

SUNOCO LP

Investor Presentation

December 2023



Forward-Looking Statements

Some of the statements in this presentation constitute “forward-looking statements” about Sunoco LP (“SUN”, “we”, “our,” and “us”) that involve risks, uncertainties and assumptions, including, without limitation, the expected future performance of SUN (including expected results of operations and financial guidance), and SUN’s future financial condition, operating results, strategy, outlook, expectations and plans. Any statement made by a member of management of the Partnership at these meetings and any statement in this presentation that is not strictly a historical or current fact will be deemed to be a forward-looking statement. These forward-looking statements generally can be identified by use of phrases such as “believe,” “plan,” “expect,” “anticipate,” “assume,” “intend,” “project,” “continue,” “estimate,” “position,” “goal,” “strategy,” “potential,” “will,” “may,” “forecast” or other similar words or phrases in conjunction with a discussion of future operating or financial performance. Descriptions of SUN’s and its affiliates’ objectives, goals, targets, plans, strategies, costs, anticipated capital expenditures, expected cost savings, potential acquisitions and related financial projections are also forward-looking statements.

These statements rely on a number of assumptions that members of the Partnership believe to be reasonable and represent present expectations or beliefs concerning future events and are not guarantees. Such statements speak only as of the date they are made, and we do not undertake any obligation to update or revise any forward-looking statement to reflect new information or events.

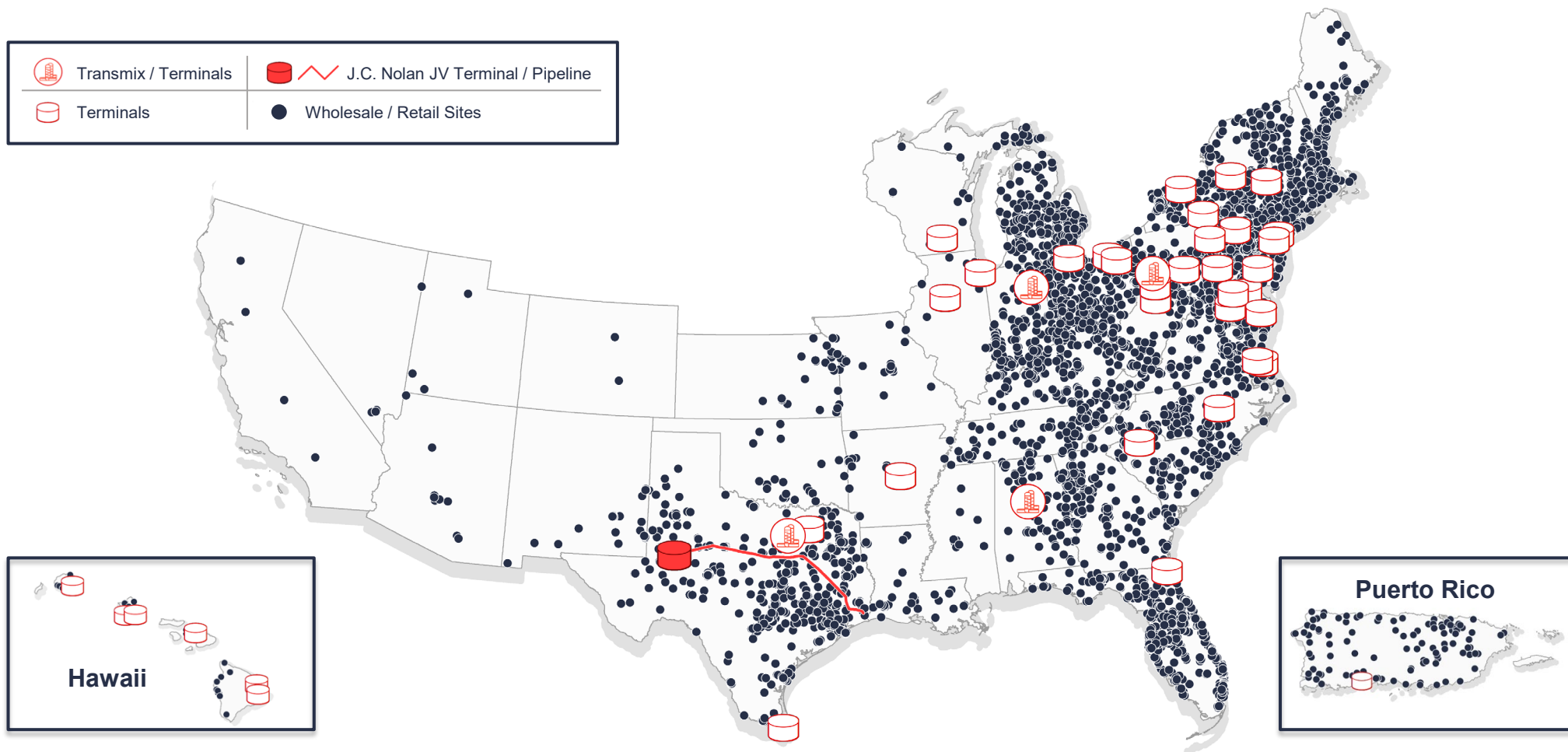
We caution that forward-looking statements involve a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and are qualified by important factors that could cause actual events or results to differ materially from those expressed or implied in any such forward-looking statements. For a discussion of these factors and other risks and uncertainties, please refer to SUN’s filings with the Securities and Exchange Commission (the “SEC”), including those contained in SUN’s Annual Report on Form 10-K and other documents filed from time to time, which are available at the SEC’s website at www.sec.gov.

