



# Sustainability Report

2019



**TARGA**

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## REPORTING GUIDELINES AND FORWARD-LOOKING STATEMENTS

Our 2019 Sustainability Report references the GRI Standards – Core option and the Sustainability Accounting Standards Board (SASB) midstream framework.

### Forward-Looking Statements

Certain statements in this report are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this report that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, are forward-looking statements. The actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecasted in this report may differ materially in the future. Moreover, many of the assumptions, standards, metrics and measurements used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. These forward-looking statements in this report rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside the Company’s control, which could cause results to differ materially from those expected by management of the Company. Therefore, the reader should not place undue reliance on these forward-looking statements. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for natural gas, natural gas liquids and crude oil, the impact of pandemics such as COVID-19, actions by the Organization of the Petroleum Exporting Countries (“OPEC”) and non-OPEC oil producing countries, actions of competitors or regulators, the timing and success of business development efforts, the Company’s ability to gather reliable data regarding the environmental impact (including GHG emissions) of its operations and technologies, the availability and relative attractiveness of renewable and low carbon business opportunities and solutions, the Company’s ability to successfully implement various sustainability and emission management and reduction initiatives throughout the organization, the compliance of various third parties and contractors with the Company’s policies and procedures and legal requirements, and other uncertainties. These and other applicable uncertainties, factors and risks are described more fully in the Company’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2019, and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on the Company, its operations or the outcomes described in the forward-looking statements in this report. The forward-looking statements and statements of intention in this report speak only as of the date of the preparation of this report. The Company does not undertake, and expressly disclaims, any obligation to update or revise any forward-looking statement or statements of intention, whether as a result of new information, future events or otherwise.

This report covers the Company’s owned and operated businesses, and does not address the performance or operations of our suppliers, contractors and partners unless and then only to the extent otherwise noted. In addition, while this report describes potential future events and matters that may be significant, the potential significance of these events and matters should not be read as equating to “materiality” as the concept is used in connection with the Company’s required disclosures made in response to SEC and exchange rules and regulations.

# LEADERSHIP STATEMENT

**At Targa, we strive to conduct our business safely and with integrity, creating lasting benefits for our stakeholders, including investors, lenders, customers, employees, business partners, regulators, and the communities in which we live and work. We are proud to be part of the energy infrastructure that is delivering safe, reliable energy to industry, farmers, and communities across America.**

Our operations connect U.S. natural gas and natural gas liquids (NGL) supply to markets where there is growing demand for cleaner fuel and feedstocks. We believe that natural gas, NGLs and liquefied petroleum gas (LPG) are part of the solution to reducing the world's greenhouse gas emissions. Natural gas, NGLs, and LPG are playing a meaningful role globally in improving public health and the environment with about half of the carbon dioxide (CO<sub>2</sub>) emissions compared to coal combustion. The increasing use of natural gas has helped the U.S. lower its emissions even as the economy has grown over the last 15 years. Globally, where electricity is not available, the use of LPGs for fuel has a positive impact on the health and prosperity for local people in less industrialized nations.

*Safety* - At Targa, safety is a core value. We believe that "Zero is Achievable" and our goal is to operate and deliver our products without any injuries. We continually seek to maintain and deepen our safety culture by providing a safe working environment that encourages active employee engagement. To protect our employees, contractors, and surrounding community from workplace hazards and risks, Targa implements and maintains an integrated system of policies, practices, and controls.

*Operational Excellence* - We recognize that operating our assets, including thousands of miles of pipelines, natural gas processing facilities, and NGL fractionation and distribution facilities, is a great responsibility. Throughout our organization, we are committed to maintaining and operating our assets safely, efficiently, and in an environmentally responsible manner. We invest each year in integrity management, maintenance, and environmental programs. Wherever we operate, we strive to conduct our business with attention to the environment and to manage risks to enable sustainable business growth.

*Integrity and Code of Conduct* - Our actions are guided by Targa's Code of Conduct, the overarching policy that empowers us to commit to ethics, integrity, and compliance. Targa's Code of Conduct establishes the high standard of ethical conduct that our employees are expected to follow and outlines how everyday behavior is expected to align with our core values. We further reinforce our commitment through adherence to our policies and practices, as well as through Code of Conduct annual training.

Throughout our organization, we are committed to operating safely, with excellence and high integrity. This is a commitment that starts with and is maintained by our Board of Directors, where the full Board of Directors looks to hold the senior management team accountable for our sustainability and Environmental, Social and Governance (ESG) objectives, including through administration of the

Company's annual incentive program. Given the importance of ESG, our senior management reports to the full Board on ESG matters on a quarterly basis. This deliberate decision enables senior management to benefit from the breadth of experiences and knowledge from the full Board. ESG and sustainability remain a core Board agenda item, with metrics and focus topics discussed at each quarterly meeting led by different members of the cross-functional team supporting our ESG efforts. Our performance on sustainability factors played a role in 2019 compensation decisions and will continue to play a role in the Compensation Committee's evaluation of annual incentive compensation.

To further develop and advance our goals and approach to sustainability, Targa has a cross-functional sustainability working group comprised of leadership from our Environmental, Safety and Health, Operations, Engineering, Human Resources, Legal, Supply Chain, Financial Accounting, Commercial, and Investor Relations departments. The coordinated efforts are led by Ms. Jessica Keiser, our Senior Vice President of Sustainability and Environmental, Safety and Health (ES&H), who reports directly to our Chief Executive Officer.

Our sustainability objectives are designed to generate attractive economic returns for our investors, while minimizing environmental and social impacts. Based on the materiality assessment that we performed pursuant to the Global Reporting Initiative (GRI) sustainability framework, our sustainability strategy focuses on the most significant ESG topics for our business and our stakeholders. These key topics include safety and health, environmental stewardship, community engagement, human capital management, and talent management and development.

Targa is committed to transparency and disclosure of its ESG performance. Our 2019 Sustainability Report references the GRI Standards – Core option and the Sustainability Accounting Standards Board (SASB) midstream framework.

# TARGA OVERVIEW

**Targa is a leading provider of midstream services and is one of the largest independent midstream infrastructure companies in North America. We own, operate, acquire and develop a diversified portfolio of complementary midstream infrastructure assets.**

We are engaged primarily in the business of:

- gathering, compressing, treating, processing, transporting and selling natural gas;
- transporting, storing, fractionating, treating, and selling NGLs and NGL products, including services to LPG exporters; and
- gathering, storing, terminaling and selling crude oil.

