

Buckeye Partners, L.P.

Business Code Of Conduct



4/2009

For more than a century, Buckeye people have created an asset of incalculable value – the Company’s reputation for integrity and high standards of business conduct. That reputation, built by many people over many years, rides on each business transaction we make.

Integrity is the rock upon which we build our business success—our quality service, our forthright relations with customers, and, ultimately, our winning competitive record. Buckeye’s quest for business excellence begins and ends with our commitment to ethical conduct.

I ask each member of the Buckeye community to make a personal commitment to follow our *Business Code of Conduct*:

- Obey the applicable laws and regulations governing our business conduct.

- Be honest, fair, and trustworthy in all of your Buckeye activities and relationships.

- Foster an atmosphere in which equal opportunity extends to every member of the Buckeye community.

- Strive to protect the environment and to create a safe workplace.

- Avoid all conflicts of interest between work and personal affairs.

- Through leadership at all levels, sustain a culture where ethical conduct is recognized, valued, and exemplified by all employees and where the reporting of any illegal or unethical behavior is encouraged.

Guiding us in upholding our ethical commitment is a set of Buckeye integrity policies on key issues. These key integrity policy statements are set forth in this booklet to give them emphasis and to separate them from administrative policies and procedures. All Buckeye employees must comply not only with the letter of these policies but also their spirit.

The Board has designated the Vice President, General Counsel and Secretary to be the compliance officer (the “Compliance Officer”) responsible for the implementation and administration of this Code. If you have questions regarding what is proper conduct for you or anyone else, you should feel free to contact the Compliance Officer. You may also address your concerns to your Supervisor or Manager, anonymously through the compliance hotline at (877) 774-9673 (the “Compliance Hotline”), or through one of the other channels the Company makes available to you.

Nothing—not customer service, direct orders from a superior, or “making the numbers”—is more important than integrity. Employees who report violations or suspected violations in good faith will not be subject to retaliation of any kind.

Supervisors and other members of management have the additional responsibility to make compliance with these policies a vital part of our business activities. Adherence to Buckeye policy and applicable laws must be the foundation of our business. Concerns about appropriate conduct must be addressed promptly with care and respect.

We are all privileged to work for one of the best companies in our industry. We must, every day in every way, preserve and strengthen for those who will follow us what has been Buckeye’s foundation for success for more than 100 years—the commitment to total, unyielding integrity.

Forrest E. Wylie
Chairman
and Chief Executive Officer

INTRODUCTION

Buckeye Partners, L.P. (hereinafter “Buckeye” or “Company”) has issued one set of integrity policies on key issues. Those integrity policies, which implement the Company’s *Business Code of Conduct*, are described in the following sections. Information common to these integrity policies—employee and management responsibilities, reporting procedures, and penalties for violations—is contained in this introduction. These integrity policies are supplemental to the administrative policies contained in the Buckeye Personnel Policy Manual. In addition, information on the subjects covered by these policies can be found in other Company publications such as the (i) Emergency, Operating, Safety, and Maintenance Manuals and Environmental Compliance Manuals and (ii) the Buckeye Partners, L.P. Code of Ethics which applies to senior financial managers and executive officers.

Who must follow Buckeye integrity policies

Buckeye integrity policies apply to all employees of Buckeye and its affiliated entities.

Responsibilities of all employees

Each integrity policy gives you specific responsibilities. However, there are also basic obligations common to all policies:

- Learn the details of policies dealing with your work. No one expects you to know all policies word for word. But you should have a basic understanding of issues covered by each policy. You should also have a more detailed understanding of policies that apply most directly to your job.
- Seek assistance from your Supervisor/Manager, the Compliance Officer, or other Buckeye resource when you have questions about applications or interpretations of the integrity policies.
- Promptly report:
 - Any concerns about possible illegal or unethical behavior, including any violations of the integrity policies set forth in this *Business Code of Conduct*;
 - Any concerns about a possible request or suggestion to violate a Buckeye policy or any applicable law or regulation.

You may report your concerns: (i) to the Compliance Officer; (ii) anonymously through the Compliance Hotline; (iii) to a Buckeye Supervisor or Manager; or (iv) to the head of the functional area most concerned with the policy.