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

Scott Grischow
Treasurer, Senior Vice President Investor Relations, M&A
(214) 840-5660
scott.grischow@sunoco.com

North America's Largest Independent Fuel Distributor & Terminal Operator



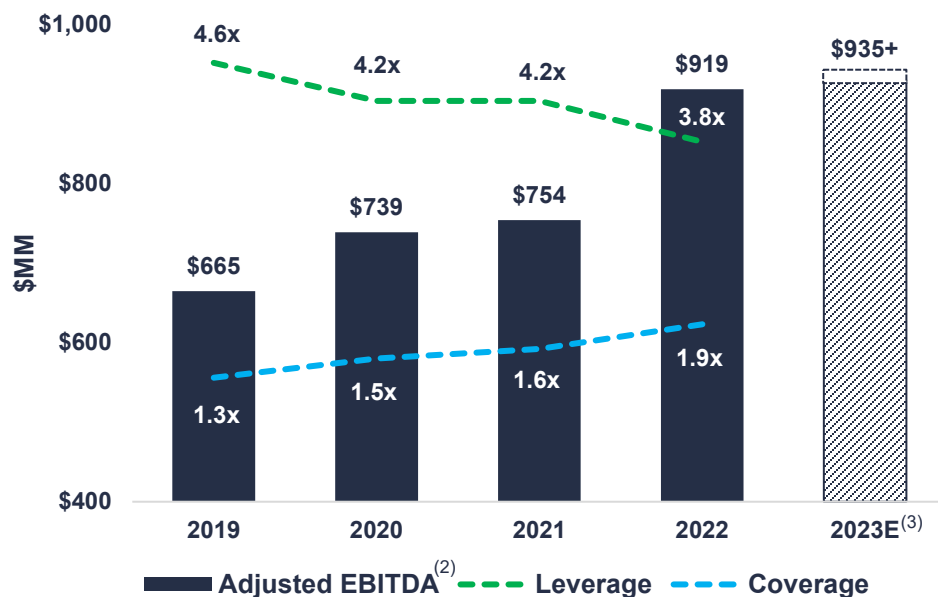
- Vertically integrated refined product infrastructure and distribution network
- Over 8 billion gallons distributed per year across more than 40 states and territories
- ~10,000 customers across multiple sales channels
- ~950 real estate assets
- Own and operate 42 product terminals
- North America's largest transmix processor

Financial Highlights

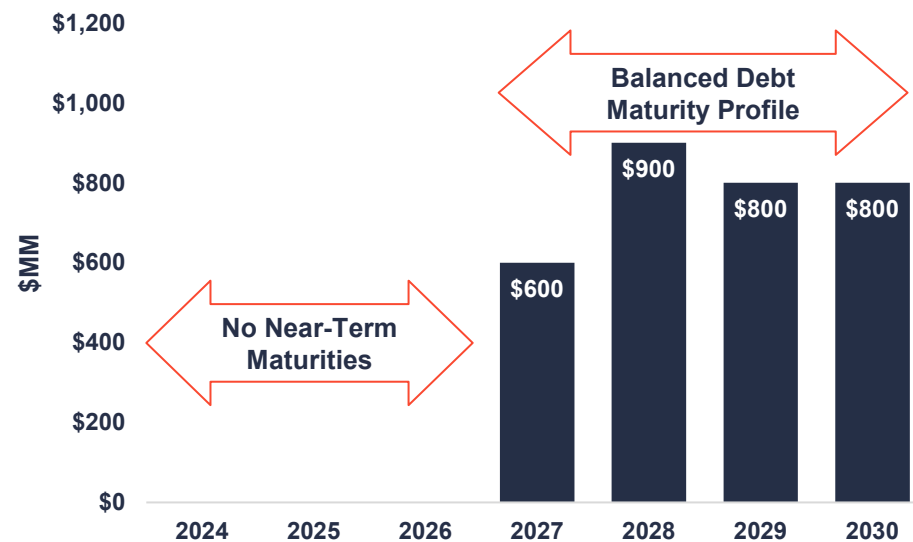
Sunoco LP (NYSE: SUN)

- Revenue (TTM Q3'23): ~\$23 billion
- Market Capitalization: ~\$4.6 billion⁽¹⁾
- Enterprise Value: ~\$8.2 billion⁽¹⁾
- Annual Distribution: \$3.368 / unit
 - Strong coverage, targeting multi-year distribution growth
- Credit Ratings:
 - Moody's: Ba3 (Stable)
 - S&P: BB (Stable)
 - Fitch: BB+ (Stable)
- Ample liquidity under \$1.5 billion revolving credit facility
- Long-term Leverage Target: 4.0x

