

SUNOCO LP

Investor Presentation

June 2024



Forward-Looking Statements

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This presentation includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is provided in this presentation. Adjusted EBITDA is defined as net income before net interest expense, income tax expense, depreciation, amortization and accretion expense, non-cash unit-based compensation expense, unrealized gains and losses on commodity derivatives and inventory adjustments, and certain other operating expenses reflected in net income that we do not believe are indicative of ongoing core operations, such as gain or loss on disposal of assets and impairment charges. We define Distributable Cash Flow, as adjusted, as Adjusted EBITDA less cash interest expense, including the accrual of interest expense related to our long-term debt which is paid on a semi-annual basis, current income tax expense, maintenance capital expenditures and other non-cash adjustments. This presentation includes also the forward-looking non-GAAP measure of Adjusted EBITDA. Due to the forward-looking nature of the aforementioned non-GAAP financial measure, management cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP measure without unreasonable effort, due to the inherent difficulty in quantifying certain amounts due to a variety of factors, including the unpredictability of commodity price movements and future charges or reversals outside the normal course of business which may be significant. Accordingly, we are unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measure to its most directly comparable forward-looking GAAP financial measure.

Investor Relations Contact Information

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2024 Updates and Outlook

Increased NuStar Synergies with Accelerated Timing

- Increased commercial and expense synergies to ~\$200MM annually by 2026
 - ~\$50MM will be realized in 2024
- Financial synergies increased to ~\$60MM annually
- Completed all refinancing activities in the second quarter of 2024

Expect Continued Strong Results in 2024

- Completed a series of accretive transactions while delivering a record first quarter
- Fuel Distribution, Pipeline Systems, and Terminals continue to generate strong, stable cash flow
- Adjusted EBITDA guidance of \$1.46B to \$1.52B, excluding transaction costs and synergies

Sunoco LP is a Compelling Investment

- Record of consistent unitholder returns
- Diverse and stable income streams
- Strong financial foundation
- Platform for continued growth

NuStar Acquisition



Synergies

- ~\$200MM in commercial and expense synergies annually
- Expense synergies will be >\$100MM
- Faster cadence than previously announced
 - ~\$50MM in 2024
 - ~\$125MM in 2025
 - ~\$200MM in 2026



Transaction Costs

- Total transaction costs of ~\$100MM
- Majority of costs related to NuStar severance
- Limited costs beyond 2024



2024 Capital

- Revised 2024 capital guidance to include impact from acquisitions
 - \$300MM+ of growth capital
 - ~\$120MM of maintenance capital