Any report that you make related to the possible violation of Buckeye policy, applicable law, regulation or standard shall be kept confidential, except to the extent information is used to confirm and, if necessary, take action with respect to the issue raised. Reports may be written or oral, and may be anonymous should you so choose. If you report a policy concern and the issue is not resolved, raise it with one of the other methods above.

Cooperate with Buckeye investigations of possible violations, of laws or regulations of a Buckeye integrity policy.

No person who reports or supplies information in good faith about a policy concern will face retribution of any sort. Any such retaliation is strictly prohibited.

Leadership responsibilities

Supervisors and other members of management including Managers and Officers (hereinafter sometimes collectively referred to as “Managers”) have additional obligations common to all integrity policies. They must:

- Lead by example, using their own behavior as a model for all employees.
- Create a culture that promotes compliance, encourages employees to raise their policy questions and concerns, and prohibits retribution.
- Make sure employees understand that performance is never more important than compliance.
- Promptly report employee concerns of possible policy violations according to the reporting procedures.
- Take prompt remedial action when required.
- Gather feedback to evaluate and continually improve policy compliance.
 - In evaluating and rewarding employees, consider their actions and judgments in promoting and complying with Buckeye integrity policies.

Annually, each Manager will review integrity policy compliance with their direct reports and provide the results of these reviews to the respective Vice President.

Compliance programs

It is the responsibility of certain functional departments to establish and maintain effective compliance programs to prevent and detect violations of Buckeye integrity policies and applicable laws. These departmental compliance programs should have the following elements:

- Establish standards and procedures that are reasonably capable of reducing the prospect of violations of Buckeye integrity policies and applicable laws.
- Implement and continue education and training programs that will enable employees to understand the basic requirements of Buckeye integrity policies and applicable laws.
- Screen employees and agents to prevent discretionary authority from being delegated to persons who have demonstrated insensitivity to the requirements of Company policies and the laws they cover.
- With respect to the environmental, health, safety and accounting policies, implement monitoring and auditing systems to detect violations of the policy and applicable laws.

Penalties for violation

Following Buckeye integrity policies is a must. Employees who violate the spirit or letter of these integrity policies are subject to disciplinary action up to and including termination. The following are examples of conduct which may result in discipline:

- Actions which violate a Buckeye policy or applicable laws or regulations
- Requesting others to violate a policy or applicable laws or regulations
- Failure to cooperate in Buckeye investigations of possible violations
- Retaliation against another employee for reporting a policy concern

In the case of many Buckeye policies, a violation of the policy may also constitute a violation of law. The violator and the Company could be subject to criminal penalties (fines or jail sentences) or civil sanctions (damage awards or fines).

Employee acknowledgment

Periodically, Buckeye will ask employees to acknowledge their commitment to the spirit and letter of Buckeye integrity policies.

Personnel Policy Manual

The Buckeye Personnel Policy Manual contains a number of administrative policies and procedures. Employees must follow these policies and procedures as well as those contained in this *Business Code of Conduct*.

An Important Note:

These integrity policies are not an employment contract. Buckeye does not create any contractual rights by issuing these integrity policies.

ENVIRONMENT, HEALTH AND SAFETY POLICY STATEMENT

Buckeye is committed to achieving environmental, health, and safety excellence. This is the responsibility of management and employees in all functions. Buckeye will strive to avoid adverse impact and injury to the environment and to provide a safe and healthy workplace. Our programs must combine clear leadership by management, the participation of all employees, and the use of appropriate technology in the Company's products and services and in the maintenance of Company facilities.

Requirements

- Comply with applicable environmental, health, and safety laws and regulations.
- Take appropriate measures to prevent workplace injuries and illness, and to provide employees with a safe and healthy work environment.
- Employ technical skills to minimize adverse environmental impact of Company operations by reducing, to the extent feasible, waste generation and process emissions.
- Provide the resources necessary to develop and maintain effective and specific environmental, health, and safety policies and procedures.
- Train and educate employees regarding the Company's environmental, health, and safety policies, relevant laws and regulations, and employee's individual responsibilities and duties.
- Prepare contingency plans and otherwise be in a position to respond to any release of products or other substances from Company facilities in order to minimize environmental damage.