Key Financial Metrics



Senior Note Maturities

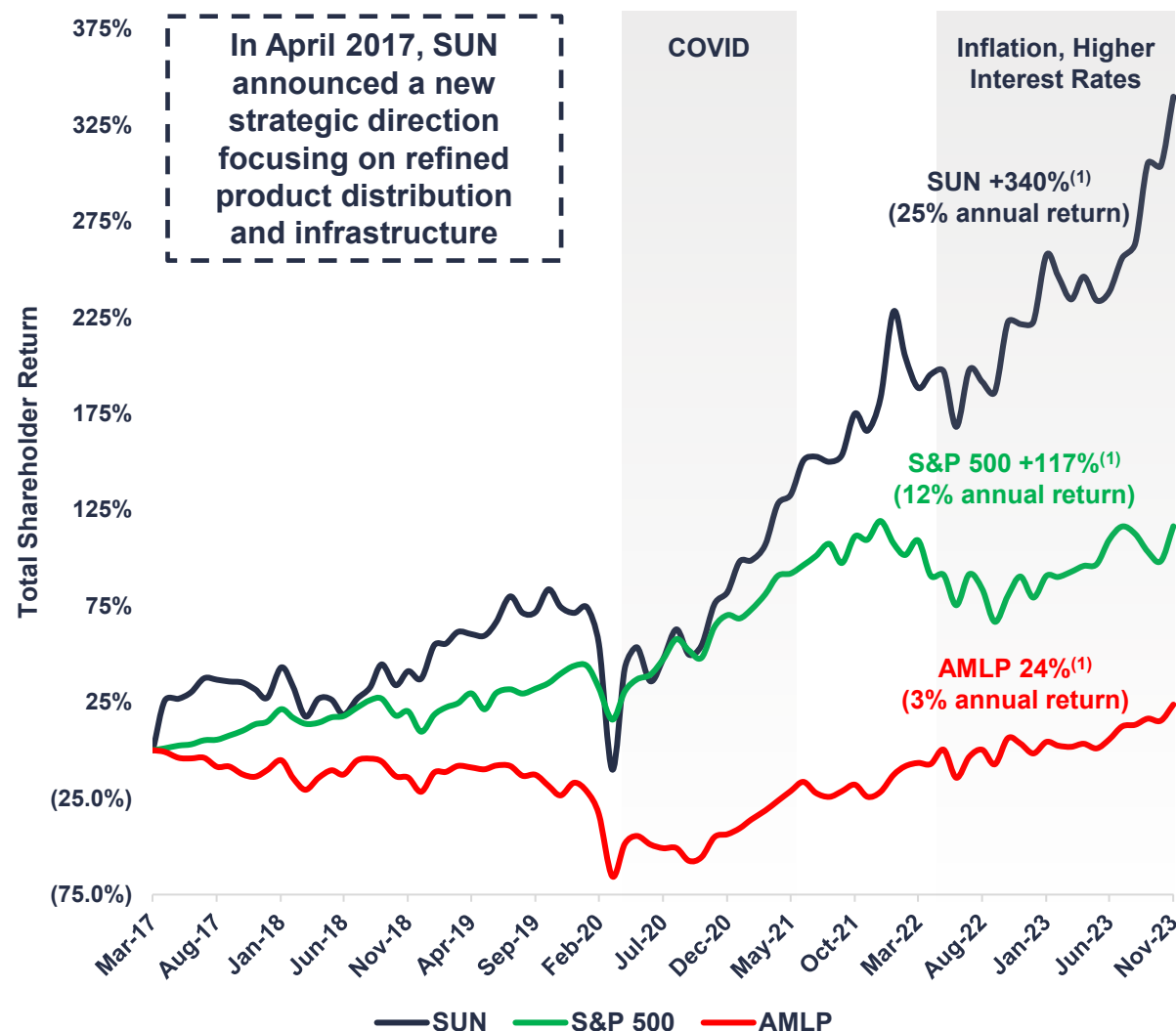


(1) As of November 30th, 2023.

(2) Adjusted EBITDA is a non-GAAP number, please see reconciliation on slide 19 and related definitions on slide 2.

(3) 2023 Adjusted EBITDA Guidance.

History of Delivering Superior Unitholder Returns



Growth

- Expanding free cash flow from accretive growth
- Long runway of high-quality investment opportunities

Yield

- 10+ years of stable distributions
- Increased distribution in 2023
- Robust distributable cash flow per unit allows for annual distribution increases

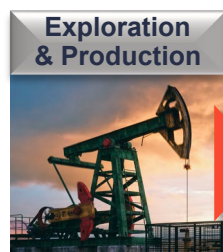
Stability

- Gross profit stability through economic and geopolitical volatility
- Strong financial foundation

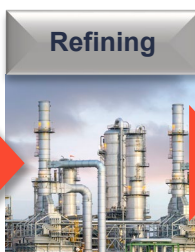
SUN's Strong Record of Performance Expected to Continue

SUN Is Well Positioned In Highly Attractive Fuel Distribution & Logistics Sector

SUN Participates Across The Value Chain Between Refiners & The Consumer



Exploration & Production



Refining



Bulk Shipments

- Majority of fuel supply purchased in bulk and transported via 3rd party pipeline or cargo providing margin advantage and surety of supply
- J.C. Nolan Pipeline joint venture with Energy Transfer delivers refined product to Permian Basin



Product Terminals

- Wholesale fuel distributed through 200+ terminals across SUN footprint
- Own and operate 42 terminals with throughput stability from SUN's fuel distribution footprint



Trucking & Logistics

- Utilize mix of SUN owned/operated fleet and 3rd party carriers to ensure reliability of supply, optimization of fuel margin and efficient capital investment



Wholesale / Retail

- Wholesale portfolio anchored by 7,000+ Sunoco and partner-branded sites
- Retail margin exposure in select markets
- Real estate portfolio of ~950 sites provides stable rental income