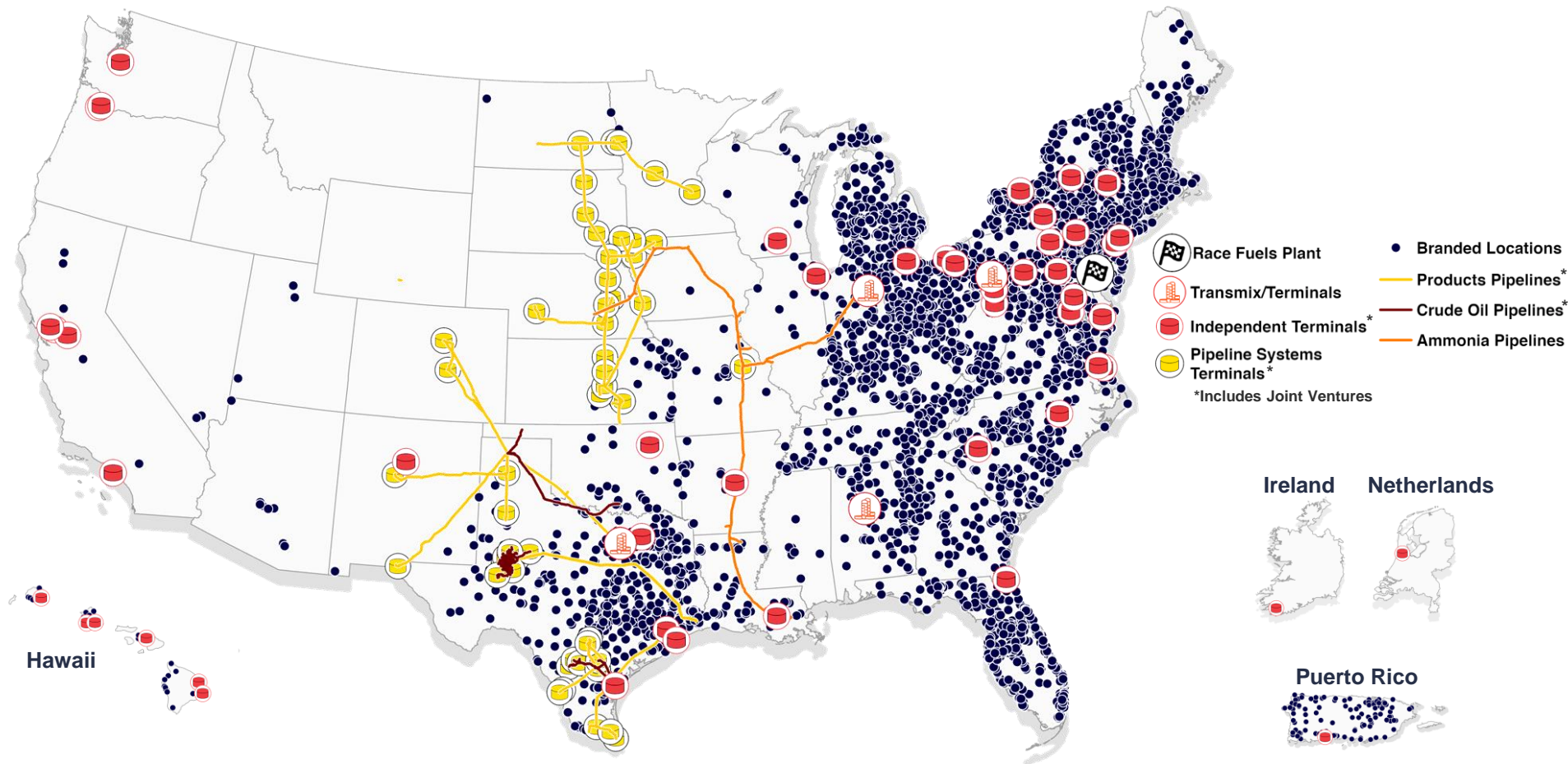


Financial

- Issued \$1.5B of Senior Notes to redeem NuStar Preferred Equity and Subordinated Notes
- Will realize ~\$60MM annually in financial benefits
- Received credit rating upgrades at S&P and Moody's

Continued Confidence in Delivering 10%+ Accretion

Leading Operator of Critical Energy Infrastructure and North America's Largest Independent Fuel Distributor



- Distribute over 8.5B gallons of fuel annually
- ~7,400 branded locations across >40 U.S. states and Puerto Rico
- ~10,000 miles of pipeline transporting crude oil, refined products, and ammonia
- 850+ real estate assets
- 113 terminals across the U.S., Caribbean, and Europe
- Largest transmix operator in North America with 4 facilities

A Compelling Investment

Diverse and Stable Income Streams

- Diverse business with significant operating scale
- Vertical integration improves stability and asset utilization
- Significant portion of income backed by long-term, fee-based contracts

Strong Financial Foundation

- Successful capital allocation strategy drives value for all stakeholders
- Foundation for continued distribution growth
- Ample liquidity, strong balance sheet, and improved credit profile allow for financial flexibility

Platform for Continued Growth

- Expanded scale and operations support investment opportunities
- Ability to self-fund growth capital
- Proven record of accretive growth



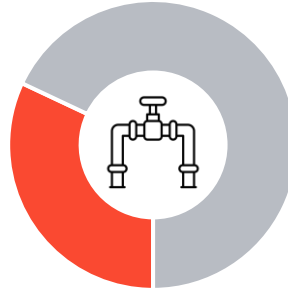
SUNOCO LP[®]

Diverse and Stable Income Streams



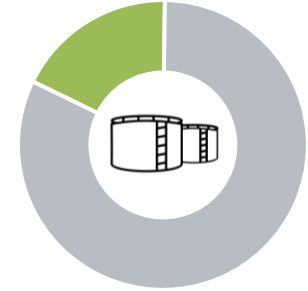
Fuel Distribution

- Largest independent fuel distributor in North America
- Significant scale with over 8.5B gallons distributed annually across more than 40 U.S. states and the Caribbean
- Anchored by ~7,400 Sunoco and partner-branded sites
- Stable foundation from long-term take-or-pay agreement with 7-Eleven
- Real estate portfolio generates long-term, stable lease income



