

Our primary sources of emissions are storage tanks, truck and marine loading facilities, and pump stations. We actively monitor improvements in emissions reduction technology and implement upgrades to our facilities where appropriate. Efforts to minimize emissions may include the utilization of geodesic domes on compatible storage tanks; painting the majority of tanks and piping white; injecting additional friction-reducing additives in our pipeline to decrease electricity consumption or fuel combustion on product pumping units; and building tanks using a drain-dry design that leaves very little residual product in the tank when it is required to be emptied and cleaned for routine maintenance.

Additionally, we use vapor recovery units at numerous facilities to recover and recycle fuel vapors as transport trucks and vessels are loaded, which minimizes emissions. Our vapor recovery units have continuous emissions monitoring systems that provide real-time confirmation of emissions compliance with our air permits and prevent the loading facility from operating above permitted levels. Implementation of these facility designs, along with routine maintenance operations, further contribute to reducing our air emissions.

Biodiversity and Ecosystem Protection

We value a healthy ecosystem and continuously monitor our pipeline routes across a range of landforms, waterways and wildlife habitats. Regardless of physical location, we routinely inspect each mile of our in-service pipeline system as if it were an environmentally regulated high consequence area. This requires more stringent environmental and health protection protocols that exceed regulatory requirements. High consequence areas could have greater consequences to health and safety or the environment should a pipeline incident occur and are designated as such on PHMSA’s National Pipeline Mapping System.

Magellan engages with federal and state fish and wildlife agencies, Native American representatives, landowners and communities prior to pipeline construction or maintenance activities in sensitive

cultural or environmental areas. We consult the U.S. Fish and Wildlife Service Information for Planning and Consultation tool to identify federally protected species and monitor our activities for any impact to those species whose habitats overlap our operations.

We evaluate strategies for seasonal restrictions and order wildlife assessments or surveys to avoid disturbing breeding and nesting habitats. We design methods and implement procedures that minimize the effects of our activities, and proactively mitigate areas of soil erosion that may occur. Underground pipelines often share the same right-of-way as above ground utilities, providing a green space that supports a variety of wildlife and native vegetation species.

Water Management

Minimizing water consumption and properly disposing of water generated from our operations enables Magellan to conserve water resources. We design our assets to minimize water usage. For example, we designed and constructed our condensate splitter as a dry system capable of processing approximately 50,000 barrels per day of petroleum condensate without using water. Instead, this facility relies on recycled natural gas to split condensate into its merchantable components, avoiding the need for steam provided from fresh water.

Additionally, our facilities are designed to divert storm water away from operational areas to avoid contact with the petroleum products and renewable fuels we handle. To manage water that does commingle with petroleum products, known as petroleum contact water ("PCW"), we have established processes to capture and contain this mixture for treatment. Petroleum products recovered from the PCW are sold as gasoline and diesel fuel, which reduces disposal volumes.

Magellan continues to look for ways to optimize and conserve our fresh and municipal water usage. We apply cost-effective and environmentally sound measures to reuse and reduce water consumption during hydrostatic testing, a procedure required by

regulations for specific assets, that is used during construction and maintenance activities to verify the integrity and safe operations of the asset. Hydrostatic testing involves filling empty pipelines or tanks with water in order to verify structural integrity and identify any potential anomalies before the asset is put into service. Where possible, we reuse the same water for multiple tests. For example, we can isolate a section of pipeline requiring a smaller volume of water to test, then repeatedly isolate another section and reuse the same water for the entire span of pipeline being tested.

Waste Management

Our waste management program is designed to reduce our overall waste generation and to properly classify and dispose of non-hazardous and hazardous waste, while meeting state and federal regulatory requirements. Waste is generated from transporting, storing and delivering petroleum products, as well as major maintenance and construction projects and general office use. As waste reduction efforts benefit us from both an environmental and financial perspective, we continually seek alternatives for reclamation, recycling or reuse of our waste streams. Using a reduce-recycle-reuse methodology, our project managers and environmental specialists examine waste workflow processes and procedures for improved data capture and materials management.