Employee responsibilities *(Also see Introduction)*

- Follow this policy and applicable laws and regulations to protect the environment as well as your own health and safety and that of other employees.
- Request clarification to the extent you are unclear about your obligations regarding the Company's environmental, health, and safety policies and procedures or applicable laws and regulations.
- Promptly report concerns about possible violations of this policy to your Supervisor, or to the Manager of Environmental Affairs (for environmental matters), or the Manager of Operations Services (for health and safety matters), or, if you prefer, directly to the Compliance Officer or through the anonymous Compliance Hotline.

Additional responsibilities of managers

- Each manager will:
 - Consult with the Environmental Affairs Department and the Operations Services Department, as appropriate, to ensure a sound understanding of the Company's environmental, health, and safety policies and procedures and applicable laws and regulations.
 - Communicate the Company's environmental, health,

and safety policies and procedures to employees in their area of responsibility and confirm that such employees understand their responsibilities.

- Regularly evaluate the effectiveness of employees regarding their compliance with this policy.

Responsibilities of Environmental Affairs Department

- Develop, maintain, and communicate environmental compliance policies and procedures.
- Train and educate employees regarding the Company's environmental compliance program and their individual responsibilities and duties.
- Develop and implement audit or other procedures to review the environmental performance of the Company's operations and facilities.

Responsibilities of Operations Services Department

- Develop, maintain, and communicate health and safety policies and procedures.
- Train and educate employees regarding the Company's health and safety program and their individual responsibilities and duties.
- Develop and implement audit or other procedures to review compliance with, and understanding of, the Company's health and safety policies and procedures.

Penalties for violation (*See Introduction*)

EQUAL EMPLOYMENT OPPORTUNITY

Buckeye is committed to equal employment opportunity. By continuing to extend equal opportunity and provide fair treatment to all employees on the basis of merit, we will improve Buckeye's success while enhancing the progress and professional development of our employees. Buckeye will not tolerate discrimination on the basis of race, color, religion, national origin, sex, sexual orientation, age, disability, veteran status, or other characteristic protected by law.

Requirements

- Use merit, qualifications, and other job-related criteria as the sole basis for employment-related decisions.
- Recruit, hire, train, compensate, promote, and provide other conditions of employment without regard to a person's race, color, religion, national origin, sex, sexual orientation, age, disability, veteran status, or other characteristic protected by law.
- Take affirmative action to provide equal employment opportunity complying with the spirit and letter of all laws, regulations, and government contract requirements. Affirmative action should include programs and efforts to ensure that there are diverse applicant and candidate pools of people who are qualified and who have the opportunity to compete for open positions. Selection of successful candidates will then be based on qualifications and merit.
- Provide a work environment free of harassment based on diverse human characteristics and cultural backgrounds.

Sexual harassment is prohibited under this policy.

There are two types of sexual harassment: *quid quo pro* and hostile environment. *Quid quo pro* harassment includes unwelcome sexual advances or requests for sexual favors where submission or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual. Hostile environment harassment includes unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature where such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Employee responsibilities (*Also see Introduction*)

Promptly report any concerns about possible violations of this policy to your Supervisor, the Senior Manager of Human Resources, or, if you prefer, directly to the Compliance Officer or through the anonymous Compliance Hotline.

Additional responsibilities of managers

- Each manager is responsible for applying this policy within their area of responsibility.
- Seek out and assist individuals to realize job opportunities at all

levels consistent with their qualifications and abilities. Help them reach their full potential while maintaining appropriate job-related standards.

- Report any complaints concerning compliance with this policy to the Senior Manager of Human Resources, the Compliance Officer, or the Compliance Hotline.
- Regularly evaluate the effectiveness of employees regarding their compliance with this policy.

Responsibilities of Human Resources Department and Legal Department

- Ensure that programs are in place to provide employees with appropriate education and legal counseling on the requirements imposed by this policy and the equal opportunity laws.
- Identify independent contractors or suppliers whose activities may involve issues covered by this policy. Ensure that contracts with independent contractors and suppliers contain affirmative action clauses where required by government contracts. Where appropriate, include clauses that require independent contractors and suppliers to abide by this policy.

