



**ONEOK**

**2020 RESULTS AND  
2021 GUIDANCE**

FEB. 22, 2021

# FORWARD-LOOKING STATEMENTS

Statements contained in this presentation that include company expectations, outlooks or predictions should be considered forward-looking statements that are covered by the safe harbor protections provided under federal securities legislation and other applicable laws.

It is important to note that actual results could differ materially from those projected in such forward-looking statements. For additional information that could cause actual results to differ materially from such forward-looking statements, refer to ONEOK's Securities and Exchange Commission filings.

This presentation contains factual business information or forward-looking information and is neither an offer to sell nor a solicitation of an offer to buy any securities of ONEOK.

All references in this presentation to financial guidance or outlooks are based on the news release issued on Feb. 22, 2021, and are not being updated or affirmed by this presentation.

# RESILIENT BUSINESS MODEL – PROVEN PERFORMANCE

## Financial Strength and Flexibility

Solid investment-grade balance sheet

## Significant Liquidity

Undrawn \$2.5 billion credit facility | No debt maturities until 2022

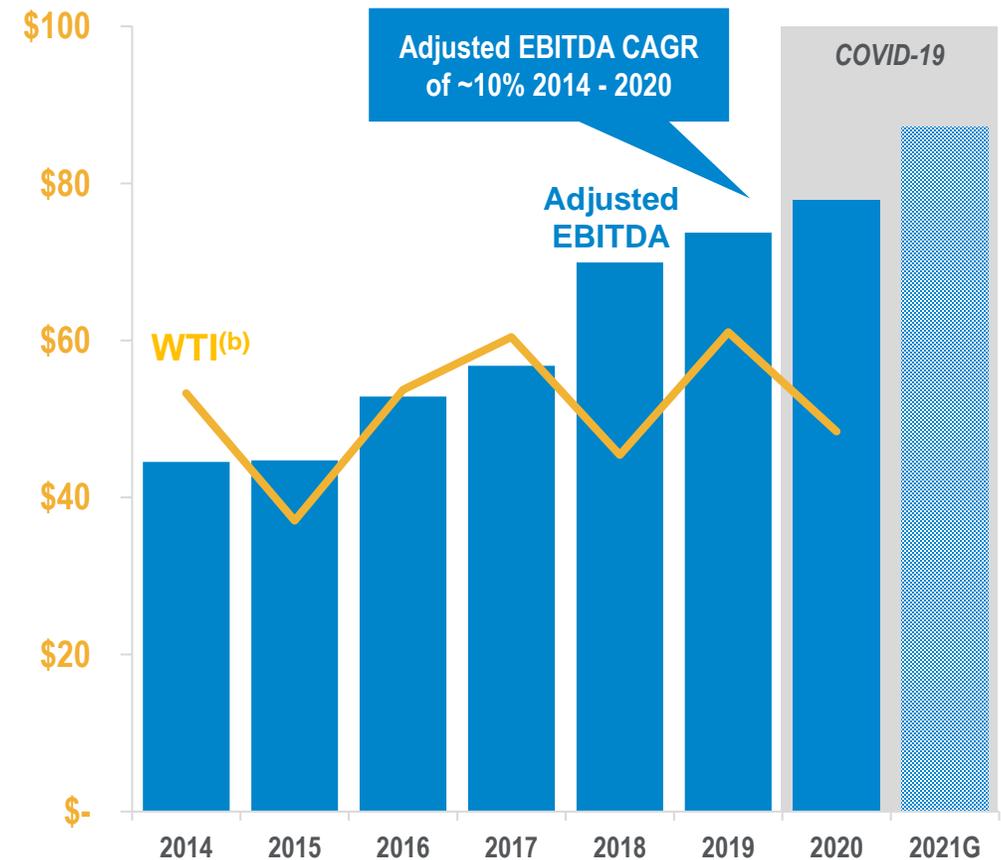
## Long-term Commitment to Sustainability

12<sup>th</sup> ESG report issued in 2020

**ONEOK's 2020 adjusted EBITDA increased 6%**

in a year when global crude oil demand decreased ~8% and global energy demand decreased ~5%.<sup>(a)</sup>

## POSITIONED FOR GROWTH



(a) International Energy Agency (IEA) estimates, report dated October 2020.  
(b) Energy Information Administration (EIA) data, West Texas Intermediate (WTI) futures price at year end for each period shown.