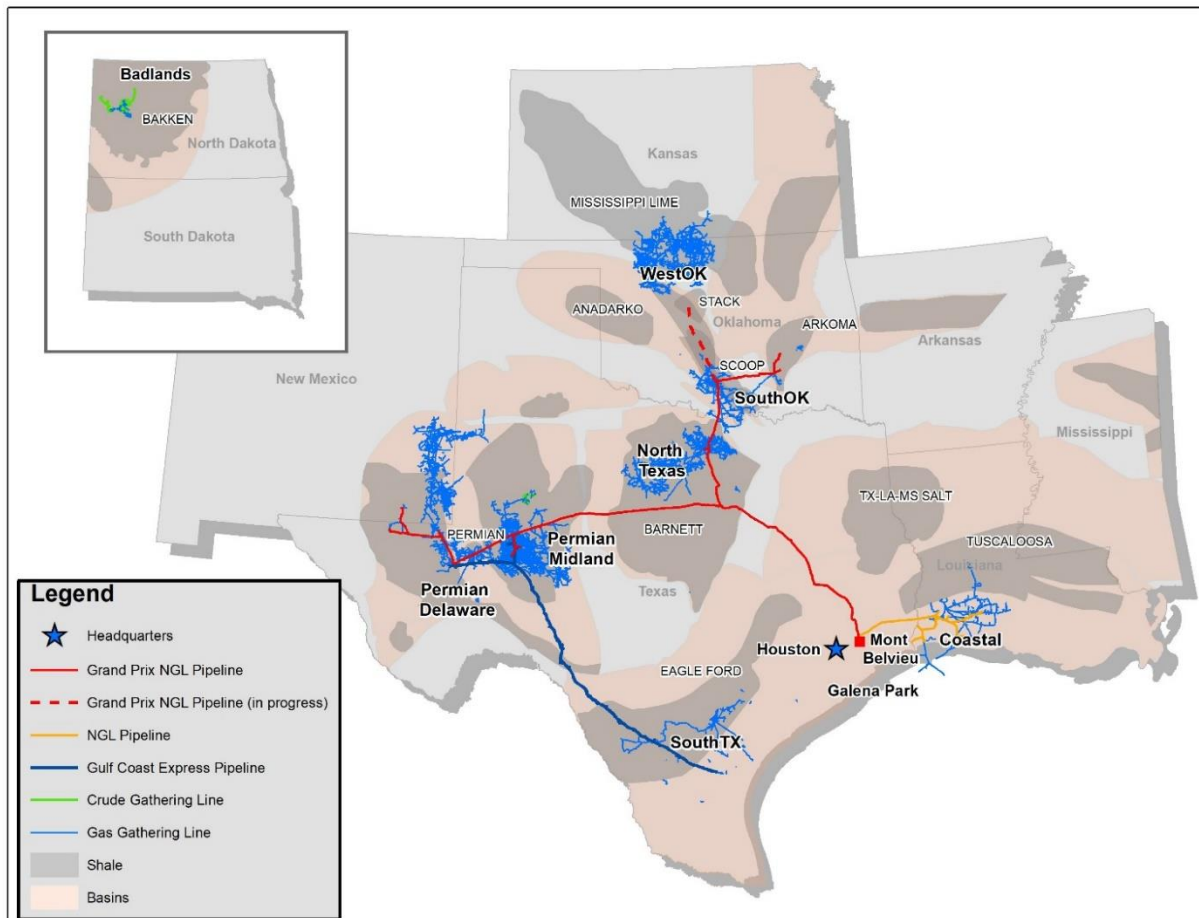
To provide these services, we operate in two primary segments: (i) Gathering and Processing, and (ii) Logistics and Transportation (also referred to as the Downstream Business).

Our Gathering and Processing segment includes assets used in the gathering of natural gas produced from oil and gas wells and processing this raw natural gas into merchantable natural gas by extracting NGLs and removing impurities. The Gathering and Processing segment also includes assets used for crude oil gathering and terminaling. The Gathering and Processing segment's assets are located in the Permian Basin of West Texas and Southeast New Mexico (including the Midland, Central and Delaware Basins); the Eagle Ford Shale in South Texas; the Barnett Shale in North Texas; the Anadarko, Ardmore, and Arkoma Basins in Oklahoma (including the SCOOP and STACK) and South Central Kansas; the Williston Basin in North Dakota (including the Bakken and Three Forks plays); and the onshore and near offshore regions of the Louisiana Gulf Coast and the Gulf of Mexico.

Our Logistics and Transportation segment includes the activities and assets necessary to convert mixed NGLs into NGL products and also includes other assets and value-added services such as transporting, storing, fractionating, terminaling, and marketing of NGLs and NGL products, including services to LPG exporters and certain natural gas supply and marketing activities in support of our other businesses. Fractionation is the process of separating NGLs into discrete NGL products: ethane, propane, butanes and natural gasoline. These products are then supplied to key demand markets along the US gulf coast, including petrochemical facilities, refineries, end-use markets or are exported to international LPG markets. The Logistics and Transportation segment also includes the Grand Prix Pipeline, as well as our equity interest in Gulf Coast Express Pipeline LLC, a natural gas pipeline transporting volumes from West Texas to the Gulf Coast. Grand Prix connects our gathering and processing positions in the Permian Basin, Southern Oklahoma and North Texas with our downstream facilities in Mont Belvieu, Texas. The associated assets, including these pipelines, are generally connected to and supplied in part by our Gathering and Processing segment and, except for the pipelines and smaller terminals, are located predominantly in Mont Belvieu and Galena Park, Texas, and in Lake Charles, Louisiana.

## TARGA BUSINESS HIGHLIGHTS

- Targa is a premier integrated midstream infrastructure company that connects supply (associated natural gas and NGLs) to key demand markets
- Targa has one of the largest Gathering and Processing positions in the Permian Basin with significant access to NGL supply
- Targa's Logistics and Transportation business is connected to the domestic NGL hub and international demand
- Targa fully placed in-service the Grand Prix Pipeline in the third quarter of 2019, which enhances Targa's competitive capabilities to move volumes from gathering and processing through the Targa value chain to key end markets



# YTD 2020 DEVELOPMENTS

## COVID-19 Business Response

As a critical energy infrastructure operator, Targa continues to prioritize safety in all parts of our organization. At the end of 2019, the world was beginning to be introduced to a novel coronavirus, which the World Health Organization soon thereafter designated as COVID-19. In response to the ongoing COVID-19 pandemic, we moved early and quickly to protect the health and safety of our employees and are continuing to proactively manage our response to an evolving national and global situation.

We activated and continue to operate under our Business Continuity Plan and took several additional strategic, proactive measures in response to information from the Centers for Disease Control and the local, state and national authorities to try to minimize the risk of business disruption and to protect our ability to deliver reliable services to our customers. Our Business Continuity Plan included:

- Forming a critical response team of senior management in January 2020 to collaborate, review, and execute Targa's business response to COVID-19
- Proactively conducting a mandatory work-from-home drill for all non-field employees ahead of the stay-at-home orders issued by applicable governmental authorities
- Preserving our workforce by providing our non-field employees with technology and equipment to perform their work duties remotely
- Instituting social distancing practices and routine deep cleaning protocols at all facility locations to manage the spread of the virus
- Equipping our facilities' employees with personal face coverings
- Continuing to provide leading customer service and reliable operations through enhanced facilities protocols, including limiting access to facilities by essential personnel, enabling social distancing, conducting jobsite safety meetings under social distancing protocols and encouraging virtual meetings rather than in-person meetings when possible
- Engaging with our supply chain to review their capabilities and continuity of operations and service
- Implementing plans for safely returning to offices over time

Our Board of Directors receives regular updates around preserving the well-being of our employees and continuity of Targa business operations as COVID-19 evolves.

Our industry continues to navigate through an unprecedented period as a result of COVID-19. The low supply-demand for energy commodities and the low crude oil price environment caused producers to meaningfully reduce their activity levels. Given this lower volume outlook and increased uncertainty around business fundamentals, we moved quickly and decisively as an organization to take key actions to protect our balance sheet and preserve Targa's financial flexibility to be successful over the long-term.

## Election of New Board Members

As previously announced, on March 1, 2020, Mr. Matthew J. Meloy was elected to the Board and we increased the size of Targa's Board of Directors from ten to eleven directors. On June 1, 2020, we announced the election of Ms. Lindsey M. Cooksen to the Board and increased the size of Targa's Board of Directors from eleven to twelve directors. Following the election of Mr. Meloy and Ms. Cooksen, 75% of our directors are independent and 25% are women. The data reflected herein is based on our board composition as of June 1, 2020.

# OUR COMMITMENT TO THE ENVIRONMENT



At Targa, we are committed to protecting and preserving the environment. As members of the communities in which we live and operate, we take pride in our operations and the way we conduct our business.

Targa dedicates resources to participate in environmental regulatory advocacy, to monitor global energy demand and changing business priorities, and to work within our assets to foster operational reliability. We pursue opportunities to try to implement new technologies and to explore low carbon business opportunities that complement our business model and promote sustainability.

## Environmental, Safety and Health Framework

Targa strives to operate safely, reliably and in a way that avoids, minimizes, and mitigates our environmental impact. We review our key Environmental, Safety and Health (ES&H) metrics and performance quarterly with our full Board of Directors, reflecting the importance of ES&H to all of our Board members. Our Board has deliberately made the decision for senior management to provide a

detailed ES&H report to the full Board quarterly. Targa's approach to ES&H is articulated in our ES&H Statement.

Our ES&H Statement is available on our website at [www.targaresources.com/sustainability/environmental](http://www.targaresources.com/sustainability/environmental).