Examples of violations

- Hostile or demeaning behavior based on an employee's race, color, religion, national origin, sex, sexual orientation, age, disability, veteran status, or other characteristic protected by law.
- Persistent on-the-job flirtations or other invitations for a social relationship with a fellow employee when he or she has stated that such advances or interests are unwelcome.
- Displaying any sexually suggestive visual material in the workplace.
- Any hiring, compensation, promotion, termination, or layoff decision which is not clearly job-related.
- Failure to maintain and update annually written affirmative action plans as required by Executive Order #11246, the Rehabilitation Act of 1973, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974.
- Allowing race, color, religion, national origin, sex, sexual orientation, age, disability, veteran status, or other characteristic protected by law to be a factor in screening employees for hiring, promotion, compensation, or other employment-related decisions.
- Providing or withholding work-related assistance, cooperation, and/or information to fellow employees based on their race, color, religion, national origin, sex, sexual orientation, age, disability, veteran status, or other characteristic protected by law.
- Using Company assets or facilities, including computer and internet access, for the purpose of obtaining or transmitting any information or materials prohibited by the above policies.

Penalties for violation (*See Introduction*)

INTERNAL CONTROLS AND PUBLIC REPORTING POLICY STATEMENT

Buckeye is committed to maintaining adequate internal financial controls, and to providing full and fair disclosure to the investing public of material information with respect to the Company's business and financial condition. In addition, as significant stakeholders in Buckeye, employees are entitled to raise issues to the extent they believe the Company's accounting policies and procedures, or public statements, violate applicable laws or regulations.

Employee Rights and Responsibilities (*Also see Introduction*)

- Account appropriately for amounts received or expended on behalf of the Company, and avoid conflicts of interest between an employee's personal affairs and Company responsibilities.
- It is the right of each employee to raise concerns concerning the Company's accounting policies or public statements to the extent an employee believes such policies or statements are inaccurate or misleading in any material respect. Employees should contact the Compliance Officer, the Compliance Hotline or any of the other individuals listed in the Introduction to this *Business Code of Conduct*, to raise issues concerning accounting or public reporting matters.
- An employee can raise issues or submit complaints concerning Company accounting policies or public reports directly with the Audit Committee of the Board of Directors. An employee can contact the Audit Committee by contacting the Company's Compliance Officer, who will communicate the employee's concern to the Audit Committee. Alternatively, if the employee wishes to communicate directly with the Audit Committee, the Compliance Officer will arrange for this communication.

Responsibility of the Finance, Accounting and Legal Departments

It is the responsibility of the finance and accounting functions to establish and maintain effective internal compliance programs to prevent and detect financial fraud or irregularities, and to maintain sound information systems and procedures to ensure accurate financial statements. In addition, it is the function of the finance and accounting functions, and the legal function, to establish policies and procedures designed to facilitate accurate and complete reports to be filed with the Securities and Exchange Commission, or otherwise distributed to the investing public.

CONFIDENTIAL INFORMATION, CONFLICTS OF INTEREST AND OTHER MATTERS

It is essential that all assets of the Company, including confidential and proprietary information, be safeguarded and not disclosed to non-Company employees. In addition, while Buckeye recognizes and respects the right of employees to take part in financial, business, and other activities outside their job, employees must avoid potential conflicts between those activities and Company business.

Employee responsibilities

■ Employee Inventions and Developments. Ideas, trade secrets, and writings relating to the business of the Company or developed using Company assets are the property of the Company and should be disclosed by the employee to the employee's supervisor.

■ Confidential Information. Information relating to past, present, or future activities of the Company or any of its customers which has not been publicly disclosed, or information designated by management as confidential, shall not be used by the employee except in the course of his or her employment with the Company and shall not be disclosed to persons outside of the Company. Employees are expected to take appropriate precautions to safeguard confidential and proprietary information of the Company under their control.