Magellan owns and operates a reclamation facility that, among other processing capabilities, is equipped to process PCW and petroleum by-products generated by our operations and those of third-party operators. For example, a by-product known as tank bottom material, which consists of accumulated sediment mixed with refined products, can be reclaimed once it is removed from system storage tanks as part of our normal inspection and cleaning cycles. Solids are separated from the tank bottom material using specialized filter press equipment, then dried and rendered into non-hazardous waste before being approved by regulators for disposal to area landfills. The remaining liquid is recovered, fractionated and blended into usable refined petroleum products.

Renewable Fuels

Biofuels, such as ethanol, biodiesel, renewable diesel and sustainable aviation fuel, are alternative fuels typically derived from agricultural resources and blended with other refined products to meet government fuel requirements. Magellan offers ethanol blending at each of our gasoline terminals, giving customers the option of E10 (10% ethanol/90% gasoline), E15 and E85, which are U.S. EPA-approved for all flex-fuel capable passenger vehicles. We have 15 terminals, including one joint venture terminal, with biodiesel blending infrastructure capable of blending B2 (2% biodiesel/98% diesel) to B20, and one additional marine terminal that can transport and store B99. We have the capability to move certain blended renewable fuels on our refined products pipeline system in limited quantities, and continue to evaluate additional facilities and inline pipeline blending opportunities to expand our renewable fuel offerings to meet customer and community needs. As the need for alternative fuels grows, Magellan's assets are designed to handle multiple products and provide efficient services such as import and export capabilities, blending, transportation and storage.

Optimization and Efficiency

Effectively managing our consumption of electricity, diesel fuel and natural gas provides opportunities to improve efficiency and reduce costs required to operate and maintain our assets. All employees are encouraged to actively identify and suggest better ways to operate our business and increase value. In addition, Magellan's business optimization team works with functional areas to improve processes and champion the execution of new ideas that create value through both cost savings and incremental revenue generation. This team evaluates projects, while maintaining focus on safety, asset integrity, compliance and providing excellent customer service.



Non-GAAP Financial Measures

Adjusted EBITDA and Distributable Cash Flow are non-GAAP metrics. Please see our 2022 Annual Report on [Form 10-K](#) for the reconciliation of both of these metrics to net income, which is the nearest comparable GAAP financial measure.

Forward-Looking Statements

Except for statements of historical fact, this report constitutes forward-looking statements as defined by federal law. Forward-looking statements can be identified by words and phrases such as: believe, can, challenges, change, commitment, consistently, continue, create, critical, decrease, depend, develop, disciplined, emerging, ensure, essential, estimate, expect, focus, forecasts, future, goal, growth, guidance, impact, implement, increase, lead, likely, long-term, maintain, may, mission, ongoing, opportunities, optimize, plan, position, possible, potential, progress, protect, reduce, remain, resilient, reuse, result, should, strategy, strive, sustain, target, to, to come, transition, trends, will, would and similar references to future periods. The absence of such words or expressions does not necessarily mean the statements are not forward-looking. Although we believe such statements are reasonable, such statements are not guarantees of future performance and are subject to numerous assumptions, uncertainties and risks that are difficult to predict, and actual outcomes may be materially different. Among the key risk factors that may have a direct impact on Magellan's results are: our ability to consummate the pending merger with a subsidiary of ONEOK, Inc. in the expected time frame or at all, including due to the ability to obtain all approvals necessary or the failure of other closing conditions; impacts from pandemics; impacts of inflation; impacts of the over-build of midstream infrastructure in certain markets relative to demand; changes and volatility 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 Magellan's facilities; development and increasing use of alternative sources of energy for transportation, including but not limited to electric and battery-powered motors, natural gas, hydrogen and renewable fuels such as ethanol, biodiesel and renewable diesel, as well as increased conservation or fuel efficiency and regulatory or technological developments that could affect demand for our services; changes in supply and demand patterns due to war, geopolitical events, the activities of the Organization of the Petroleum Exporting Countries ("OPEC") and other non-OPEC oil producing countries with large production capacity; changes in U.S. trade policies or in laws governing the importing or exporting of petroleum products; changes in laws applicable to Magellan, our vendors or our customers; changes in Magellan's tariff rates or other terms as required by regulatory authorities; reductions of hydrocarbon production or cutbacks at refineries or at other businesses that use or supply Magellan's services; changes in the throughput or interruption in service on pipelines or other facilities owned and operated by third parties and connected to Magellan's terminals, pipelines or other facilities; the occurrence of operational hazards or unforeseen interruptions; the treatment of Magellan as a corporation for federal or state income tax purposes or Magellan becoming subject to significant forms of other taxation; changes in Magellan's capital needs, cash flows and availability of cash to fund unit repurchases or distributions; Magellan's ability to timely obtain and maintain all necessary approvals, consents and permits required to operate our existing assets and to construct, acquire and operate any new or modified assets; Magellan's ability to promptly obtain all necessary services, materials, labor, supplies and rights-of-way required for maintenance and operation of our current assets and construction of our growth projects, without significant delays, disputes or cost overruns; and failure of customers to meet or continue contractual obligations to Magellan. This list is not exhaustive. Additional factors and risks that could lead to material changes in performance are described in Magellan's filings with the U.S. Securities and Exchange Commission, including Magellan's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, 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 in this report are based only on information currently known, and Magellan undertakes no obligation to revise our forward-looking statements to reflect future events or circumstances.