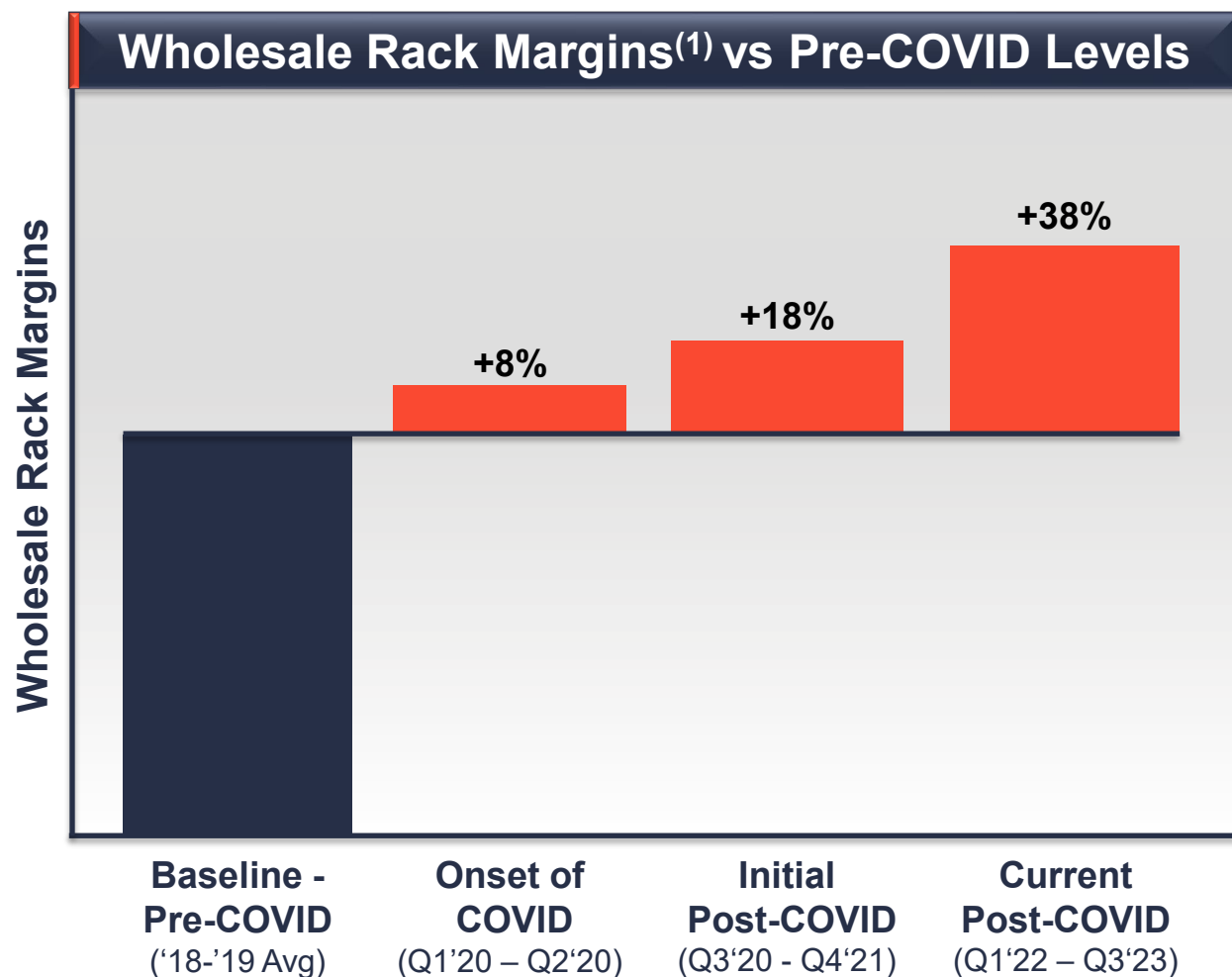
Fundamentals Remain Attractive...

- 1 Wholesale margins have normalized higher
- 2 Higher breakeven margins benefit the most efficient operators
- 3 Margin asymmetry in volatile environments is constructive to retail margins

...And SUN Is Well Positioned To Win

- 4 SUN portfolio is managed for stability and upside
- 5 Scale and Sunoco brand enable higher margin capture
- 6 Expense discipline is a core competency
- 7 Growth outlook is sustainable

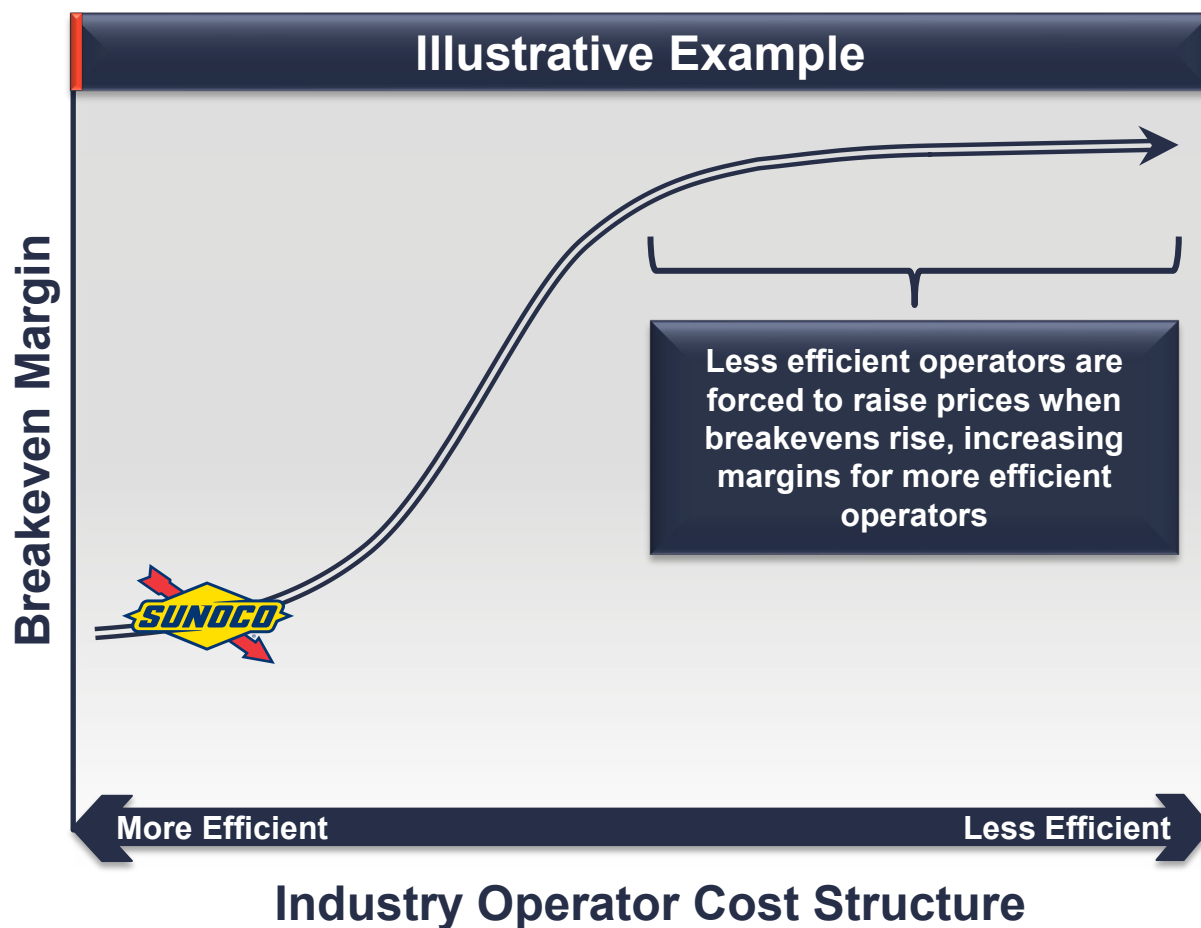
Wholesale Margins Have Normalized Higher