# NATURAL GAS LIQUIDS

## VOLUME UPDATE

### ◆ Rocky Mountain:

- NGL raw feed throughput increased 13% compared with the third quarter 2020.

### ◆ Mid-Continent:

- 37,000 bpd decrease in ethane compared with the third quarter 2020.

### ◆ Gulf Coast/Permian:

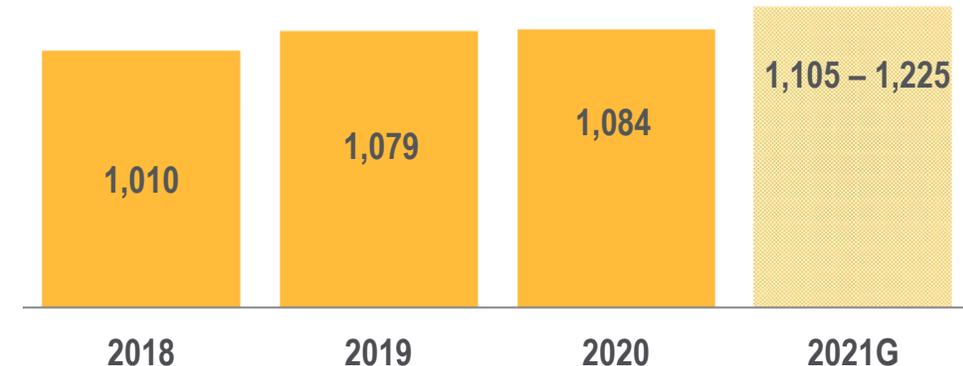
- 30,000 bpd of short-term fractionation volume rolled off in the fourth quarter.
- 12,000 bpd decrease in ethane compared with the third quarter 2020.
- 10,000 bpd lower volume in the fourth quarter due to third-party plant disruption.

### ◆ 2020 natural gas processing plant connections/expansions:

- Rocky Mountain (5); Permian Basin (2); Mid-Continent (1)

Average NGL Raw Feed Throughput Volumes <sup>(a)</sup>			
Region	Third Quarter 2020	Fourth Quarter 2020	Average Bundled Rate (per gallon)
Rocky Mountain <sup>(b)</sup>	215,000 bpd	<b>244,000 bpd</b>	~ 28 cents <sup>(e)</sup>
Mid-Continent <sup>(c)</sup>	568,000 bpd	<b>513,000 bpd</b>	~ 9 cents <sup>(e)</sup>
Gulf Coast/Permian <sup>(d)</sup>	379,000 bpd	<b>314,000 bpd</b>	~ 5 cents <sup>(f)</sup>
<b>Total</b>	<b>1,162,000 bpd</b>	<b>1,071,000 bpd</b>	

NGL Raw Feed Throughput Volume <sup>(a)</sup>  
( M B b l / d )



(a) Represents physical raw feed volumes on which ONEOK charges a fee for transportation and/or fractionation services.

(b) Rocky Mountain: Bakken NGL and Elk Creek NGL pipelines.

(c) Mid-Continent: ONEOK transportation and/or fractionation volumes from Overland Pass pipeline (OPPL) and all volumes originating in Oklahoma, Kansas and the Texas Panhandle.

(d) Gulf Coast/Permian: West Texas NGL pipeline system, Arbuckle Pipeline volume originating in Texas and any volume fractionated at ONEOK's Mont Belvieu fractionation facilities received from a third-party pipeline.

(e) Includes transportation and fractionation.

(f) Primarily transportation only.