■ Non-Public Information. No employee shall use or disclose material, non-public information concerning the Company. Among other things, it is improper to use non-public information in connection with any securities transaction in which the employee has a beneficial interest, or to communicate non-public information to persons outside the Company who may use the information to purchase or sell securities. It is also improper to trade in limited partnership units of Buckeye Partners, L.P. or Buckeye GP Holdings L.P., which is the parent company of the general partner of Buckeye, while in possession of material non-public information. Any employee with information that this policy has been violated, or questions about the interpretation of this policy, should contact the Compliance Officer.

■ Shipper Information. The provisions of the Interstate Commerce Act forbid (without the consent of the shipper) any employee of the Company from knowingly disclosing to another person information about the nature, kind, quantity, destination, shipper, or routing of property tendered to the Company for transportation if (i) such information could be used to the detriment of the shipper, or (ii) such information would improperly disclose the shipper's business transactions to a competitor of the shipper. Accordingly, shipper information shall not be used by any employee except in the course of the Company's transportation business and shall not be disclosed to persons outside of the Company. Employees are expected to take appropriate precautions to safeguard shipper information under their control.

■ Contacts by Press and Others. Employees shall not discuss Company business with any representative of the press or other media. All requests for information from such persons or any person not known to the employee to be a customer,

representative, or agent of the Company shall be directed to the Compliance Officer or his designees. All contacts or inquiries by members of the press or other media should be reported promptly to the Compliance Officer.

■ Gifts. Acceptance, directly or indirectly for the benefit of the employee or of a relative or friend, of gifts of more than token value, excessive entertainment or travel opportunities, or other substantial favors from any concern which does, or is seeking to do, business with, or is a competitor of, the Company is prohibited. Generally, "token value" means aggregating in value less than \$200.00 from the same person or business entity in any year, and "excessive entertainment or travel opportunities" means travel, hospitality and meals or entertainment which cannot be viewed as normal and customary. If an unsolicited gift of more than token value is received, consult your Supervisor, Manager, or Compliance Officer at once as to its disposition.

■ Participation in Initial Public Offerings. Before an employee may accept an offer from a concern which does, or is seeking to do, business with, or is a competitor of the Company, to participate in an initial public offering ("IPO") of stock or other equity investment on terms and conditions that are different from those offered to the public at large, the employee must obtain the consent of the Compliance Officer. This provision also applies in the event an employee is offered "friends and family stock," or is otherwise offered the opportunity to participate in an IPO in circumstances where the amount of equity available to be purchased at the IPO price is limited.

■ Conflicts of Interest. Employees should avoid actions or relationships which might conflict, or appear to conflict, with your job responsibilities, or the interest of Buckeye. Conflicts of interest may include, without limitation, employees, officers or directors taking for themselves personally opportunities that are discovered through the use of Buckeye property, information or position, or using Buckeye property, information or position for personal gain or competing with Buckeye.

■ Loans to Employees. Buckeye will not make loans or extend credit guarantees to or for the personal benefit of officers except as permitted by law and the listing standards of any exchange or quotation system on which Partnership securities are listed. Loans or guarantees may be extended to other employees only with the approval of the Audit Committee of the Board of Directors.

■ Proper Use of Buckeye Assets. Buckeye assets, including facilities, materials, supplies, time, information, intellectual property, software, and other assets owned or leased by Buckeye, or that are otherwise in Buckeye's possession, may be used only for legitimate business purposes. The personal use of Buckeye assets without Buckeye's approval is prohibited.

■ Corporate Opportunities. Employees are prohibited from (a) taking for themselves personally opportunities that are properly within the scope of the Buckeye's activities, (b) using Buckeye property, information or position for personal gain, and (c) competing with Buckeye. Employees owe a duty to Buckeye to advance its legitimate interests to the best of their abilities.

■ **Fair Dealing.** Each Employee should deal fairly with clients, suppliers, competitors and officers. No person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

■ **Compliance with Laws, Rules and Regulations (Also See Environment, Health and Safety Policy Statement).** Compliance with the law is fundamental to the Buckeye's ethical and business principles. The Company's business is subject to extensive governmental regulation and oversight. It is the policy of the Company to comply with all applicable laws, rules and regulations that apply to its business. The Company must and will report all suspected criminal violations to the appropriate authorities for possible prosecution, and will investigate, address and report, as appropriate, non-criminal violations.