Magellan is focused on safe, efficient and reliable operations combined with transparent sustainability disclosures. Data below is reported as of December 31, 2022, and reflects the June 2022 sale of our southeast independent refined products terminals network.

Performance Data Table

Economic Impact		2018	2019	2020	2021	2022
Financial	Adjusted EBITDA, million US\$(¹)	\$1,396	\$1,581	\$1,349	\$1,419	\$1,434
	Total Assets, million US\$	\$7,748	\$8,438	\$8,197	\$8,030	\$7,708
	Distributable Cash Flow, million US\$(¹)	\$1,110	\$1,297	\$1,044	\$1,118	\$1,128
	Cash Distribution Declared, per unit US\$	\$3.87	\$4.07	\$4.11	\$4.13	\$4.17
	Property Taxes, million US\$(²)	\$74	\$78	\$85	\$87	\$93
	FICA Taxes, million US\$	\$16	\$17	\$17	\$16	\$16
Operational	Total Throughput, million bbls	1,258	1,440	1,283	1,366	1,381
	Miles of Pipeline	12,981	12,743	12,301	12,342	12,346
	Barrels of Storage Capacity, million bbls	111	118	109	111	105
	Number of States Where We Operate	24	24	22	22	16
Governance		2018	2019	2020	2021	2022
Board and Diversity	Number of Board Members	8	9	9	9	9
	Independent Board Members, # (%)	7 (88%)	8 (89%)	8 (89%)	8 (89%)	8 (89%)
	Female Board Members, # (%)	2 (25%)	2 (22%)	2 (22%)	2 (22%)	2 (22%)
	Ethnic Minority Board Members, # (%)	0	1 (11%)	1 (11%)	1 (11%)	2 (22%)
Risk Management	Comprehensive Annual Audit Plan Approved by the Audit Committee of the Board of Directors	Yes	Yes	Yes	Yes	Yes
	Employee Hours Dedicated to Internal Audits	28,009	30,469	30,357	29,109	28,802
Action Line	Number of Action Line Calls Received	21	21	24	9	16
Supply Chain	Number of Contractors Screened for Health and Safety Criteria	1,625	1,650	1,459	1,591	1,667
Environmental		2018	2019	2020	2021	2022
Compliance Management	Number of Notices of Violation ("NOV")(³)	18	12	11	10	6
	Total Fines and Penalties, million US\$(⁴)	\$0.4	\$0.2	\$0.2	\$0.7	\$0.1
Air Emissions(⁵) reported in metric tons ("MT")	Number of Vapor Combustion Units ("VCU")(⁶)	70	72	72	72	51
	Number of Vapor Recovery Units ("VRU")	33	38	40	40	24
	Nitrogen Oxides (NOx), MT(⁷)	460	411	401	377	357
	Carbon Monoxide (CO), MT(⁷)	402	364	310	290	282
	Volatile Organic Compounds (VOC), MT(⁷)	4,416	4,309	3,957	3,902	3,430
Greenhouse Gas Emissions(⁵) reported in thousand metric tons ("TMT")	Number of Facilities Requiring a GHG Permit(⁸)	1	1	1	1	1
	Total CO ₂ e Reported (EPA 40 CFR Part 98), TMT(⁹)	79	72	65	63	69
	Carbon Dioxide, TMT CO ₂ e(⁹)	78	71	64	63	68
	Methane, TMT CH ₄ e(⁹)	0.6	0.6	0.5	0.5	0.6
	Nitrous Oxide, TMT N ₂ Oe(⁹)	0.2	0.2	0.2	0.2	0.2