# NATURAL GAS GATHERING AND PROCESSING

## VOLUME UPDATE

### Rocky Mountain

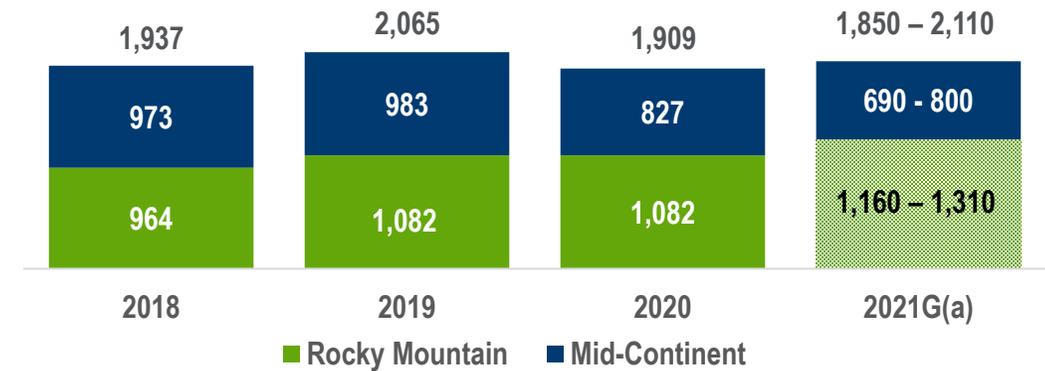
- ◆ Processed volumes increased 16% compared with the third quarter 2020.
- ◆ 305 well connects completed in 2020.
- ◆ Expect to connect 275-325 wells in 2021.

### Mid-Continent

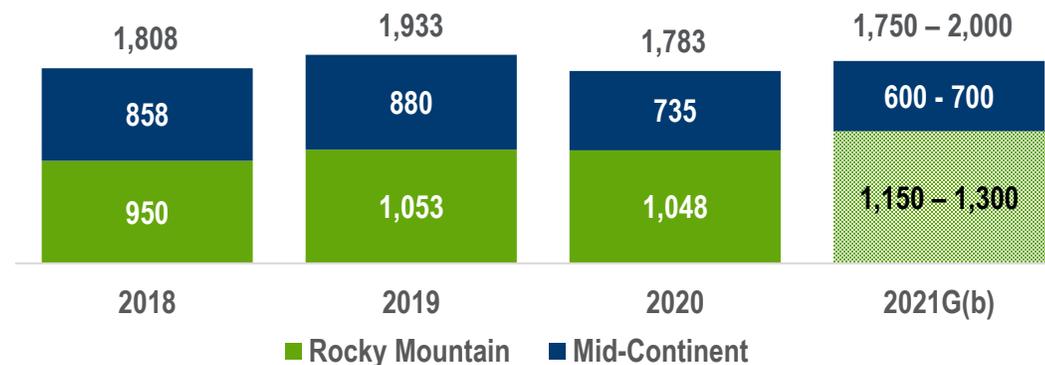
- ◆ 30 well connects completed in 2020.
- ◆ Expect to connect 20-40 wells in 2021.

Region	Third Quarter 2020 – Average Gathered Volumes	Fourth Quarter 2020 – Average Gathered Volumes	Third Quarter 2020 – Average Processed Volumes	Fourth Quarter 2020 – Average Processed Volumes
Rocky Mountain	1,059 MMcf/d	1,245 MMcf/d	1,033 MMcf/d	1,197 MMcf/d
Mid-Continent	817 MMcf/d	758 MMcf/d	728 MMcf/d	668 MMcf/d
Total	1,876 MMcf/d	2,003 MMcf/d	1,761 MMcf/d	1,865 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)