Targa seeks to implement sustainable work processes across our organization that achieve continuous improvement. To support our efforts in this area, we have implemented an ES&H framework of management policies, practices, systems, and controls that includes automated permit compliance tracking, systems development, compliance audits, and training. Our corporate ES&H subject matter experts keep these policies and practices up to date; while our field ES&H personnel work with other functional groups across Targa, including

Engineering, Construction, and Operations, to oversee their implementation. Targa senior management routinely monitors the results of our ES&H programs and provides our Board of Directors with quarterly updates on performance metrics. Targa continually reviews overall ES&H performance metrics and adjusts goals and objectives, as needed.

We work to keep an open and transparent relationship with our federal, state, and local regulatory agencies. We routinely engage with regulatory agencies, either alone or through our industry associations, on policy development, rulemaking, education, technology review, and benchmarking.

Targa is a member company of the EPA Natural Gas STAR Program, which is a voluntary partnership between the EPA and oil and natural gas companies to adopt cost effective technologies and practices to reduce methane emissions. Additionally, Targa is active in a variety of industry associations and work groups that share best practices and interact with a variety of stakeholders.

For example, throughout 2019, Targa participated in the New Mexico Oil and Gas Association's (NMOGA) Methane Workgroup. Targa assisted with technical report development and presented to the New Mexico Methane Advisory Panel (MAP). MAP is a joint group established by the New Mexico Environmental Department and Energy, Minerals, and Natural Resources Department to prepare technical documents on methane emissions from oil and gas sources. MAP is comprised of members of New Mexico's oil and natural gas industry along with national environmental and local advocacy organizations, including Sierra Club and the Environmental Defense Fund, as well as interests of the Nations, tribes, and pueblos in New Mexico.

**Targa is a member company of the EPA Natural Gas STAR Program, which is a voluntary partnership between the EPA and oil and natural gas companies to adopt cost effective technologies and practices to reduce methane emissions.**

## Emissions

### Managing Emissions

At Targa, we believe focusing on operational excellence, which includes facility reliability and maintenance practices, results in stronger environmental performance by minimizing process upsets and equipment failures, which may result in unexpected emissions. We are focused on multiple management practices that result in reduced emissions to the atmosphere, including:

- Actively monitoring for and repairing leaks
- Reducing and mitigating flaring events
- Tracking and investigating incidents to determine root causes and corrective actions
- Analyzing data on a routine basis and investing resources to solve problems
- Regularly reviewing performance of our operations including monthly reviews with senior leadership and quarterly reviews with our Board of Directors

As part of our environmental management systems, we conduct the following activities in each of our business segments to manage our air permitting and compliance program:

- Develop and maintain permit requirements lists in our compliance tracking system, along with required actions, deadlines, and designated responsible persons
- Provide regular and ongoing training for operations, engineering, and maintenance staff to foster the understanding of permit requirements
- Identify, record, and maintain a list of air emission sources and sources of fugitive emissions
- Quantify facility annual emissions per federal, state, provincial, or local requirements and document the basis of the quantification and estimation
- Quantify emissions and continue to meet all permitting requirements when equipment changes and/or modifications occur at a facility

### Emissions Reduction Strategies

Targa continually seeks to reduce emissions by:

- Installing lower emitting equipment during facility expansions and new facility construction
- Reducing emissions from product transfer operations by implementing vapor balanced loading/unloading procedures
- Utilizing leak certified tank trucks that meet or exceed EPA standards
- Recovering products, that would otherwise be flared or lost to atmosphere, by using vapor recovery units
- Maintaining properly tuned and efficient compressor engines through preventative maintenance and emission testing
- Evaluating and expanding pipeline gathering system capacity and flexibility to reduce potential field gas flaring

## Greenhouse Gas Emissions

Greenhouse gas (GHG) emissions at our facilities generally result from natural gas combustion from operating natural gas driven compressor engines and process heaters; and from methane and carbon dioxide (CO<sub>2</sub>) that escape while operating equipment, flaring, venting, and other processes which are common to operating natural gas systems. Under applicable EPA greenhouse gas reporting rules, reporting is required for facilities that emit at or above 25,000 metric tons of carbon dioxide equivalents (CO<sub>2</sub>e) per year.

The following table represents Targa's Scope 1 and 3 GHG emissions:

	2017	2018	2019
<b>Greenhouse Gas Reporting (million metric tons CO<sub>2</sub>e)</b>			
Scope 1: Targa Facility-Direct Emissions	6.0	6.6	7.5
Scope 1: Targa Facility-Direct Emissions	15.5%	14.9%	13.7%
Scope 3: Products Supplied to Customers	32.8	38.0	46.9
Scope 3: Products Supplied to Customers	84.5%	85.1%	86.3%
CO <sub>2</sub> e reported according to Greenhouse Gas Reporting Rule			

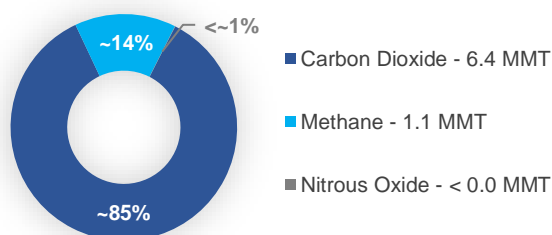
*Scope 1 emissions are facility-direct GHG emissions that result from operating our midstream assets including: natural gas combustion from running compressor engines, turbines and process heaters, plus methane and carbon dioxide from operating equipment, flaring, venting and other processes common to natural gas systems. These emissions are reported annually to the EPA and may change with their review of our reports.*

*Scope 3 emissions are indirect GHG emissions that result from the assumption of complete combustion or oxidation of our NGL products that Targa delivers to market. Examples are combustion of ethane, propane, butane, isobutane and natural gasoline. These GHG emissions would physically occur at customer facilities and would be considered scope 1 or direct emissions for the customer. However, this likely overestimates GHG emissions since a portion of our products end up as feedstocks in petrochemical plants rather than used for combustion. These emissions are reported annually to the EPA and may change with their review of our reports.*

The following chart presents the various GHG components that make up Targa's facility-direct Scope 1 emissions for 2019 as reported to the EPA:

### 2019 Targa Scope 1 GHG Emissions

Total Reported: 7.5 million metric tons (MMT) of CO<sub>2</sub>e



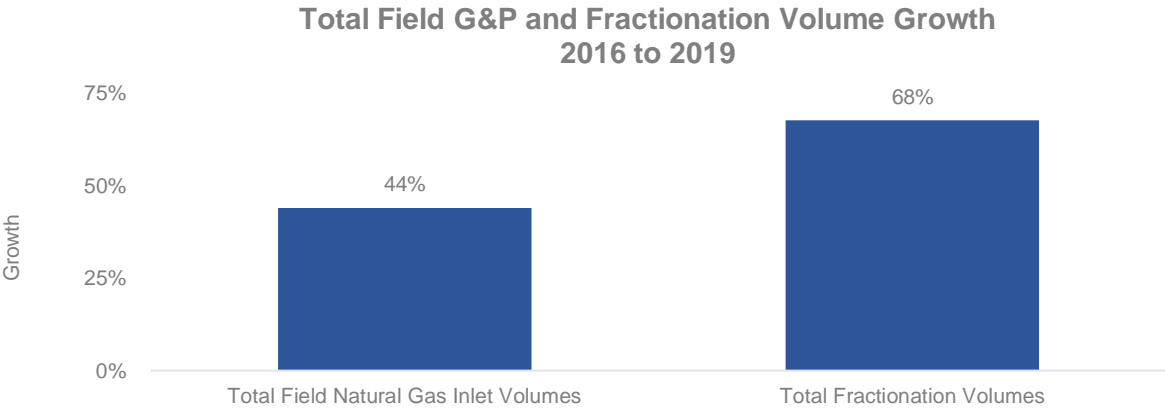
The chart to the left represents the individual constituents of Targa's facility-direct Scope 1 GHG emissions. These facility-direct GHG emissions result from the combustion of fuel and emissions vented to the atmosphere. GHG emission sources that vent to the atmosphere include fugitive components (valves, connectors, open-ended lines, flanges, relief valves and meters), compressors, acid gas treatment systems, blowdown vent stacks, dehydrator vents and storage tanks. The main source of Targa's facility-

direct Scope 1 GHG emissions is from the combustion of natural gas driven compressor engines, turbines and process heaters.