Key Drivers

- Higher breakeven margins driven by varying rates of volume recovery post-COVID combined with continued inflation and rising cost of capital
- Greater volatility and uncertainty is constructive to fuel margins
- Higher retail margins support higher wholesale margins
- Tightness in domestic supply due to idled refinery capacity and pull of exports to international markets

Higher Breakeven Margins Benefit The Most Efficient Operators



Relevant Insights

Highly fragmented industry:

- >60% of fuel stations owned by single site operators⁽¹⁾
- Limited economies of scale/scope for all but a few operators in the sector

SUN well-positioned for margin expansion in higher breakeven environment:

- Scale – Largest independent fuel distributor in the U.S.
- Strong history of expense discipline

(1) NACS U.S. Convenience Store Count, April 17, 2023.

Higher Breakevens Expected To Continue

Breakeven Elements

Recent Themes

Future Considerations

Inside Store Gross Profit

- Inside gross profit has been slightly up, primarily driven by retail price increases
- Unit volume in key categories is either flat or in multi-year decline

- Continued inflation puts ongoing pressure on inside gross profit
- Legislative initiatives restricting tobacco sales

Expenses

- Growth in direct operating expenses outpacing gross profit expansion⁽¹⁾
- Increases in largest expense items – labor and credit card fees

- Past and future expense increases are likely to remain
- Continued rise in credit card usage, driving higher store expenses
- Ongoing maintenance and regulatory capital requirements

Fuel Volume

- Material decline in volume during COVID
- Varying rates of volume recovery

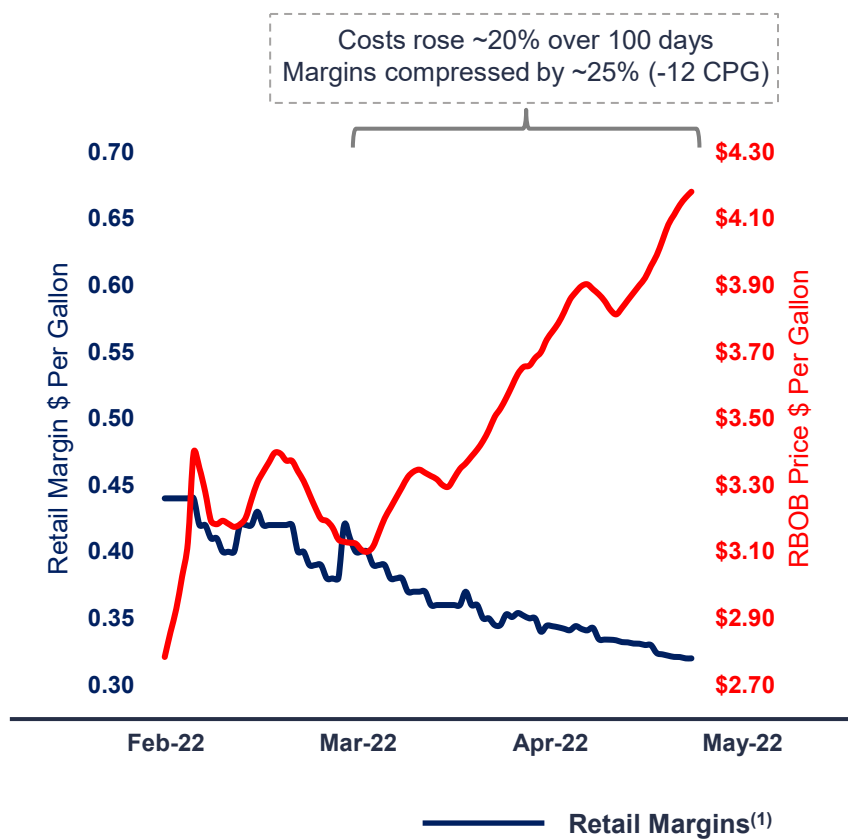
- Volume impact from EVs still uncertain
- Future geopolitical uncertainty, recessions, or supply shocks will support higher fuel margins

Volume and Margin Are Interrelated – Providing Gross Profit Stability In Various Scenarios

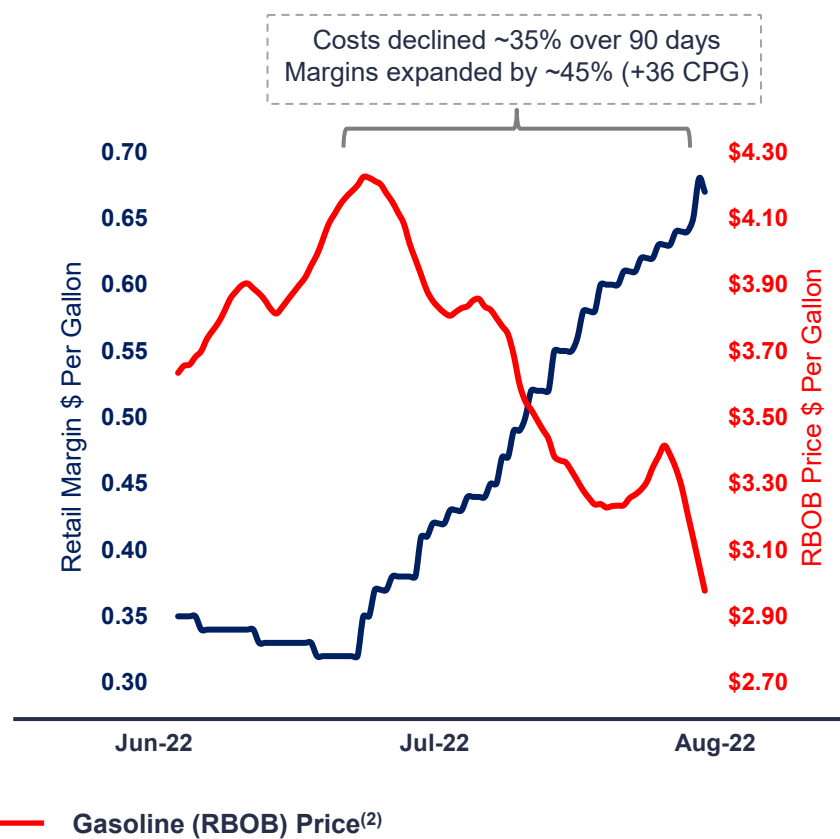
(1) 14% increase in direct store operating expenses compared to 3% increase in gross profits from 2021 to 2022. "Industry Report 2023". Convenience Store News. June 13, 2023.