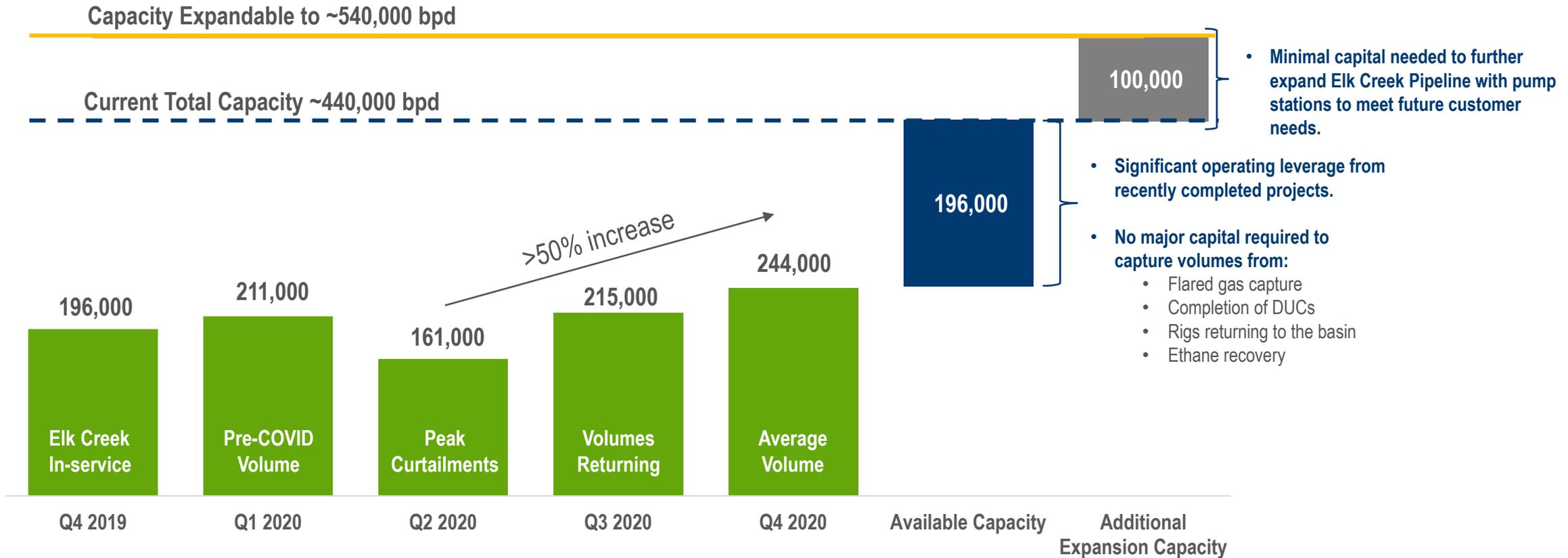


(a) 2021 guidance gathered volumes (BBtu/d): 2,475 – 2,830

(b) 2021 guidance processed volumes (BBtu/d): 2,360 – 2,690

# STRONG NATURAL GAS LIQUIDS VOLUME RECOVERY

Rockies Region NGL Raw Feed Throughput (bpd)



25,000 bpd of Rockies Region NGLs is ~\$100 million of annual EBITDA to ONEOK.

# BUSINESS SEGMENT PERFORMANCE

## Q4 2020 VS. Q3 2020 ADJUSTED EBITDA VARIANCES

### ◆ Natural gas gathering and processing increased

- **\$30.9 million increase** due primarily to higher realized commodity prices impacting fee-based contracts with a percent of proceeds component and a one-time contract settlement.
- **\$26.0 million increase** due primarily to the return of curtailed production volumes by the end of the third quarter 2020.
- **\$22.8 million decrease** from higher operating costs due primarily to higher materials, supplies and outside services expenses, and higher employee-related costs.

### ◆ Natural gas pipelines decreased

- **\$4.8 million decrease** from higher operating costs due primarily to employee-related costs and materials expenses.
- **\$4.0 million decrease** in equity earnings due primarily to lower transportation rates on Northern Border Pipeline.
- **\$2.4 million increase** due primarily to higher firm transportation revenue.
- **\$1.5 million increase** in storage services.

### ◆ Natural gas liquids decreased

- **\$24.0 million decrease** in optimization and marketing due primarily to lower product price differentials.
- **\$12.9 million decrease** in exchange services due primarily to \$34.5 million primarily related to lower ethane volume in the Mid-Continent region and lower short-term fractionation volume in the Gulf Coast/Permian Basin, offset partially by \$22.9 million related primarily to higher volume in the Rocky Mountain region.
- **\$8.6 million decrease** from higher operating costs due primarily to higher employee-related costs.
- **\$10.8 million increase** in transportation and storage services primarily from higher volumes on the North System<sup>(a)</sup>.