Targa has worked diligently to install electric compression in place of gas fired compression. Since 2017, Targa has installed seven natural gas processing plants across the Permian Basin utilizing electric driven

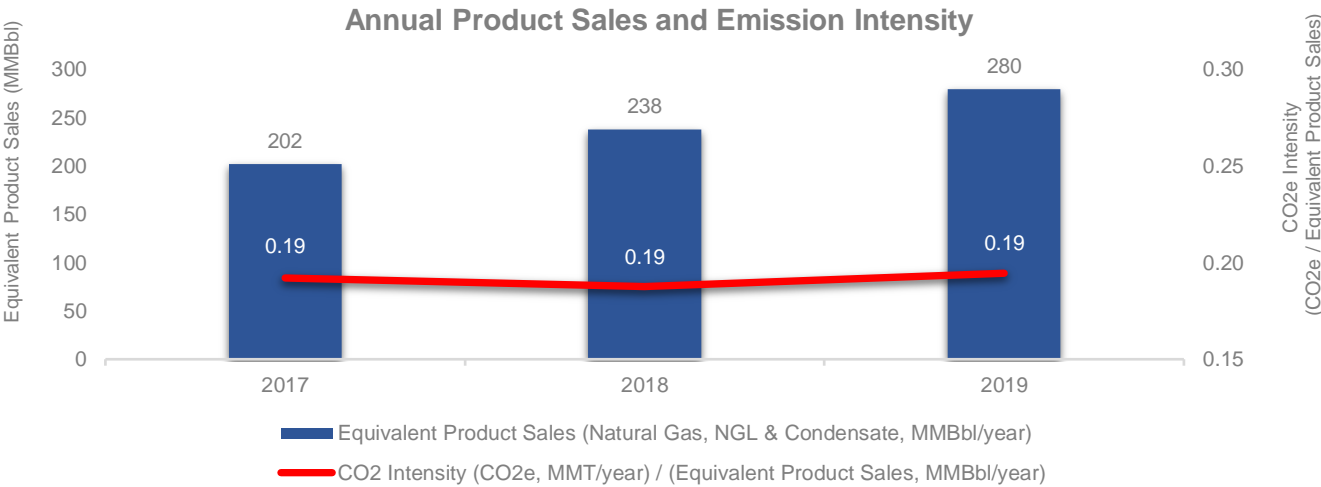
compression instead of gas fired compression. This resulted in lower facility-direct Scope 1 GHG emissions and allows for Targa to gain the benefits of reduced indirect Scope 2 GHG emissions from power generation as renewables, including wind and solar, and natural gas, replace coal-fired power generation.

With the growth in domestic supply, Targa has continued to invest in energy infrastructure to meet customer needs. As a result, Targa's gathering and processing and fractionation system volumes have significantly increased over the measurement period referenced below.



*Fractionation is the process of separating NGLs into discrete NGL products: ethane, propane, butanes and natural gasoline. These products are then supplied to key demand markets along the US gulf coast, including petrochemical facilities, refineries, end-use markets and exported to international LPG markets.*

While product sales have increased at our facilities as a result of Targa's increased operational scale, our emissions intensity remains relatively constant while we have been undergoing unprecedented growth, as noted below.



*The chart above illustrates Targa's aggregate annual product sales and carbon dioxide equivalent (CO2e) emission intensity. Emission intensity is a measure of greenhouse gas emissions per unit of production activity. Emission intensity is determined by dividing carbon dioxide equivalent emissions (CO2e million metric tons) by equivalent product sales (million barrels) per year.*

## Responding to Production Growth in the Permian Basin

Significant growth in the Permian Basin in recent years has caused production to exceed the capacity of existing natural gas gathering and processing infrastructure. Since the beginning of 2017, Targa has expanded its natural gas gathering and processing infrastructure by adding approximately 1.5 billion cubic feet per day (Bcf/d) of incremental processing capacity, and related compression capacity and gathering pipelines. Our natural gas inlet volumes across our field gathering

processing systems have increased 44% over this period. This additional infrastructure increases gas capture and meaningfully reduces potential producer flaring of natural gas. We coordinate and work proactively with the producer community in the Permian Basin to align expansion of our infrastructure with their production forecast.

During 2019, Targa continued its focus on improving operational reliability and reducing emissions from operational upsets and equipment failures. We continue to reduce flaring across our entire Gathering and Processing business by analyzing flaring data, looking for root causes, and implementing corrective actions. Examples include, looking for sources of oxygen that cause operational upsets, expanding liquid handling facilities, and increasing communication with third parties whose downtime directly impacts our operations.

**Targa's infrastructure expansions in the Permian Basin have increased gas capture and reduced potential producer flaring of natural gas. We coordinate and work proactively with the producer community to align infrastructure expansion with their production forecast.**

## Targa's LPG Export Operations

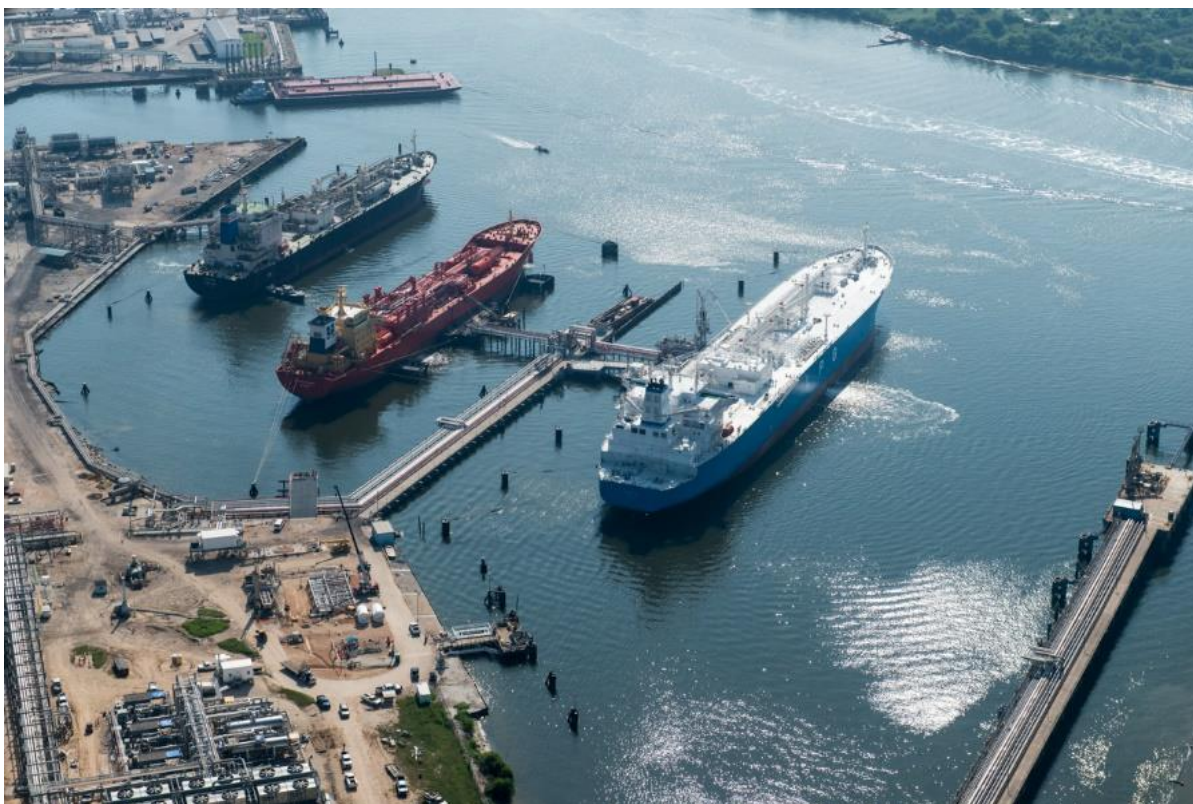
**Targa's facilities helped export more than 3.6 billion gallons of LPG globally in 2019 and helped reduce global CO<sub>2</sub> emissions by displacing higher emitting energy sources, including wood, coal and kerosene.**

As a leading provider of midstream energy services and through our integrated platform, Targa directs its growing NGL supply to its downstream complex in Mont Belvieu and its liquefied petroleum gas (LPG) export facility in Galena Park, Texas.