Pipeline Systems

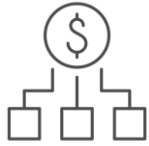
- ~10,000 miles of pipeline with 55 connected terminals transporting refined products, crude oil, and ammonia
- Stable cash flow from high-quality customer base
- Majority of revenue from take-or-pay or structurally exclusive contracts
- Permian crude gathering system anchored by high-quality acreage and investment-grade customer base



Terminals

- 58 independent storage terminals across the United States and Europe
- Majority of terminals are vertically integrated with fuel distribution network providing throughput stability
- Terminals serve as a growth platform for fuel distribution
- Strong and growing West Coast renewables business

Strong Financial Foundation



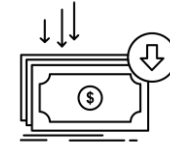
Capital Allocation Strategy Drives Value

- Strong Balance Sheet
 - Leverage target of 4.0x
 - Supports strategic execution through market cycles
- Secure Distribution
 - Coverage target of $\geq 1.4x$
 - History of sustained and growing distribution with path to multi-year growth
- Disciplined Growth
 - Balance growth with a secure and growing distribution and a healthy balance sheet



Strong Balance Sheet and Liquidity Position

- Ample liquidity under \$1.5B unsecured revolving credit facility
- Balanced debt maturity profile with greater than 90% structured under fixed interest rates
- Credit ratings have positive trajectory
 - Moody's: Ba1
 - S&P: BB+
 - Fitch: BB+



History of Expense Discipline

- Expense management is a competitive advantage
- From 2019-2023, total operating expenses grew by ~2% annually while Adjusted EBITDA increased by ~10% annually
- Effectively control expenses during inflationary periods
- Focus on expense management helps achieve greater acquisition synergies in a shorter time

Platform For Continued Growth

Expanded Scale and Operations

- Scale and vertical integration is a competitive advantage
- Expanded platform provides more pathways for growth

Continued Strong Free Cash Flow

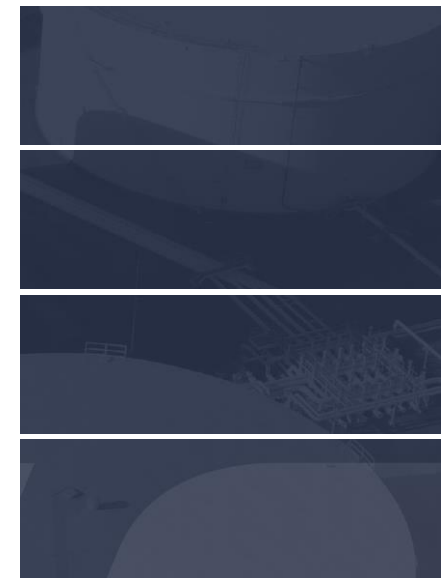
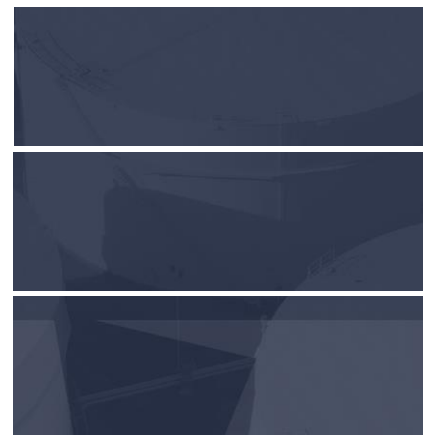
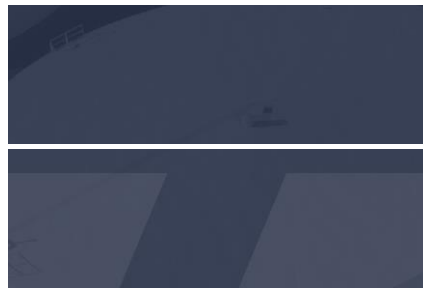
- Stable and ratable business generates consistent cash flow for reinvestment
- Accretive capital spending produces incremental cash flow

Proven History of Accretive Growth

- Since 2019, SUN has invested ~\$1.5B in growth and delivered on projected economics
- In addition, expect 10%+ accretion on the \$7.3B NuStar acquisition