(a) The North System is a FERC-regulated NGL pipeline that transports NGL purity products and various refined products throughout the Midwest markets, particularly near Chicago, Illinois.

# 2021 FINANCIAL GUIDANCE

## STRONG VOLUMES EXPECTED TO DRIVE SEGMENT RESULTS

	2021 Guidance Range		
	(\$ in millions, except per share amounts)		
Net income	\$ 1,075	–	\$ 1,375
Diluted earnings per common share	\$ 2.40	–	\$ 3.08
Adjusted EBITDA (a)	\$ 2,900	–	\$ 3,200
Distributable cash flow (a)	\$ 1,970	–	\$ 2,270
Growth capital expenditures	\$ 335	–	\$ 465
Maintenance capital expenditures	\$ 190	–	\$ 210
Segment Adjusted EBITDA:			
Natural Gas Liquids	\$ 1,860	–	\$ 2,030
Natural Gas Gathering and Processing	\$ 660	–	\$ 760
Natural Gas Pipelines	\$ 385	–	\$ 405
Other	\$ (5)	–	\$ 5

### 2021 Earnings Drivers

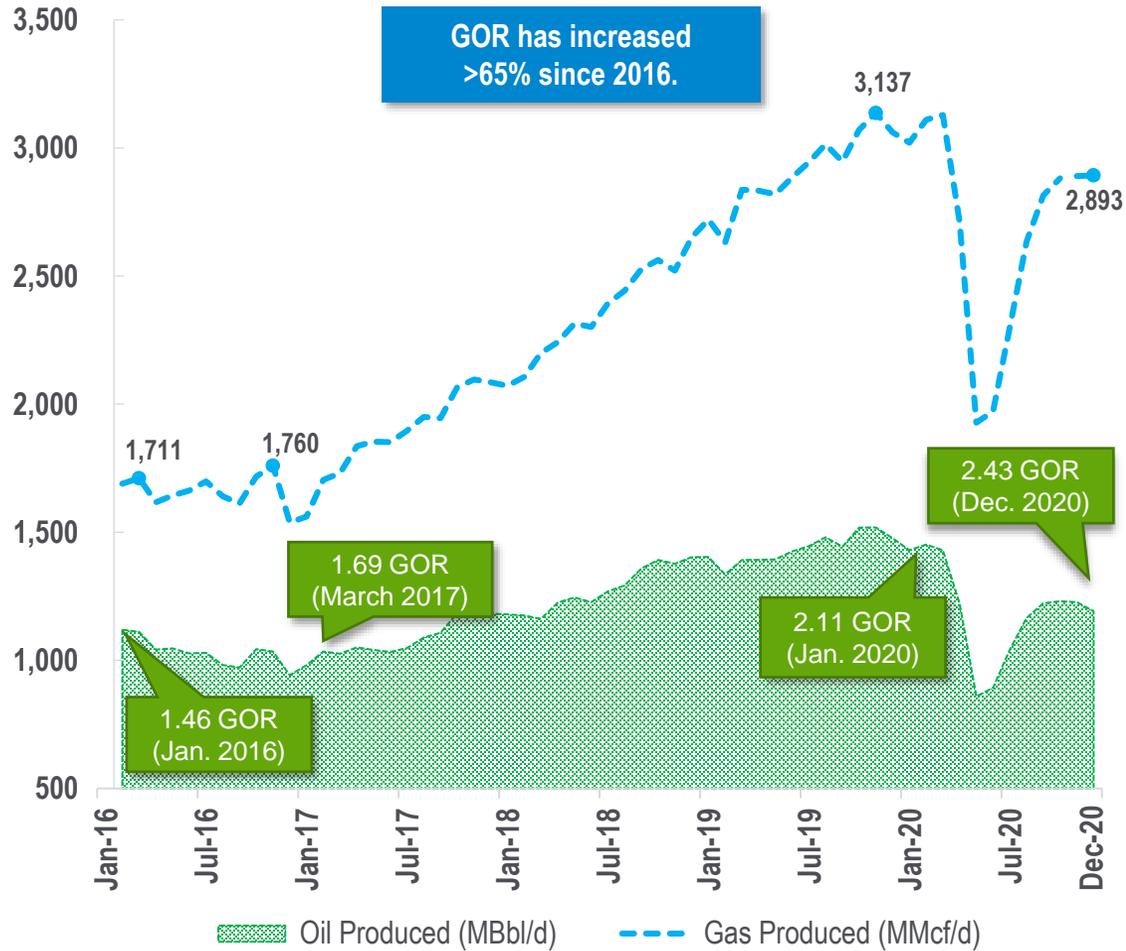
- ◆ Higher Williston Basin natural gas and NGL volumes
- ◆ Lower third-party NGL pipeline costs
- ◆ Ethane recovery opportunities
- ◆ Two to four expected third-party plant connections and expansions
- ◆ 295 - 365 expected well connections
- ◆ Full year of operations from projects completed in 2020