The United Nation's Sustainable Development Goals (SDGs) are designed to address all three dimensions of sustainable development (environmental, economic, and social) and are integrated into the United Nations global development agenda of 2015 to 2030. LPGs advance progress towards U.N. SDGs. Approximately 3 billion people globally need a cleaner energy cooking solution

per the World LPG Association (WLPGA). LPGs provide a reliable, easily transported energy source that contribute to a 20% lower carbon footprint than heating oil and a 50% lower footprint than coal. Where electricity is not available, the use of LPGs has positively impacted the health and prosperity for local people in many nations with rural communities.

Through our Logistics and Transportation businesses, Targa is well positioned to support global energy needs. Targa's facilities helped export more than 3.6 billion gallons of LPG globally in 2019.



Targa LPG Export Facilities, Galena Park, Texas

## Leak Detection

Targa implements leak detection and repair programs for our pipelines, gas plants, compressor stations, and fractionation and storage facilities. Some of these programs may meet an applicable regulatory requirement while others are voluntary. These programs help identify unexpected leaks which benefit both the environment as well as protecting against the unwanted loss of valuable natural resources. Leak detection methods are broadly classified into two categories: external leak detection methods (i.e. aerial patrol and on-site inspection) and internal leak detection methods (i.e. pressure flow monitoring and computational pipeline monitoring).

Facilities subject to these leak detection and repair inspections vary depending on facility type and regulatory requirements. Inspections may be conducted monthly, quarterly, or annually.

Types of leak detection inspections at Targa include:

- Field inspections of pipelines via walking, ATV, or truck
- Aerial leak surveys
- Plant and compressor station leak detection and repair programs
- Optical Gas Imaging (OGI) Programs including dedicated OGI personnel

In 2019, Targa enhanced its leak detection and repair program, which included:

- Monitored over 50% of our compressor stations quarterly using infrared cameras to look for leaks
- Engaged with industry and government agencies through workshops and advocacy efforts to educate, drive best practices, and identify opportunities for improvements
- Evaluated results from our participation in a pilot study with an industry partner to test new technology from aerial flights to look for leaks
- Continued to evaluate additional technology and additional voluntary monitoring

## Conservation and Renewable Energy

We strive to be energy efficient and minimize the amount of waste we generate from our operations. We have implemented several energy initiatives that manage our energy consumption. For example, Targa has installed solar panel powered metering stations at the majority of its customer delivery points (> 14,000 sites) to reduce combustion emissions. We also employ electrical load-shedding techniques on a variety of our assets and continue exploring ways to expand this practice and other methods to improve energy efficiencies.

**Targa has installed solar panel powered metering stations at the majority of its customer delivery points (> 14,000 sites) to reduce combustion emissions**

### Conservation Efforts

In 2019, Targa was instrumental in assisting the North Dakota Department of Environmental Quality (NDDEQ) with the development of rules to streamline the approval process for the bioremediation of soil for beneficial use. Targa recognized that a majority of impacted soils resulting from hydrocarbon spills in North Dakota are sent to industrial landfills for disposal. This disposal of soil occupies landfill space, thereby reducing the available space for waste that is not reusable. Bioremediation removes the hydrocarbons using microbial enzymes, or “bugs,” that consume the hydrocarbons for food and has been in practice in other areas for years. The result of this bioremediation is a very fertile soil that can be reused. Targa utilizes bioremediation whenever possible in other states in which we operate such as Texas and New Mexico.

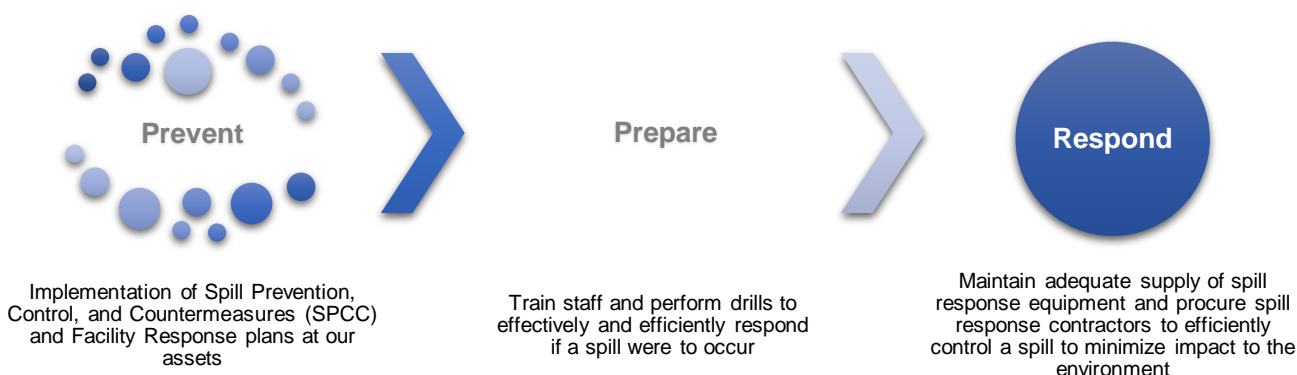
As an example of the efforts, Targa worked closely with State Legislators to encourage a formal process to permit and approve the bioremediation and reuse of soil. Targa also reached out to North Dakota ranchers and farmers to share with them the bioremediation process that allows their soil to remain on their property usually in a more fertile condition and encouraged them to share with their State representative support for this process. Targa has participated in a workgroup to establish general permitting rules which will set in place the overarching requirements that industry must adhere to for the bioremediation of soil and be much less burdensome on the State regulatory staff to approve. As a result, the NDDEQ has prepared the draft rule which will allow a general permit for the bioremediation soil.

### Renewable Energy Efforts

As our volumes have increased, so has our electricity demand. Targa continuously looks for opportunities to find cost effective, reliable power solutions for our assets that can also reduce emissions. Renewable power sources like wind and solar offer the midstream business an opportunity to reduce both criteria pollutant emissions and GHG emissions from our assets. Some projects may also offer Renewable Energy Credits (RECs) that can offset certain GHG emissions generated by the operation of our assets.

# Spill Prevention and Response

Targa continually takes preventive measures to eliminate or reduce the risk of spills that could impact the environment such as secondary containment construction design and material, routine inspections, annual training and preparations by performing response drills. If a spill does occur, Targa utilizes a cross-functional team that is trained to focus first on safety and environmental protection. Targa implements spill prevention, emergency preparedness, and spill response programs to minimize the impact to the environment. The success of these programs is demonstrated based on prevention and preparedness through response drills and ongoing training. Targa uses a computer-based training system based on our equipment and facilities to provide annual training for facility personnel. The training reinforces the importance of prevention by conducting routine inspections and maintenance of equipment. Targa's standard procedures entail stopping the spill and recovery of all free-standing liquids using vacuum, skimming and absorbent equipment, remediation of soil impact, and restoration of land.



Targa Grand Prix Pipeline Construction

## Protecting Resources During Construction

Targa works to minimize impacts to the environment during the construction and operation of our assets. The assessment of potential environmental effects during a new project involves a tiered conservation approach of avoidance, minimization, and mitigation. Prior to beginning a project, we develop plans and procedures relating to surveying, construction, impact avoidance, mitigation, revegetation, and operations. To evaluate a proposed route on a new pipeline project, we conduct civil, cultural, and environmental surveys. Natural resources and cultural surveys are also completed for wetlands, streams, protected species, and cultural resources before construction projects begin.

The purpose of the surveys is to gather information about soil, topography, water, vegetation, wildlife, threatened and endangered species, cultural resources, land use, and other important biodiversity

considerations that are used in determining project siting and routing to avoid and minimize environmental impacts and plan for mitigation such as erosion control, soil stabilization and habitat protection.

Our environmental specialists consult with applicable environmental agencies and conduct extensive studies to identify environmental resources and implement measures to reroute and avoid or minimize impacts.