Disciplined Capital Allocation Policy

- Balance growth with a secure and growing distribution and a healthy balance sheet



Appendix



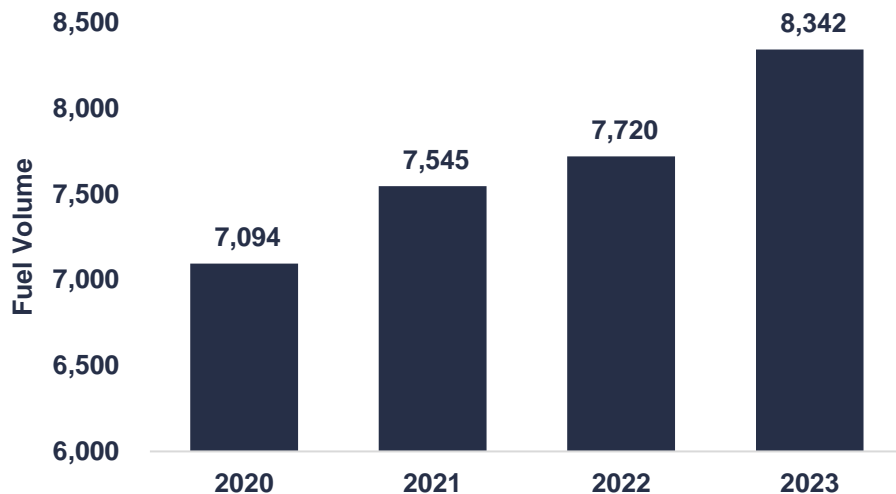
Fuel Distribution

Fuel Distribution Locations



Fuel Volume

(Gallons in MM)



Segment Overview

- Supply over 8.5B gallons of fuel to retail and wholesale locations throughout the United States and the Caribbean
- Long-term take-or-pay fuel supply agreement with 7-Eleven
- 850+ real estate assets provide stable lease income
- Fuel supply agreements with terms ranging from 5 to 10 years with ~98% renewal rate