(a) Adjusted EBITDA and distributable cash flow are non-GAAP measures. Reconciliations to relevant GAAP measures are included in the appendix.

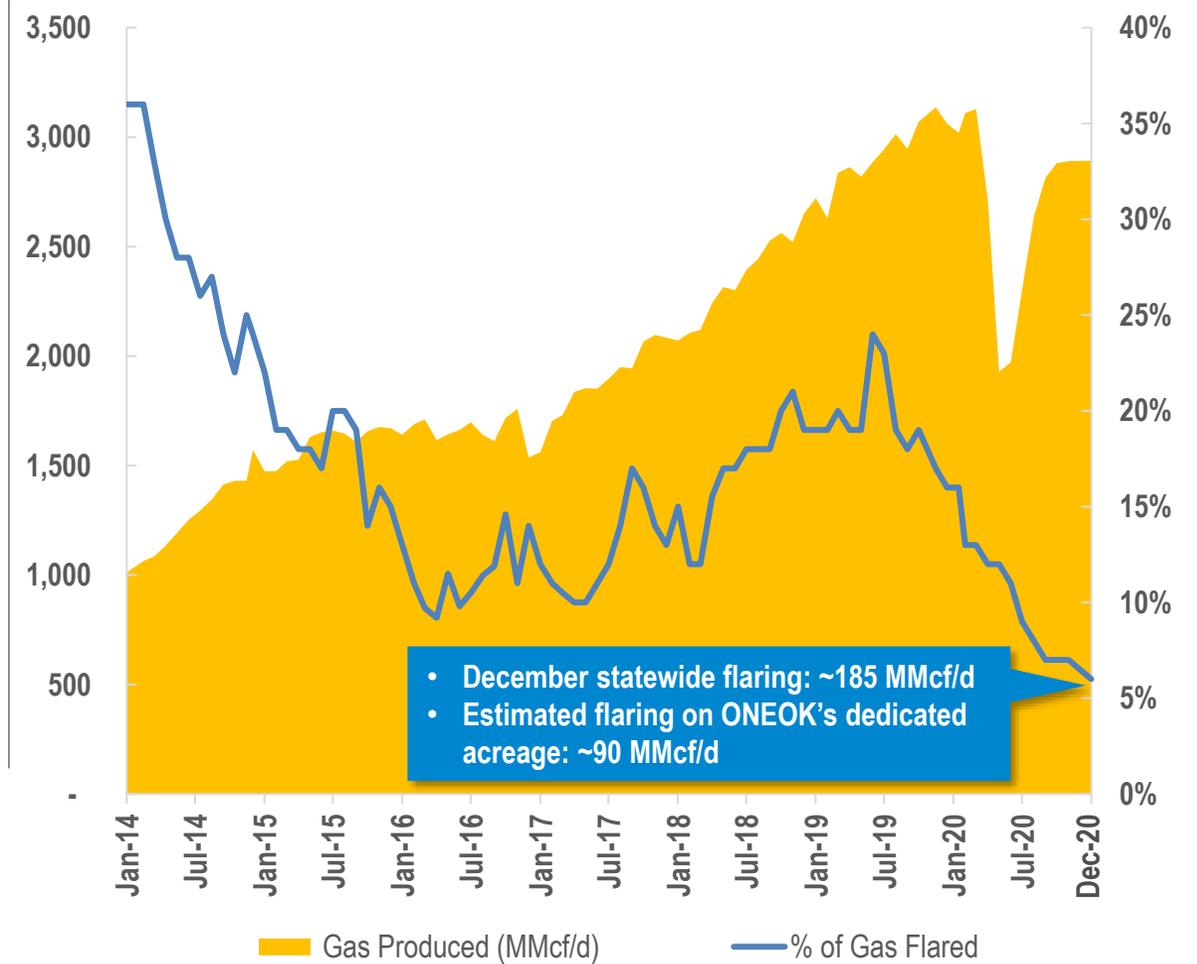
# WILLISTON BASIN

## INCREASING GAS-TO-OIL RATIOS (GOR) AND