Additional responsibilities of managers

■ Each manager will report any concerns or questions regarding compliance with this policy to the Compliance Officer.

Related policies or guidelines

■ The Company has issued a Code of Ethics for senior financial managers and executive officers of the Company.

Responsibility of the Legal Department

■ Respond to issues or questions concerning compliance with this policy.

Penalties for violation (See Introduction)

INSIDER TRADING IN SECURITIES GUIDELINES

It is imperative that all officers, directors and employees of Buckeye Partners, L.P. (the "Partnership") and its subsidiary entities comply with the requirements of the federal securities laws in connection with the purchase and sale of publicly traded limited partnership units ("LP Units") of Buckeye and Buckeye GP Holdings L.P., which is the parent company of the general partner of Buckeye.

Policy

All Employees

■ No director, officer, or employee may (a) trade in (that is, buy or sell) Partnership securities while he or she possesses material non-public or "inside" information concerning the Partnership, or (b) communicate such information to another person who may trade or advise others to trade on the basis of such information. Such acts are referred to as "insider trading." "Partnership securities" means all publicly traded limited partnership units of Buckeye Partners, L.P. and Buckeye GP Holdings L.P.

■ **Material Information** – Inside information is considered material if a reasonable person would attach importance to it in determining whether to buy, sell or hold the Partnership's securities. Information about the following, for example, could be material:

- Quarterly or annual results
- Joint ventures, mergers, acquisition or divestitures
- Distributions
- Management changes
- The sale of additional securities
- Major litigation
- The purchase or sale of significant assets by the Partnership or its operating subsidiaries
- Significant labor disputes

■ **Information Considered Public** – Information that has been publicly disseminated such that investors have had the opportunity to evaluate it, or that has been filed with governmental agencies as a matter of public record, is considered public and is available to anyone upon request. Examples include press releases, annual and quarterly earnings reports to unitholders, reports to the SEC (e.g., Forms 10-K, 10-Q and 8-K, registration statements, and prospectuses).

■ The laws and regulations governing the purchase and sale of Partnership securities are complex. Should any employee have any questions concerning his or her rights and responsibilities in this regard, he or she should contact the Compliance Officer for advice before engaging in a transaction.

Officers and Directors of the Partnership and Certain Other Employees of Buckeye Pipe Line Services Company and the Company's Subsidiaries

■ More detailed guidelines and requirements related to the purchase or sale of Partnership securities, which are applicable to officers and directors of the Partnership and certain other

employees of Buckeye Pipe Line Services Company and the Company's subsidiaries, are set forth in a Memorandum regarding LP Unit Trading Restrictions and Ownership Reporting Requirements under the Federal Securities Laws dated October 27, 2008, as supplemented or amended from time to time. The memorandum is supplemental to the material covered in this *Business Code of Conduct* with respect to trading in Partnership securities. The Memorandum identifies the individuals to whom the additional restrictions and requirements apply. The Memorandum should be consulted by those officers, directors or employees to whom it applies for further guidance in connection with the purchase or sale of Partnership securities. This memorandum is available from the office of the Compliance Officer.

Responsibility of the Legal Department

It is the responsibility of the legal function to advise officers, directors and employees concerning restrictions imposed by the federal securities laws in connection with the purchases and sale of LP Units. In addition, it is the responsibility of the legal department to establish appropriate guidelines (especially for officers and directors of the Partnership) in connection with pre-clearance procedures, black-out dates, and other restrictions in connection with the sale of LP Units.

BUSINESS CODE OF CONDUCT

- Obey the applicable laws and regulations governing our business conduct.
- Be honest, fair, and trustworthy in all your Buckeye activities and relationships.
- Keep confidential information entrusted to you by Buckeye or our customers.
- Foster an atmosphere in which equal opportunity extends to every member of the Buckeye community.
- Strive to protect the environment and to create a safe workplace.
- Avoid all conflicts of interest between work and personal affairs.
- Through leadership at all levels, sustain a culture where ethical conduct is recognized, valued, and exemplified by all employees.



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