Environmental		2018	2019	2020	2021	2022
Greenhouse Gas Emissions⁽⁵⁾ reported in thousand metric tons ("TMT")	Direct GHG Emissions (Scope 1)⁽¹⁰⁾					
	Total Scope 1 GHG Emissions, TMT CO ₂ e	-	-	-	190	209
	Carbon Dioxide, TMT CO ₂ e	-	-	-	189	208
	Methane, TMT CH ₄ e	-	-	-	0.6	0.7
	Nitrous Oxide, TMT N ₂ Oe	-	-	-	0.3	0.4
	Intensity: Scope 1 GHG Emissions, TMT CO ₂ e per billion barrel-miles of pipeline throughput	-	-	-	0.9	0.99
	Indirect GHG Emissions (Scope 2)⁽¹⁰⁾					
	Total Scope 2 GHG Emissions, TMT CO ₂ e	-	-	-	349	403
	Intensity: Scope 2 GHG Emissions, TMT CO ₂ e per billion barrel-miles of pipeline throughput	-	-	-	1.6	1.9
Releases and Emergency Response	Number of PHMSA Reportable Releases ⁽¹¹⁾	36	23	23	23	22
	Number of PHMSA Reportable Releases >1 bbl	23	12	16	14	10
	Total Volume of PHMSA Reportable Releases, bbls	3,342	260	1,173	186	468
	Number of Emergency Response Drills and Equipment Deployments	144	144	159	141	140
Waste Management	Contact Water Processed for Reclamation at Magellan's Kansas City Reclamation Facility, bbls	33,792	39,259	28,702	39,147	31,874
	Tank Bottoms Processed for Reclamation at Magellan's Kansas City Reclamation Facility, bbls	9,905	7,206	7,792	6,331	5,592
	Hazardous Waste Disposal, lbs ⁽¹²⁾	269,695	172,586	65,214	2,282,465	1,902,431
Safety		2018	2019	2020	2021	2022
Safety	Number of Employee Fatalities ⁽¹³⁾	0	0	1	0	0
	Total Employee OSHA Recordable Injury and Illness Incident Rate per 200,000 Hours Worked	0.49	0.48	0.48	0.65	0.78
	Employee Days Away, Restricted, Transferred Incident Rate per 200,000 Hours Worked	0.32	0.32	0.32	0.47	0.60
	Employee Lost Time Incident Rate per 200,000 Hours Worked	0.27	0.32	0.16	0.30	0.30
	Number of Contractor Fatalities	0	1	1	0	0
	Total Contractor OSHA Recordable Injury and Illness Incident Rate per 200,000 Hours Worked ⁽¹⁴⁾	0.14	0.24	0.42	0.31	0.20
	Preventable Motor Vehicle Accident Rate ⁽¹⁵⁾	1.03	1.07	1.14	0.78	0.88
	Number of Process Safety Events – Tier 1 ⁽¹⁶⁾	0	1	1	1	0
	Number of Process Safety Events – Tier 2 ⁽¹⁶⁾	0	0	0	0	1
	Tank Integrity Spend, million US\$	\$62	\$47	\$46	\$40	\$39
	Depth of Cover Survey, miles	1,130	1,125	120	759	958
	Pipeline Integrity Assessments, # (million US\$)	62 (\$70)	45 (\$63)	80 (\$63)	69 (\$67)	48 (\$57)
	Pipeline Integrity Assessments, miles	3,441	2,302	3,354	3,471	2,462
	Number of One Call Tickets Processed	201,698	231,275	218,206	204,144	193,186
Number of Public Awareness Materials Distributed	819,890	889,884	827,796	886,534	948,232	