FLARING PRESENT OPPORTUNITIES

North Dakota Natural Gas and Crude Oil Produced



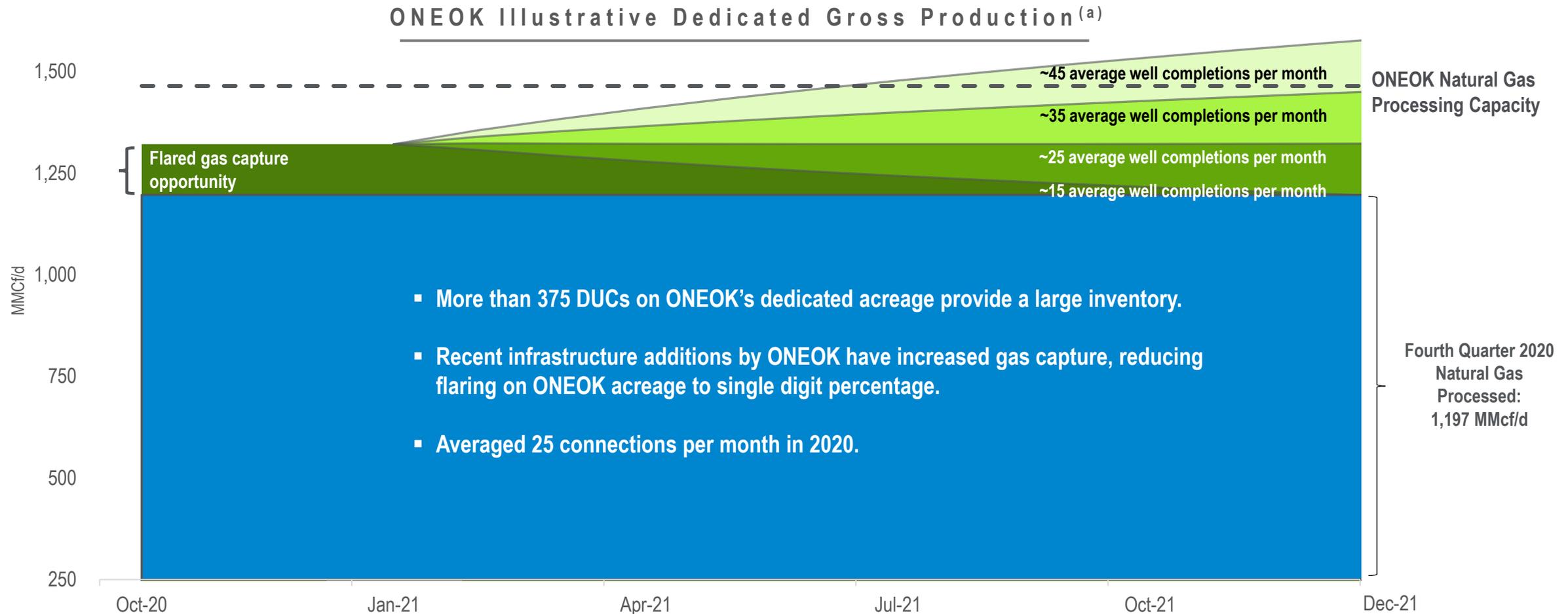
North Dakota Natural Gas Produced and Flared



Source: North Dakota Industrial Commission and North Dakota Pipeline Authority.