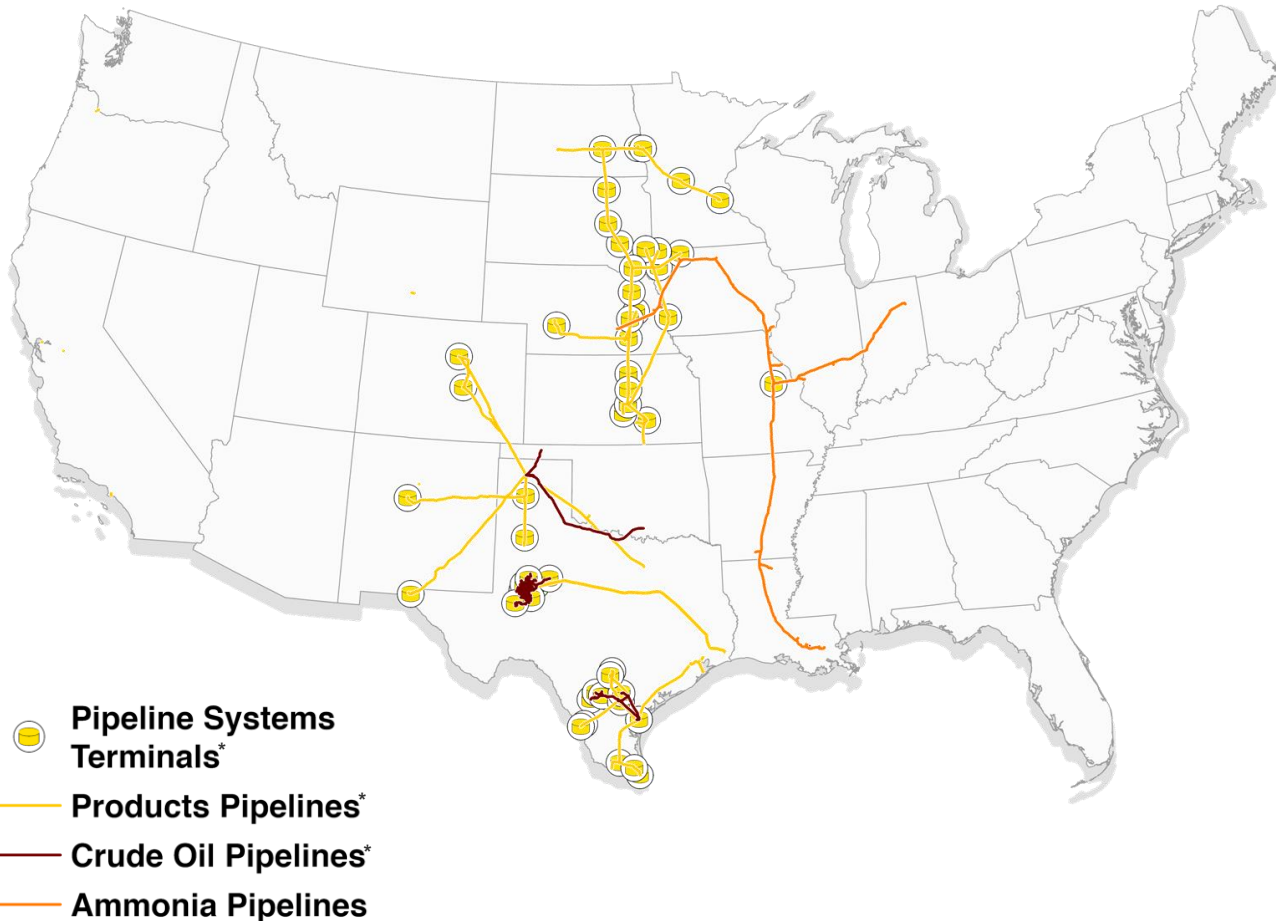
Fuel Gross Profit

(\$ in MM)



Pipeline Systems

Pipeline Systems



*Includes Joint Ventures

Segment Overview

- ~6,000 miles of refined product pipelines and 38 terminals serving key markets in the Southwest, MidCon, and northern Mexico
- ~2,000 miles of crude oil pipelines and 16 terminals providing Permian and Eagle Ford gathering, refinery supply, and marine export
- ~2,000 miles of ammonia pipelines from the Gulf Coast to the upper Midwest and 1 terminal serving agricultural and chemical industries
- Majority of customers are investment-grade, large private or international entities

Terminals

Terminals



*Includes Joint Ventures

Segment Overview

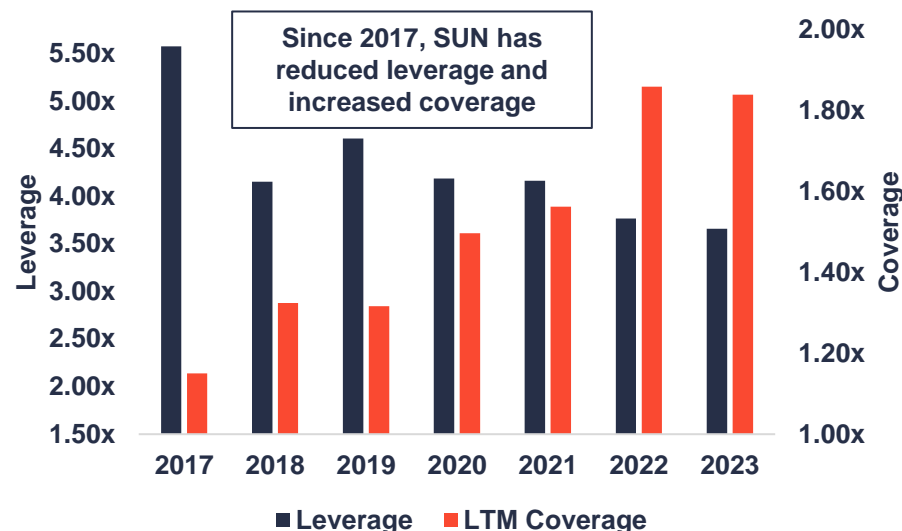
- Critical midstream infrastructure serving both domestic and international customers
- Includes 58 independent storage terminals
- Revenues generated by storage leases, throughput arrangements, gains, and ancillary fees
- Largest transmix processor in North America with 4 facilities
- Customers include many of the world's major oil companies, trading houses, pipeline companies, retail and wholesale gasoline operators, and government entities