Social		2018	2019	2020	2021	2022
People and Community	Number of Employees ⁽¹⁷⁾	1,868	1,884	1,720	1,715	1,655
	Percentage of Females in the Workforce	15%	15%	16%	15%	16%
	Percentage of Ethnic Minorities in the Workforce	17%	18%	19%	21%	23%
	Percentage of Veterans in the Workforce	10%	9%	9%	10%	10%
	Percentage of Females and Ethnic Minorities in Management (Manager and above)	23%	23%	25%	31%	30%
	Percentage of Employees Under Collective Bargaining Agreement	14%	14%	13%	13%	12%
	Number of New Employee Hires	203	171	91	156	210
	Voluntary Turnover Rate Including Retirements ⁽¹⁸⁾	5.7%	7.0%	5.6%	7.9%	10.2%
	Employee Average Tenure, years	10.5	10.3	10.0	10.4	9.7
	Total Community Relations Giving, million US\$	\$1.3	\$1.5	\$1.3	\$1.5	\$1.7

Footnotes

- ⁽¹⁾ Adjusted EBITDA and Distributable Cash Flow are non-GAAP metrics. Please see the reconciliation of both of these metrics to net income, the nearest comparable GAAP financial measure, included in our 2022 Annual Report on Form 10-K.
- ⁽²⁾ Includes Magellan's share of joint venture property taxes paid.
- ⁽³⁾ Environmental and non-environmental NOV's received from regulatory agencies.
- ⁽⁴⁾ Represents settled penalty and fine amounts, which are counted in the year the NOV was received even if the issue was settled in a subsequent year.
- ⁽⁵⁾ Due to the June 2022 sale of the southeast independent terminals network, the regulatory-required emissions inventories and all associated voluntary emissions reporting are the responsibility of the acquiring company for the entire year and as such, are not included in Magellan's 2022 reporting.
- ⁽⁶⁾ Some VCUs have been replaced with VRUs, but may be operationally maintained as emergency backup.
- ⁽⁷⁾ Emissions data from submitted regulatory-required emission inventories.
- ⁽⁸⁾ Our condensate splitter in Corpus Christi, Texas, is the only facility requiring a GHG permit.
- ⁽⁹⁾ GHG emissions reported as required under the U.S. EPA Mandatory Greenhouse Gas Reporting Rule 40 CFR Part 98.
- ⁽¹⁰⁾ Total Scope 1 and Scope 2 CO₂e includes U.S. EPA-required GHG emissions reporting (see footnote 9) and voluntary emissions reporting. Totals are calculated via the equity share approach in which emissions reported are limited to assets to the extent they are owned by Magellan and exclude our two non-operated joint venture assets. Magellan follows the World Resources Institute ("WRI") and the World Business Council for Sustainable Development ("WBCSD") Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard ("GHG Protocol").
- ⁽¹¹⁾ PHMSA is the acronym for U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration.
- ⁽¹²⁾ Hazardous waste volumes increased as some reclamation facilities rejected high volumes of tank bottom materials ("TBM") resulting in TBM going to a landfill on hazardous waste manifests. However, this volume is being treated and reclaimed via a thermal desorption unit and is used for fuel blending, which is a U.S. EPA-approved, sustainable method to reclaim hazardous waste.
- ⁽¹³⁾ 2020 external investigation determined that the motor vehicle accident resulting in this tragic loss of life occurred due to the fault of a third party.
- ⁽¹⁴⁾ Contractor hours worked estimated per API guidance [Total Contractor Spend (capital and outside services) / \$80 = Hours Worked].
- ⁽¹⁵⁾ Per 1,000,000 employee miles driven of Magellan-owned or leased, rented or personal vehicles conducting company business.
- ⁽¹⁶⁾ Process Safety Management/Risk Management Program as per API Recommended Practice 754.
- ⁽¹⁷⁾ Includes regular full-time and temporary limited scope employees.
- ⁽¹⁸⁾ In late 2022, a number of employees contemplating retirement were enticed to take advantage of the lump sum payment feature within the Magellan pension plans before the IRS rates recast for 2023.