# CAPTURING FLARED PRODUCTION

LIMITED WILLISTON BASIN ACTIVITY NEEDED TO MAINTAIN CURRENT VOLUME LEVELS



(a) Represents well connect forecasts across all areas of ONEOK's operations in North Dakota and Montana.

Sources: ONEOK and North Dakota Industrial Commission (NDIC) data.

# PROMOTING LONG-TERM BUSINESS SUSTAINABILITY

## Environmental

Providing solutions to reduce flaring in the Williston Basin

Working to reduce emissions

Focused on conservation, energy efficiency and safety

## Social

Long history of promoting diversity and inclusion

Committed to ongoing stakeholder engagement

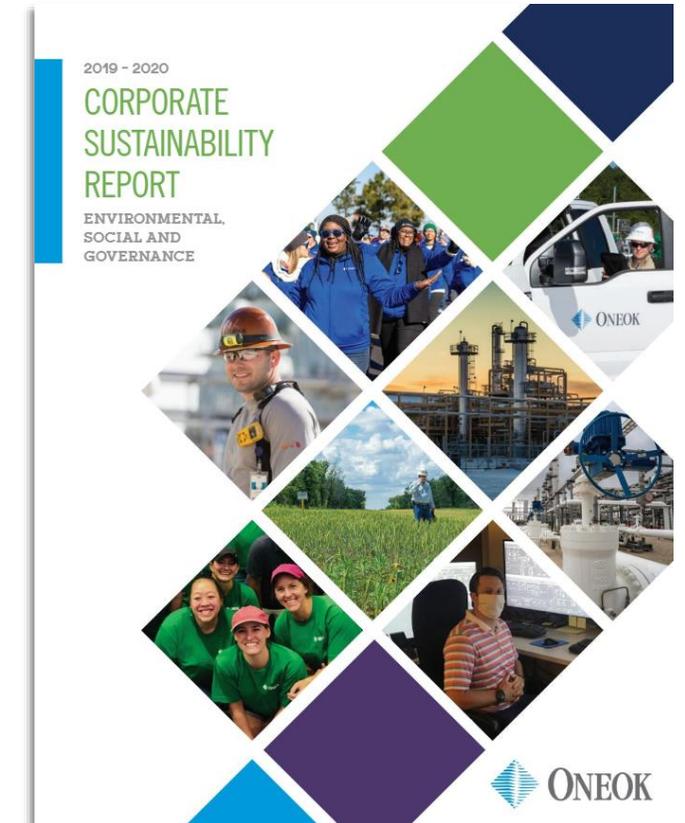
Robust community service and engagement programs

## Governance

Adoption of SASB reporting standards

ESG-focused leadership committees help guide long-term strategy

Executive compensation tied to environmental metrics



12<sup>th</sup> ESG report available at [www.oneok.com](http://www.oneok.com)

# 2021 FINANCIAL GUIDANCE

## NON-GAAP RECONCILIATION

### 2021 Guidance Range

(Millions of dollars)

#### Reconciliation of net income to adjusted EBITDA and distributable cash flow

Net income	\$ 1,075	-	\$ 1,375
Interest expense, net of capitalized interest	775	-	735
Depreciation and amortization	655	-	635
Income tax expense	340	-	440
Noncash compensation expense	50	-	30
Equity AFUDC and other noncash items	5	-	(15)
Adjusted EBITDA	2,900	-	3,200
Interest expense, net of capitalized interest	(775)	-	(735)
Maintenance capital	(210)	-	(190)
Equity in net earnings from investments	(70)	-	(130)
Distributions received from unconsolidated affiliates	115	-	135
Other	10	-	(10)
Distributable cash flow	\$ 1,970	-	\$ 2,270