During construction, potential effects on resources may be minimized by using different crossing methods that do not disturb the resources, such as hydraulic directional drilling or boring beneath the resources. Industry “best management practices” are also implemented. For example, in active construction across stream banks, sediment barriers and storm water filtration devices are installed, inspected, and maintained regularly to prevent erosion from storm water runoff. We also provide required inspection for stream bank stabilization and restoration in accordance with applicable regulations, which increases restoration efficiency and reduces soil exposure to erosion post construction.

### **Biodiversity**

Following construction, Targa works to restore the right-of-way, including, where possible, seeding the property to landowner and Targa agreed-upon specifications with native grass seed obtained from local suppliers recommended by the Natural Resources Conservation Service. Targa also provides inspections of the right-of-way, where possible, to promote the effectiveness of the native grass seed growth. Being good stewards of the land requires extra attention in areas impacted by construction, and restoration of right of way will always be a key focus for Targa.

During the construction of our Grand Prix Pipeline in East Texas, Targa worked with U.S. Fish and Wildlife Services (USFWS) to develop mitigation and avoidance strategies for threatened and endangered species. Specifically, East Texas is home to many important wildlife species including the Houston Toad which is an endangered species. USFWS was instrumental in helping us avoid and minimize impacts to Houston Toad habitat and life cycle. This collaboration also helped us to identify Texas State University as the recipient for a mitigation donation. The donation to the University helped support the graduate engineering students working on a technology which utilizes wireless cell phone connection to allow for audio monitoring and analysis for the presence of the Houston Toad in its natural habitat. Targa also helped fund the development of an automated visual detection approach that can be used with passive sampling arrays and designing cameras to detect adult and juvenile toads at locations on the landscape. Portions of the donation also applied to head start efforts for the Houston Toad at the Houston Zoo, Inc, Ft. Worth Zoo, Dallas Zoo, and the USFWS federal fish hatchery in San Marcos, Texas.

Targa's Biodiversity Statement is available on our website at [www.targaresources.com/sustainability/environmental](http://www.targaresources.com/sustainability/environmental).

## Waste Minimization

At Targa, we are committed to consistent and proper management of waste to promote the protection of the environment, implement pollution prevention, encourage waste minimization, and focus on compliance with environmental laws and regulations. Our Waste Management and Minimization Plan guides us to accomplish this through a developed system of consistent waste identification, classification, minimization, handling, and disposing of all wastes. The industrial waste that Targa typically generates is associated with scheduled tasks or project work for pipeline and tank/vessel maintenance, as well as used filters, used oil from engines, and general trash.

As an example of minimization, Targa utilizes landfarming in Texas as allowed by Texas Railroad Commission (RRC) for management of crude oil and condensate impacted soils in order to bioremediate the soil for reuse. This allows monitoring and treatment to achieve applicable regulatory standards and allows restoration of native soils. In addition, drilling mud produced during pipeline bores are often landfarmed in accordance with the RRC permitting process. These methods of waste minimization prevent the unnecessary usage of industrial landfill space.

In North Dakota, Targa worked with the NDDEQ Waste Division and the Mandan, Hidatsa, and Arikara Tribal Council to permit and approve, respectively, two pilot waste minimization projects to bioremediate soils using microbial enzymes to remediate hydrocarbon impacted soils. These projects, each approximately 10,000 cubic yards, effectively removed the hydrocarbons which resulted in fertile soil available for reuse and demonstrated to each agency effective waste minimization and restoration of a natural resource.

# FOSTERING A CULTURE OF SAFETY



## Safety Overview and Our Commitment

Targa's core values begin with the protection and safety of our employees, contractors, and communities where we operate. At Targa, we value people above all else, and as an operator of critical energy infrastructure we remain committed to making safety and health our top priority. We believe that "Zero is Achievable" and our goal is to operate and deliver our products without any injuries. By supporting our safety culture with a management system that fosters continuous improvement, action, and transparency, we seek to operate our business with the highest safety standards while striving to lead the improvement of safety in our industry as a whole.

## Environmental, Safety and Health Statement

Targa's approach to ES&H is articulated in our ES&H Statement. Safety and operational performance are integral components of our executive and employee incentive compensation frameworks.

## Workplace Safety

Fostering a safe working environment, with positive worker engagement and training, is key as we continually seek to improve our safety performance. To protect the safety of our workers, Targa maintains and implements an integrated system of policies, practices, and controls. We strive to proactively identify any workplace hazard and respond with prompt action when a hazard is identified. Moreover, Targa employees and contractors have the authority to stop work activities if they believe a workplace hazard has not been adequately addressed.

Safety management frameworks are in place for all Targa processing facilities and terminals. Targa's management system of policies, practices, and controls includes:

- Employee participation and engagement in the design, operation, and maintenance of facilities, including situations where physical or operational changes are made
- Establishment and periodic review of operations and maintenance processes and procedures
- Establishment of programs intended to promote the mechanical integrity of our facilities and equipment
- Training programs that focus on our employees being adequately prepared and aware of the hazards they might face in conducting their work activities
- Establishment, maintenance, and periodic review of emergency response processes and procedures
- Establishment, maintenance, and periodic reviews of procedures to manage process and/or facilitate changes
- Establishment, maintenance, and periodic review of processes and procedures to provide that new or modified facilities are subjected to a thorough safety review prior to the introduction of any hazardous material

## ES&H Audit Processes

ES&H audit processes monitor environmental, safety and health performance and compliance. Each year, audits and inspections are systematically conducted of Targa's operations and contractors throughout the organization. Targa utilizes both internal and independent third-party audit groups to evaluate our performance against our policies, procedures, and work practice standards. The results of these audits are used to identify opportunities to drive systemic improvement of the organization's ES&H performance.

## Personal Safety and Critical Risks

At Targa, safety is personal. Each employee is empowered and directed to stop any activity that puts someone in harm's way. We teach our employees to understand and recognize hazards so that appropriate action and safeguards can be implemented for every task. Each employee is taught the concept of Take 10, in which they Take 10 moments to understand the hazards and risks associated with the job they are about to perform. We provide our employees with tools and techniques, like the Targa Hazard Wheel, to help them mitigate every known hazard to the furthest extent possible. Additionally, employees are trained to recognize



each of Targa's Critical Risks, routine activities or scenarios that exist as part of the business that must be given the most care and thought around safety.

## Training

Every employee and contractor within Targa's operations is required to complete regular detailed training, the goal of which is to enable each person to not only follow all applicable regulatory compliance requirements, but also promote Targa's safety culture. Each employee participates in a range of annual safety training to assist them in performing their job safely and assuring compliance with regulations. Additionally, every employee hired to work in our production facilities is required to participate in extensive new hire safety development and education on Targa's safety culture. Targa's New Hire Safety Program provides new employees with a week of baseline training designed to help ensure that they are aligned with Targa on their safe performance and have a working knowledge of the Targa safety tools they need to safely begin their on the job training.



Targa Commercial Transportation Truck

## Driving Safety

Each day, hundreds of employees take to the road to maintain the consistent and reliable operation of our business. Each field employee and any driver of Targa vehicles is trained on defensive and safe driving techniques and to be focused on the task at hand by reducing distractions from phones and other devices to avoid putting themselves or the public at greater risk. By encouraging our employees to consider driving safety as important as operational safety, we minimize our vehicle incident rates.

## Contractor Safety

Targa's commitment to safety extends to our employees, contractors, and to our supply chain network. Targa recognizes that the contractors and subcontractors we work with are our allies in safety and we actively engage with contractors to support a safe work environment.

Targa provides site and project specific orientation for all contractors at the start of each project, regular safety meetings and tailgate safety meetings, regular work site inspections and audits.

As part of our commitment to contractor safety, we collect and evaluate contractor safety metrics. We expect contractors to report all incidents and share lessons learned by completing incident investigations.

Targa uses ISNetworld®, a nationally recognized contractor safety management system, to pre-screen contractors against our safety grading process prior to generating a service agreement.