DISCLAIMER: This performance data table and the data provided therein is voluntarily provided for informational purposes only. Magellan disclaims any representation or warranty as to the accuracy or completeness of the data which may inadvertently contain inaccurate, misleading and incomplete statements despite our good faith efforts. Magellan has no obligation or duty to modify, change, correct, delete or update this table and data disclosures, but reserves the right to do so at our sole discretion without notice. There are inherent limitations to the accuracy of some kinds of environmental, safety and social performance data. The accuracy of this kind of information may be lower than that of data obtained through our financial reporting systems and process. This data is expressly excluded from and not incorporated by reference into any filing, report, application or other statement made by Magellan to the U.S. Securities and Exchange Commission or any other governmental authority. The data may not be interpreted as any form of guaranty or assurance of future results or trends.

Reporting Standards Index

The topics covered in Magellan's 2022 Sustainability Report (SR) are informed by the Global Reporting Initiative for the Oil and Gas Sector (GRI 11) and the International Financial Reporting Standards Foundation's Sustainability Accounting Standards Board (SASB) for Oil & Gas Midstream standards, which have been mapped below. In some instances, we may also refer to our Performance Data Table (PDT), 2022 Annual Report on [Form 10-K](#), [2023 Proxy Statement](#), or [website](#) with hyperlinks below in green.

SASB Code	GRI	Description	Disclosure Location or Response
GRI 2 – GENERAL DISCLOSURES			
	2-1	Organization details	a. Name: Magellan Midstream Partners, L.P. b. Ownership/legal form: Form 10-K p. 3 c. Headquarters location: Tulsa, Oklahoma d. Countries of operation: United States of America
	2-2	Entities included in the organization's sustainability reporting	List of entities: Form 10-K pp. 3, 5, 10
	2-3	Reporting period, frequency and contact point	a. Reporting period: Annual, January 1 – December 31, 2022 b. Align with financial reporting period: Yes c. Publication date: August 3, 2023 d. Contact: Heather Livingston, Manager Investor Relations Heather.Livingston@magellanlp.com
	2-5	External assurance	No external assurance sought
	2-6	Activities, value chain and other business relationships	a-c. Sector, activities and value chain: SR pp. 4–5 d. Significant changes: Form 10-K p. 3
	2-7	Employees	SR pp. 24–28; PDT; Form 10-K pp. 16–17
	2-9	Governance structure and composition	SR pp. 8–10, Proxy pp. 16–18, About Us/Governance Guidelines
	2-10	Nomination and selection of highest governance body	SR pp. 8–9; Proxy pp. 5–11, 19–20
	2-11	Chair of highest governance body	Proxy p. 9
	2-12	Role of highest governance body in overseeing management of impacts	SR pp. 8–9, 45; Proxy pp. 16–20
	2-13	Delegation of responsibility for managing impacts	Proxy pp. 17–19
	2-14	Role of highest governance body in sustainability reporting	SR pp. 8, 10; Proxy p. 19
	2-15	Conflicts of interest	Proxy pp. 58
	2-16	Communication of critical concerns	SR pp. 13, 48; Proxy pp. 4, 20; About Us/Action Line
	2-17	Collective knowledge of highest governance body	SR pp. 8–9, 45; Proxy pp. 5–11
	2-18	Evaluation of performance of highest governance body	SR p. 45; About Us/Governance Guidelines
	2-19	Remuneration policies	SR pp. 11, 46, 54; Proxy pp. 23–55
	2-20	Process to determine remuneration	SR pp. 11, 46, 54
	2-21	Annual total compensation ratio	SR p. 11; Proxy p. 45
	2-23	Policy commitments	SR pp. 13, 24–25, 45, 48, 53, 56, 57
	2-26	Mechanisms for seeking advice and raising concerns	SR pp. 13, 48
EM-MD-160a.1.	2-27	Compliance with laws and regulations	SR throughout report; PDT; Form 10-K pp. 13, 27–29, 34