Margin Asymmetry In Volatile Environments Is Constructive To Retail Margins

When Prices Rise, Margins Compress...



...But When Prices Fall, Margins Expand Disproportionately



Persistent Volatility Supports Margins

(1) NACS CSX database.

(2) New York Harbor Reformulated RBOB Regular Gasoline Future Contract 1. U.S. Energy Information Administration (EIA).

SUN Portfolio Is Managed For Stability & Upside

Strong Wholesale Fuel Distribution Portfolio

- 7-Eleven take-or-pay fuel supply agreement ensures long-term gross profit stability
- 7-to-10-year fuel supply agreements with >90% retention rates generate highly ratable volumes
- Pass-through pricing mechanisms and cost-plus contracts provide strong margin protection across macroeconomic environments

Other Sources Of Stable Cash Flow

- Real estate portfolio provides significant source of stable, long-term cash flow
- Growing midstream operations deliver ratable cash flow

High Margin Cash Flow From Select Retail Exposure

- Advantaged retail footprint in Hawaii – one of the highest margin markets in the U.S.
- Exclusivity along the NJ Turnpike provides stability via captive demand and strong margins along one of the most travelled highways in the U.S.
- Strong presence in higher retail margin exposed channels in the Northeast (e.g. commission agents). High barrier to market entry with expected continuation of high margins

Scale & Sunoco Brand Enable Higher Margin Capture

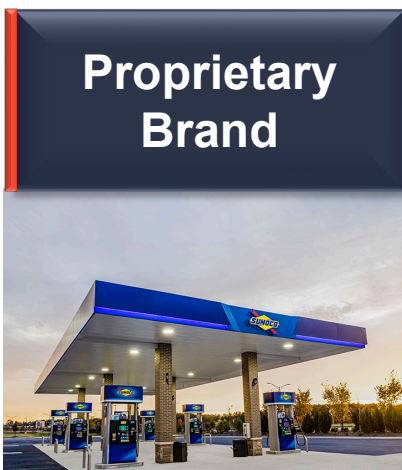
Significant Scale



**North America's largest independent fuel distributor...
SUN distributes over 8 billion gallons annually**

- Buying power, sophisticated supply strategy and operational capabilities (e.g. blending, cargo operations) lower cost of goods sold
- Density of operations in select markets enhances operational efficiency (e.g. trucking, overhead)