Our safety grading process assesses contractors based on key performance areas including total recordable incident rate (TRIR), Days Away Restricted or Transfer Duty Rate (DART), number of fatalities, number of citations, drug and alcohol program compliance, and safety management system compliance. Contractors that do not meet our safety criteria do not work for Targa. We also conduct contractor safety audits utilizing a third-party audit company and internal evaluations of our contractors to review their compliance with both regulatory and contractual requirements. Our environmental, health

and safety specialists work with our contractors daily to promote a safe and environmentally responsible work environment.

## Process Safety

Targa designs and builds its facilities consistent with recognized engineering standards to achieve the rigorous standards of safety and operational integrity. The integrity of our facilities is promoted through regular inspections, audits, routine maintenance, and management controls. As improvements or changes are considered at our operations, Targa systematically reviews and assesses these actions so that the integrity and safety of the process is not negatively impacted. Each improvement action identified through the management process is also systematically tracked until completion, promoting continuous improvement year after year.

## Pipeline and Storage Safety

Targa operates an extensive network of natural gas and natural gas liquid pipelines. Some of these pipelines fall under the jurisdiction of DOT's Pipeline and Hazardous Material Safety Administration (PHMSA) and its state partners. We implement processes and procedures for the operation, maintenance, and inspection of these pipelines in accordance with the requirements of applicable regulations. Targa's pipeline safety management protocols include:



- Employee training
- Participation in one-call damage prevention programs administered by the states in which we operate
- Visually inspect pipeline rights-of-way by air and/or ground on a regular basis
- Maintain cathodic protection systems to protect our steel pipelines from external corrosion
- Maintain pipeline public awareness and education programs to communicate with stakeholders and prevent third-party damage to our pipelines

Targa operates underground storage facilities in Texas, Louisiana, and Mississippi for natural gas liquid products. Operation and maintenance of these facilities are generally regulated under various applicable state agencies. These storage wells are designed, operated, and maintained in accordance with technical guidelines published by the American Petroleum Institute. Noteworthy elements of Targa's underground storage management protocols include:

- Instrument systems that monitor operating pressures within the caverns and shut down operation of individual caverns in the event pressure or pressure changes exceed set limits
- Periodic inspection and testing of the caverns to assure mechanical integrity - inspections include:
  - Sonar surveys of individual caverns to determine their size, shape, and any abnormal changes
  - Casing logs to monitor corrosion or mechanical issues with well tubulars
- Pressure testing of each cavern to support operating pressures
- Public awareness and education programs

## Safety Performance

Safety data including incident investigation details are reviewed by our senior leaders so that our operations have the resources and focus needed to enhance the safety of our people and reliability of our assets. Our Board of Directors reviews our performance metrics quarterly.

In 2019, OSHA Compliance and Safety Engagement both improved annually due to increased field participation, active leadership, and better documentation practices. Our OSHA Total Recordable Injuries Rate (TRIR) decreased year over year by 25% as we expanded and advanced our companywide safety programs. In addition, expansion of our New Hire Safety Training Program helped reduce New Hire injuries significantly in 2019.

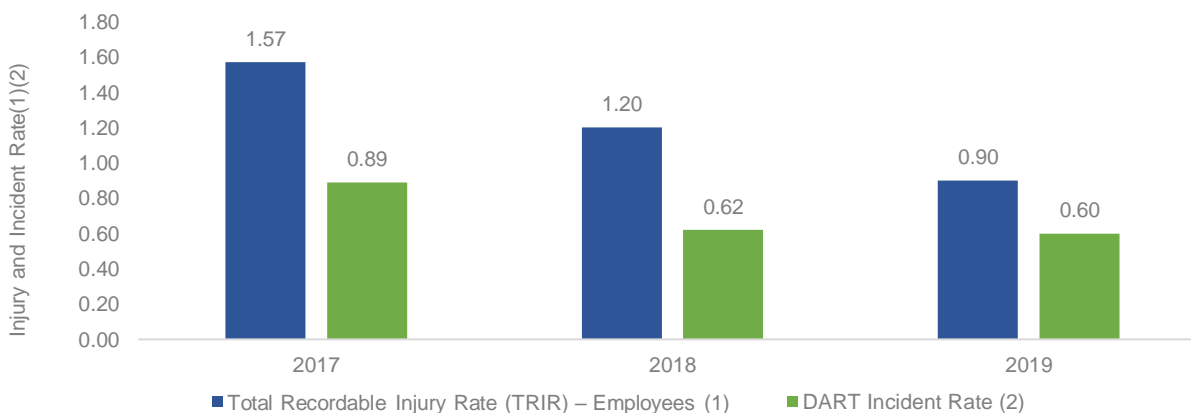
Targa's safety core concepts, including safety programs like Targa Take 10 and Targa Critical Risk, and an overall consistency in the safety vision of Zero is Achievable worked to achieve immeasurable improvements in Targa's safety culture.

In 2019, Targa improved and standardized its job safety assessment and work permit process. By standardizing the process for identifying hazards and obtaining required safe work approvals, Targa was able to implement companywide training and auditing processes for the work permit program to enable each task to be completed safely and consistently. These efforts worked successfully to advance our safety culture, in alignment with our Take 10 concepts, and continued improvement in our total recordable incident rate.

Targa achieved key safety milestones at two of our facilities in 2019, with both Longhorn Gas Plant and Channelview Terminal being recognized by the Gas Processors Association for 5 years each without a Lost Time Accident.



### Safety Statistics



(1) Total OSHA-recordable injuries and illnesses multiplied by 200,000 and divided by total employee work hours

(2) Days away, restricted or transferred incidents (DART) – Total number of lost workday injuries and illnesses as defined by OSHA multiplied by 200,000 and divided by total employee work hours

## Public Awareness

Targa's Public Awareness Program is focused on educating the public on pipeline safety and product storage. Our safety brochures are mailed regularly to those who live and/or work near our pipelines and/or storage facilities, emergency responders, public officials, excavators, and farmers. We meet routinely with public officials, including emergency responders and Local Emergency Planning Committees (LEPC), to discuss the specific hazards posed by our facilities and operations and collaboratively determine an appropriate emergency response for specific situations. The objectives of the program are to:



**Know what's below.  
Call before you dig.**

- Raise awareness of key stakeholders of the presence of pipelines in their communities
- Educate those who live or work near our pipelines and our storage facilities to recognize and properly react to a pipeline leak or emergency
- Help excavators understand the steps they can take to prevent damage and to respond safely and promptly should their actions cause damage to our facilities
- Better educate the affected public, emergency officials, local public officials, and other key groups about our organization's emergency response and key safety procedures in the unlikely event of an operating incident
- Help emergency response agencies better understand the safe and proper actions to take to respond to a release or emergency

## Emergency Preparedness

Targa designs, constructs, and operates its facilities, and trains its personnel to rigorous industry standards to minimize the occurrence of emergencies. However, if a safety incident does occur, we are ready to respond safely and effectively, working together with local first-response agencies and regional and national authorities.

Targa maintains an emergency preparedness and response framework that reaches the expanse of our entire organization. We regularly test and continuously improve our emergency response tactics and plans with local first responders and emergency management and government officials. We review our emergency management programs across our businesses to confirm they are functioning as intended and identify opportunities for continual improvement. In the event of an incident, our employees and contractors utilize the training and extensive preparation to lead and implement a safe, rapid, and effective response. Additionally, Targa's Crisis Communication Team facilitates communication with external stakeholders during emergencies.

Each Targa facility conducts regular emergency response drills in "table-top" exercises and actual field exercises. Where public first responders are likely to respond in the event of a real emergency, public responders are invited to participate in these drills. Through systematic review of the results of these drills, Targa identifies and implements improvement measures that promote continuous improvement. Additionally, Targa staffs and trains fully functional Emergency Response Teams at its most sensitive operations. These teams drill extensively with local mutual aid organizations so that Targa is prepared for emergency events.

# SOCIAL AND HUMAN CAPITAL MANAGEMENT

## Ethics and Integrity

Targa respects the individual differences of our employees, customers, stakeholders, and individuals within the communities in which we operate. At Targa, we are devoted to treating everyone with dignity and respect, and managing our business with integrity. We challenge ourselves to be an industry leader in all aspects of our operations. Through our actions both inside and outside of our organization, we encourage candid communication with active listening and learning. Further, we strive to follow through on our obligations, be accountable for our actions and results, and focus on delivering quality products and services. Targa reinforces our commitment to ethics, integrity, and compliance through adherence to our policies and practices, as well as annual training. Our actions are guided by Targa's Code of Conduct, the overarching policy that empowers us to make the commitment to ethics, integrity, human rights and compliance, and includes a prohibition of discrimination, harassment, and bullying in any form – verbal, physical or visual.