SASB Code	GRI	Description	Disclosure Location or Response
	GRI 2 – GENERAL DISCLOSURES (continued)		
	2-28	Membership associations	SR pp. 10, 48
	2-29	Approach to stakeholder engagement	SR pp. 45, 48, 55–56
	2-30	Collective bargaining agreements	PDT; Form 10-K pp. 16, 34, 98
	GRI 3 – MATERIAL TOPICS: OIL AND GAS SECTOR 2021 (GRI 11)		
	3-1	Process to determine material topics	SR pp. 45–46
EM-MD-540a.4.	3-3	Management of material topics (11.1.1 - 11.6.1; 11.8.1 - 11.15.1; 11.17.1; 11.19.1 - 11.22.1)	SR Management Approach section pp. 44–60
	GRI 200 – ECONOMIC PERFORMANCE: OIL AND GAS SECTOR 2021 (GRI 11)		
	201-1	(11.14.2) Direct economic value generated and distributed	SR p. 31; PDT; Form 10-K pp. 40, 56–60, 100
	201-2	(11.2.2) Financial implications and other risks and opportunities due to climate change	Form 10-K pp. 15, 19, 29
	201-3	Defined benefit plan obligations and other retirement plans	SR pp. 27, 54; PDT; Form 10-K pp. 16, 53, 83–87
	201-4	(11.21.3) Financial assistance received from government	SR p. 42
	203-1	(11.14.4) Infrastructure investments and services supported	PDT; Form 10-K pp. 3–12
	203-2	(11.14.5) Significant indirect economic impacts	SR pp. 29, 31; PDT
	205-1	(11.20.2) Operations assessed for risks related to corruption	Proxy pp. 14–15
	205-2	(11.20.3) Communication and training about anti-corruption policies and procedures	SR pp. 13, 45, 48; About Us/Governance
	205-3	(11.20.4) Confirmed incidents of corruption and actions taken	None
EM-MD-520a.1.	206-1	(11.19.2) Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
	207-1	(11.21.4) Approach to tax	PDT; Form 10-K pp. 13, 16, 19–21, 30–33
	207-2	(11.21.5) Tax governance, control, and risk management	Form 10-K pp. 19–21, 30–33
	207-3	(11.21.6) Stakeholder engagement and management of concerns related to tax	Form 10-K pp. 19–21, 30–33
	207-4	(11.21.7) Country-by-country [tax] reporting	SR p. 31; PDT; Form 10-K pp. 13. U.S. operations only
	GRI 300 – ENVIRONMENTAL: OIL AND GAS SECTOR 2021 (GRI 11)		
	302-1	(11.1.2) Energy consumption within the organization	SR pp. 43, 58, 60
	302-3	(11.1.4) Energy intensity	SR p. 43
	302-4	Reduction of energy consumption	SR p. 43
EM-MD-160a.1.	303-1	(11.6.2) Interactions with water as a shared resource	SR pp. 16, 36, 38–39, 59
EM-MD-160a.1.	303-2	(11.6.3) Management of water discharge-related impacts	SR pp. 38–39; Form 10-K pp. 13–14
	303-3	(11.6.4) Water withdrawal	SR p. 38
EM-MD-160a.1.	304-1	(11.4.2) Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SR pp. 36, 58–59
EM-MD-160a.1.	304-2	(11.4.3) Significant impacts of activities, products and services on biodiversity	SR pp. 36, 58–59
EM-MD-160a.2.	304-3	(11.4.4) Habitats protected or restored	SR pp. 36, 58–59; Form 10-K pp. 27
EM-MD-160a.2.	304-4	(11.4.5) IUCN Red List species and national conservation list species with habitats in areas affected by operations	SR pp. 36, 58–59
EM-MD-110a.1.	305-1	(11.1.5) Direct (Scope 1) GHG emissions	SR p. 34; PDT