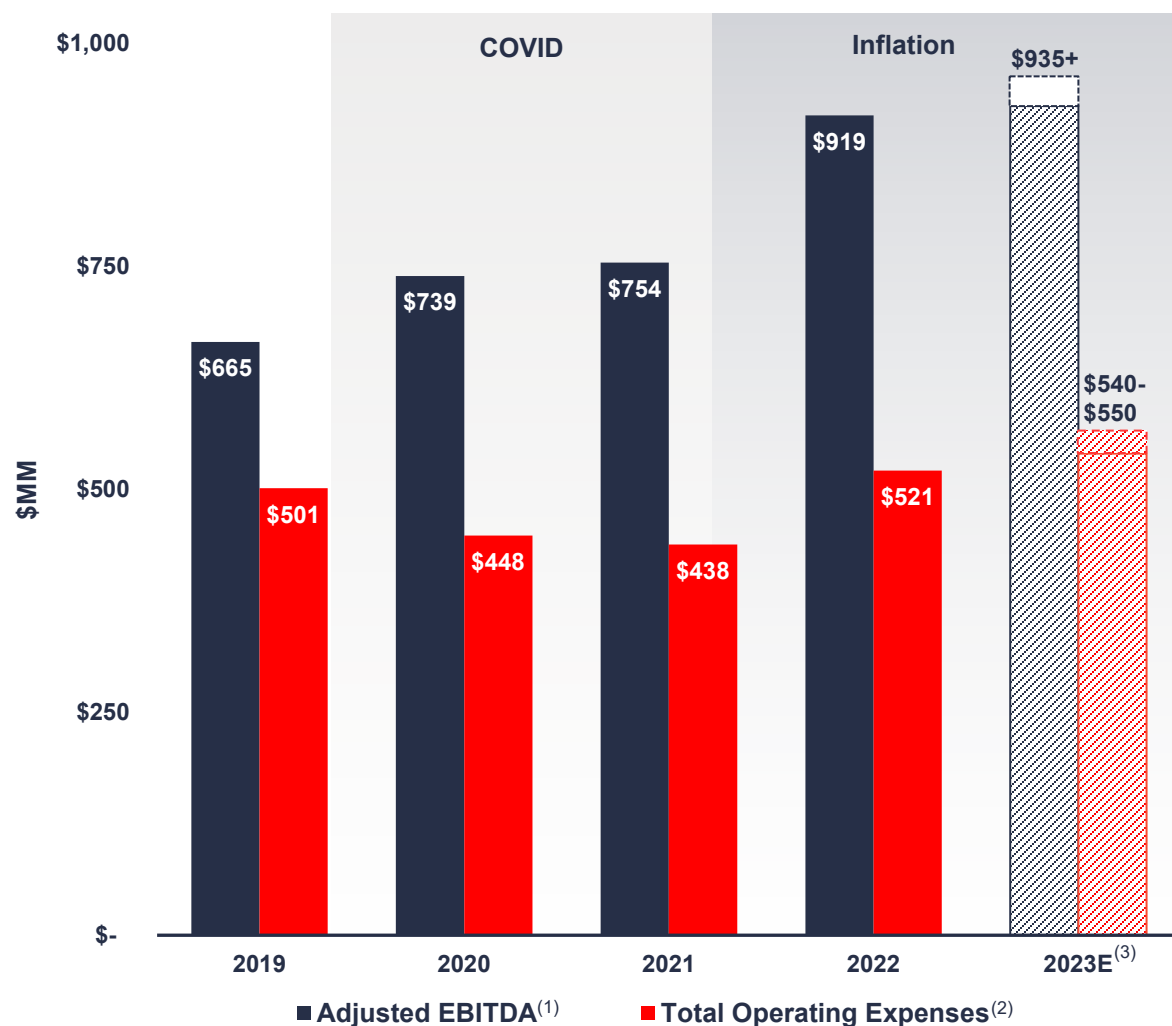
Proprietary Brand



Only independent fuel distributor with a recognized, national brand

- Branded fuels, such as Sunoco, provide higher margin uplift relative to unbranded option
- Brand enables competitive differentiation (e.g. loyalty, image, 94 Octane) to drive wholesale customer acquisition and long-term retention

Expense Discipline Is A Core Competency



History of Expense Discipline

- Since 2019, total operating expenses have grown by ~2% annually while Adjusted EBITDA⁽¹⁾ has grown by ~9% annually
- ~ \$1.3 billion of growth and acquisition capital deployed over the last three years
 - Excluding growth and acquisitions, total operating expenses have decreased
- Successfully limited expense growth through high-inflation environment

(1) Adjusted EBITDA is a non-GAAP number, please see reconciliation on slide 19 and related definitions on slide 2.

(2) Total Operating Expenses include general and administrative, lease, and other operating expenses.

(3) 2023 Adjusted EBITDA and operating expense guidance.

Growth Outlook Is Sustainable

Accretive Growth Generates Increasing Free Cash Flow

Over the last three years, SUN has invested ~\$1.3 billion in growth...

- **Organic:** Primarily focused on fuel distribution
- **Acquisitions:** Logistics infrastructure and fuel distribution
- **Working capital:** Blending operations and growth in bulk supply

... and delivered on projected economics



Increasing Free Cash Flow Will Provide More Growth Opportunities

Organic

- As market presence expands, organic growth opportunities will increase

Acquisitions

- SUN will remain a beneficiary of market consolidation
- Increasing opportunities to diversify operations and geographic exposure
- Opportunities will be considered using established filters:
 - Valuation/accretion
 - Synergies
 - Stability of cash flow
 - Future growth

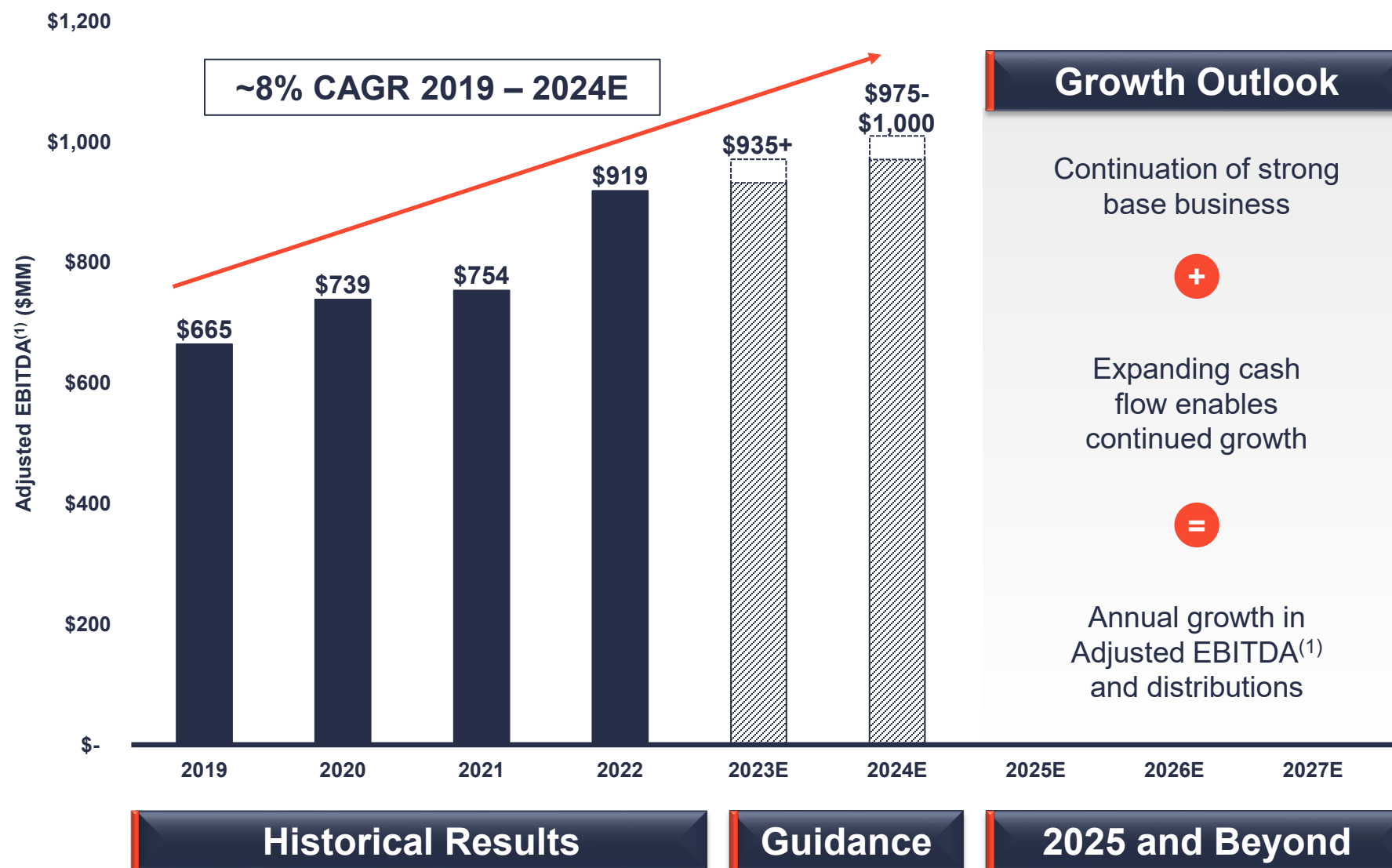
2024 Business Outlook & Guidance – Continued Growth & Strong Performance