Financial Overview

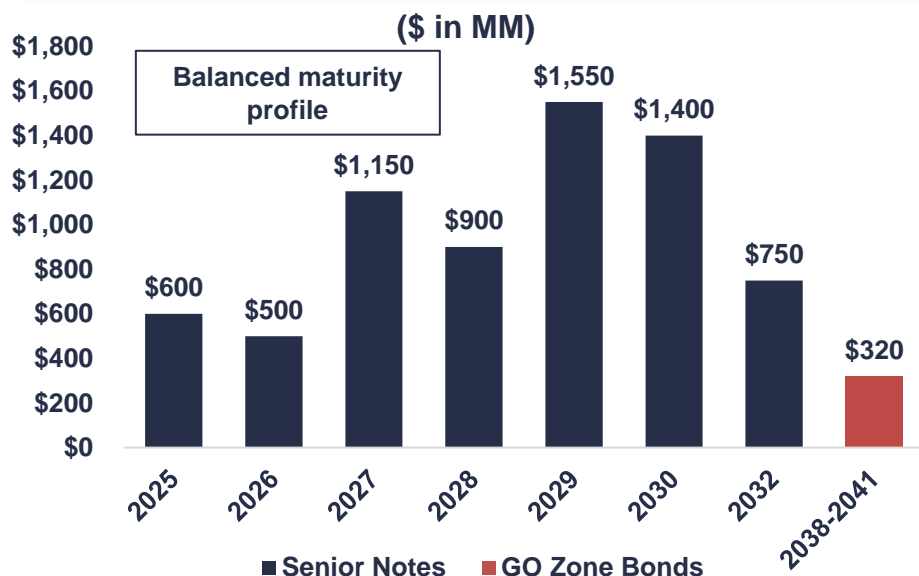
Sunoco LP (NYSE:SUN)

- Market Capitalization: ~\$7B⁽¹⁾
- Enterprise Value: ~\$14B⁽¹⁾
- Credit Ratings: Moody's - Ba1 | S&P - BB+ | Fitch - BB+
- Ample liquidity under \$1.5B unsecured revolving credit facility which matures in 2029
- Distribution
 - Annualized: \$3.5024 / unit
 - Yield (annualized): 6.8%⁽¹⁾
 - Increased by 2% in 2023 and by 4% in 2024

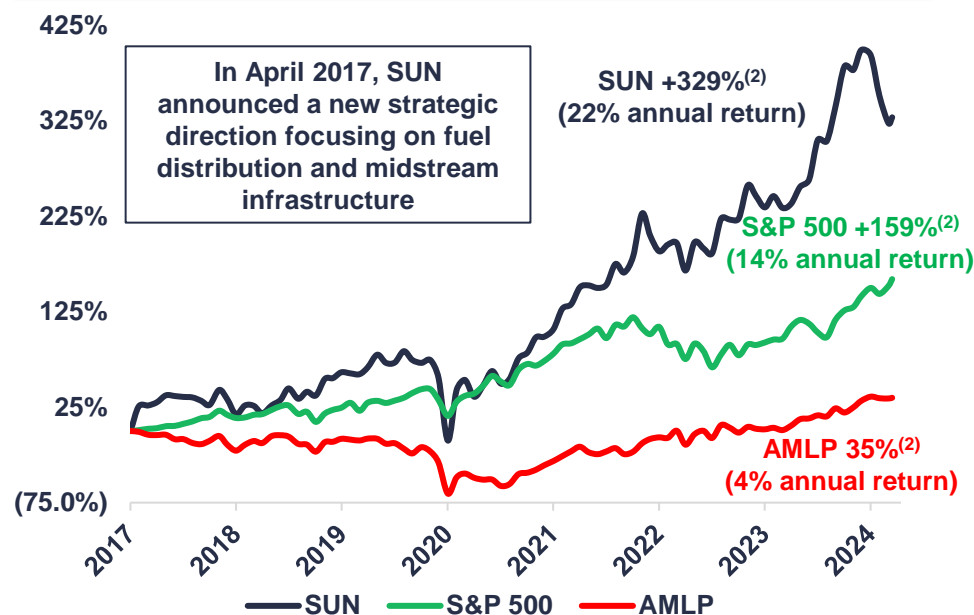
Leverage and Coverage



Debt Maturity Profile



Total Shareholder Return



⁽¹⁾ As of 6/13/2024

⁽²⁾ As of 6/13/2024. Based on Bloomberg's total return data, which assumes reinvestment of distributions/dividends