SASB Code	GRI	Description	Disclosure Location or Response
GRI 300 – ENVIRONMENTAL: OIL AND GAS SECTOR 2021 (GRI 11) (continued)			
	305-2	(11.1.6) Energy indirect (Scope 2) GHG emissions	SR p. 34; PDT
	305-4	(11.1.8) GHG emissions intensity	SR p. 34; PDT
EM-MD-110a.1. EM-MD-110a.2.	305-5	(11.2.3) Reduction of GHG emissions	SR pp. 33–35, 42–43, 57–58, 60; PDT; Form 10-K pp. 13–15, 23, 29
EM-MD-120a.1. EM-MD-160a.1.	305-7	(11.3.2) Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR p. 35; PDT; Form 10-K pp. 13–15
EM-MD-160a.1.	306-1	(11.5.2) Waste generation and significant waste-related impacts	SR pp. 38–41, 59; PDT
EM-MD-160a.1.	306-2	(11.5.3) Management of significant waste-related impacts	SR pp. 38–41, 59; PDT; Form 10-K pp. 13–14
	306-3 (V.2018)	(11.5.4) Waste generated	SR pp. 38–41, 59; PDT; Form 10-K pp. 13–14
	306-4	(11.5.5) Waste diverted from disposal	SR pp. 38–41, 59; PDT
	306-5	(11.5.6) Waste directed to disposal	SR pp. 38–41, 59; PDT
EM-MD-160a.4. EM-MD-540a.1. EM-MD-540a.2. EM-MD-540a.4.	306-3 (V.2016)	(11.8.2) Significant spills (11.8.3) Tier 1 and Tier 2 safety events	SR pp. 15–18; PDT; Form 10-K p. 14 PDT
	308-1	New suppliers that were screened using environmental criteria	SR p. 21; PDT
GRI 400 – SOCIAL: OIL AND GAS SECTOR 2021 (GRI 11)			
	401-1	(11.10.2) New employee hires and employee turnover	PDT
	401-2	(11.10.3) Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR pp. 27–28, 54; Form 10-K pp. 16, 48, 53, 83–85
	401-3	(11.10.4) Parental leave	SR p. 54; Form 10-K p. 16
EM-MD-540a.4.	403-1	(11.9.2) Occupational health and safety management system	SR pp. 19–20, 49–52; PDT
EM-MD-540a.4.	403-2	(11.9.3) Hazard identification, risk assessment, and incident investigation	SR pp. 12, 14–20, 46, 49–52; Proxy pp. 16–17
EM-MD-540a.4.	403-3	(11.9.4) Occupational health services	SR pp. 19–21, 51–52; PDT
	403-4	(11.9.5) Worker participation, consultation, and communication on occupational health and safety	SR pp. 14–20, 51–52
EM-MD-540a.4.	403-5	(11.9.6) Worker training on occupational health and safety	SR pp. 19–20, 51
	403-6	(11.9.7) Promotion of worker health	SR pp. 19–20, 27, 51, 54
EM-MD-540a.4.	403-7	(11.9.8) Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR pp. 14–16, 18–22, 49–52
EM-MD-540a.4.	403-8	(11.9.9) Workers covered by an occupational health and safety management system	SR pp. 15, 19, 49–52; PDT
EM-MD-540a.1.	403-9	(11.9.10) Work-related injuries	PDT
EM-MD-540a.1.	403-10	(11.9.11) Work-related ill health	PDT
	404-1	(11.10.6) Average hours of training per year per employee	SR pp. 13, 20
	404-2	(11.10.7) Programs for upgrading employee skills and transition assistance programs	SR pp. 28, 54
	405-1	(11.11.5) Diversity of governance bodies and employees	SR pp. 9, 26, 53–54; PDT; Proxy pp. 5, 16, 19–20
	407-1	(11.13.2) Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	PDT; Form 10-K pp. 16, 34, 98

SASB Code	GRI	Description	Disclosure Location or Response
	GRI 400 – SOCIAL: OIL AND GAS SECTOR 2021 (GRI 11) (continued)		
	408-1	Operations and suppliers at significant risk for incidents of child labor	None. Human Rights policy, SR p. 53
	409-1	(11.12.2) Forced or compulsory labor	None. Human Rights policy, SR p. 53
	411-1	(11.17.2) Incidents of violations involving rights of indigenous peoples (11.17.3) Location of operations where indigenous peoples are present or affected	No violations SR pp. 55–56
	413-1	(11.15.2) Operations with local community engagement, impact assessments, and development programs	SR pp. 55–56
	413-2	(11.15.3) Operations with significant actual and potential negative impacts on local communities	SR pp. 57–60
	414-1	(11.10.8) New suppliers that were screened using social criteria	SR p. 21; PDT
	414-2	(11.10.9) Negative social impacts in the supply chain and actions taken	None
	415-1	(11.22.2) Political contributions	SR pp. 10, 55
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None



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