Key Metrics	Outlook / Guidance	Key Points
Fuel Volume / Margin	~8.3 billion gallons ~12.5 CPG	<ul style="list-style-type: none"> Growth investments will increase volume and market share Breakeven margins will remain elevated Track record of optimizing gross profit
Total Operating Expenses ⁽¹⁾	~\$560 – \$570 million	<ul style="list-style-type: none"> Continue to aggressively limit expense growth YoY expense growth related to acquisitions and growth capital
Growth Capital	~\$200+ million	<ul style="list-style-type: none"> Weighted to new fuel distribution growth, including expansion of 94 octane offering New markets present new opportunities Excludes acquisitions
Maintenance Capital	~\$70 million	<ul style="list-style-type: none"> Continue to deploy for appropriate long-term upkeep of growing asset base
Adjusted EBITDA ⁽²⁾	\$975 million – \$1 billion	<ul style="list-style-type: none"> Growth in Adjusted EBITDA⁽²⁾ underpinned by strong operational performance and execution

(1) Total Operating Expenses include general and administrative, lease, and other operating expenses.

(2) Adjusted EBITDA is a non-GAAP number. For a definition, please see slide 2.

2025 & Beyond – Continued Growth



(1) Adjusted EBITDA is a non-GAAP number. For a definition, please see slide 2.

Sunoco's Key Investment Considerations

**Strong Track
Record of
Performance**

**Attractive
Fundamentals**

**SUN's
Competitive
Advantages**

**Sustainable
Growth**

**Attractive
Future
Returns for
Unitholders**

Committed to Corporate Responsibility

Demonstrating Environmental Awareness and Performance

Effective Environmental Protocols

- Redundant leak detection systems and robust response protocols
- Effective emissions controls
- Consistently compliant operations

Prioritization of Efficiency

- More frequent fleet turnover
- High efficiency components deployed during builds and repairs

Inherently Incentivized

- Efficiency enhances profit opportunity
- HES performance impacts bottom line

Positioning for Evolving Energy Opportunities

- Proven distribution network suitable for renewables



Behaving Responsibly in the Workplace and the Community

Responsible Work Environment

- Stringent approach to safety with history of demonstrated results
- Diverse and inclusive workforce
- Comprehensive workplace behavioral training and compliance oversight

Supporting Our Communities

- Demonstrated commitment to volunteerism throughout our ranks
- Robust charitable giving through the Energy Transfer/Sunoco Foundation:
 - North Texas Food Bank
 - MD Anderson Children's Hospital
 - Many others

Annual Corporate Responsibility Report



Building and Maintaining a Culture of Responsibility

Starts at the Top

- Diverse board with a majority of independent directors

Robust and Regimented

- A full suite of sophisticated governance policies and training programs
- Financial reporting controls
- Independent auditors

Accessible Reporting Systems

- Anonymous hotline and web reporting for compliance or other concerns

Dedicated Oversight and Enforcement

- Fully-staffed, trained Compliance Office
- Independent investigation protocols



Reconciliation of Net Income to Adjusted EBITDA & DCF, As Adjusted⁽¹⁾

	2019	2020	2021	2022
(\$ in millions)				
Net income and comprehensive income	\$ 313	\$ 212	\$ 524	\$ 475
Depreciation, amortization and accretion	183	189	177	193
Interest expense, net	173	175	163	182
Non-cash unit-based compensation expense	13	14	16	14
(Gain) loss on disposal of assets	68	2	(14)	(13)
Loss on extinguishment of debt	-	13	36	-
Unrealized (gain) loss on commodity derivatives	(5)	6	(14)	21
Inventory adjustments	(79)	82	(190)	(5)
Equity in earnings of unconsolidated affiliates	(2)	(5)	(4)	(4)
Adjusted EBITDA related to unconsolidated affiliates	4	10	9	10
Other non-cash adjustments	14	17	21	20
Income tax expense (benefit)	(17)	24	30	26
Adjusted EBITDA	\$ 665	\$ 739	\$ 754	\$ 919
Adjusted EBITDA	\$ 665	\$ 739	\$ 754	\$ 919
Adjusted EBITDA related to unconsolidated affiliates	(4)	(10)	(9)	(10)
Distributable cash flow from unconsolidated affiliates	4	10	8	8
Cash interest expense	(166)	(168)	(157)	(176)
Current income tax (expense) benefit	22	(19)	(20)	2
Transaction-related income taxes	(31)	-	-	(42)
Maintenance capital expenditures	(40)	(35)	(39)	(54)
Distributable Cash Flow	450	517	537	647
Transaction-related expenses	3	-	5	3
Distributable Cash Flow, as adjusted	\$ 453	\$ 517	\$ 542	\$ 650

(1) See SUN's Form 8-Ks filed with the SEC on February 15, 2023, February 16, 2022, and February 17, 2021.