## Our Employees

Targa employs approximately 2,500 people and is an equal opportunity employer. We offer a dynamic work environment where our employees can learn and develop. We encourage input from our employees in all areas of our business. We are dedicated to fostering a safe workplace environment and helping our employees reach their potential while achieving our organizational goals.

At Targa, we believe that our employees are the foundation to foster the safe operation of our assets and our delivery of a quality suite of energy infrastructure services to our customers. To achieve an industry leading position, we foster a collaborative, inclusive, and safety-minded work environment, focused on working safely every day. We seek to identify the most qualified internal and external talent for our organization. We focus on selecting and developing a workforce

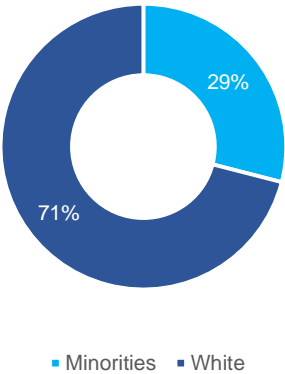
committed to safety, customer service, teamwork, business performance, industry knowledge, and our commitment to ethics, integrity, and compliance.

Diversity and Inclusion

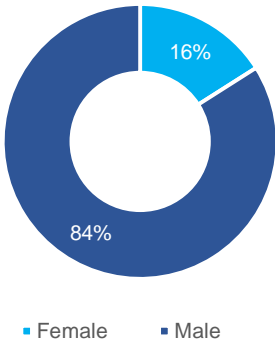
Targa is committed to fostering a work environment in which all employees treat each other with dignity and respect. This commitment extends to providing equal employment and advancement opportunities based on merit and experience. We believe this to be a fundamental principle and is defined in our Equal Employment Opportunity Policy and our Code of Conduct. We continually strive to attract a diverse workforce by advertising all external open jobs to a number of diversity job boards. In addition, we partner with military organizations and participate in career fairs targeted to military veterans and leverage our military veteran workforce to attract talent with transferable skill sets to Targa. Targa employees are also active in the Women’s Energy Network, which provide women employees with a platform for strategic networking and professional development opportunities.

Our employee demographic profile allows us to promote inclusion of thought, skill, knowledge, and culture across our operations to achieve our social obligations and commitments. As an example, 29% of our workforce are of different ethnic groups, and 24% of our leaders across Targa are female.

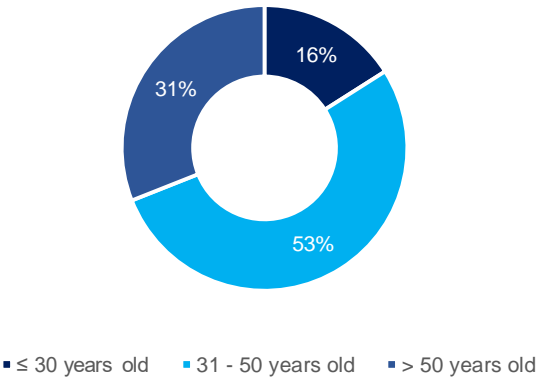
Total Workforce by Minority Status



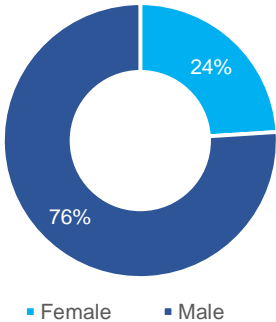
Total Workforce by Gender Demographics



Total Workforce by Age Demographics



Total Leadership Employees by Gender<sup>(1)</sup>



(1) Includes all employees who are Manager and above

## Talent Development

At Targa, we believe our employees are the key building block that helps us operate safely and provide excellent service to our customers. We understand that we must provide opportunities that concurrently help develop our employees while advancing their careers. Targa management promotes formal and informal learning and development throughout the organization. Open and honest feedback is provided to employees through our annual performance review process as well as informal meetings throughout the year. In 2019, we continued to advance our “Management Skills” program focused on developing our field technician leaders through instructor-led trainings. The goal of this program is to enhance and build leadership proficiencies and skills that will enable our workforce to work safely and efficiently. Targa also promotes self-development through our Education Assistance Policy and supporting internal job placements and cross department transfers.



Targa offers a developmental program focused on building the skills of our field employees. We accelerate and advance employee careers, knowledge, and skillsets through formal on-the-job and classroom-based training. These program graduates act as a feeder pool to higher level positions within our field employee disciplines.

Additionally, Targa offers entry level opportunities through our Analyst Development Program in various functional areas of our business to participate in rotational assignments to gain experience and broaden the employee's skills and interests. Supervisors, in partnership with a group of senior leaders and Human Resources, provide formal and informal training, mentorship and continuous feedback during each employee's rotational assignment.

## Succession Planning

As an energy infrastructure operator, we understand the importance of developing and fostering talent to ensure a skilled and talented diverse workforce both now and in the future. Targa values and provides opportunities for cross training and increased responsibilities, including leadership learning. These efforts allow us to recruit from within our organization for future vocational and occupational opportunities.

To help plan and predict succession needs, Targa monitors employee turnover rates and conducts Exit Interviews with employees who voluntarily leave the company. This helps us better understand their reasons for leaving the company. Our employee's experience at Targa is meaningful to us, and as such we have included turnover as a metric of company performance. Our voluntary turnover rate in 2019 was approximately 9%.

## Ethics and Compliance Training

In accordance with our Code of Conduct, complying with the law is the foundation for Targa's ethical standards. Each year, our employees are required to review and acknowledge our Code of Conduct. This process helps teach and reinforce legal compliance, ethical standards, our values, and their importance to Targa and to actions and decisions made by our employees. Targa prohibits discrimination, harassment, and bullying in any form - verbal, physical or visual. In 2019, Targa introduced a Respectful Workplace instructor-led training for employees and supervisors that focused on respectful treatment of others and appropriate workplace conduct.

**In 2019, Targa introduced a Respectful Workplace instructor-led training for employees and supervisors that focused on respectful treatment of others and appropriate workplace conduct.**

In 2020, Targa updated its Ethics and Compliance Hotline, enhancing our telephone and online reporting tools to further encourage employees and third parties to obtain guidance and report ethical concerns to Targa on a confidential basis.



## Community Engagement and Social Investment

### Corporate Citizenship Statement

Targa is dedicated to engaging and investing in the local communities where our employees live and where we operate. We strive to be a safe and dependable community member and seek to contribute our time and resources to our local communities. We make charitable contributions to, and participate in volunteer activities with, local organizations within the communities in which we operate.

We collaborate with local organizations to lead, participate, and sponsor programs and activities that deliver meaningful and beneficial value to our local communities.

Targa partners with local first responders, while also sponsoring training programs and participating in fundraisers to support local first responders. We are members of Mutual Aid Mont Belvieu (MAMB), Channel Industries Mutual Aid (CIMA) and the Mont Belvieu and Baytown Local Emergency Planning Committees (LEPC), and Targa employees serve as leaders on the Boards of these organizations.

To increase engagement across Science, Technology, Engineering and Math (STEM) disciplines, Targa supports Anahuac School District's SystemsGo program (SystemsGo) in Texas, which has extended the reach of advanced science and technology curriculum to students in the region. SystemsGo is an innovative high school rocketry/aeroscience curriculum that uses project-based learning to teach STEM;

to develop skills in teamwork, problem-solving, and leadership; and to encourage careers in the engineering industries. In West Texas, to encourage youth leadership and empowerment, we donate to and support the SOAR (student outreach and resiliency leadership) program.

Employees across the organization volunteer and support their local communities. A number of our employees serve as leaders in their communities to support local social and economic development, including serving on city councils, school district boards, hospitals, agricultural committees, and chambers of commerce. Our employees also lead and participate in advocacy initiatives to mentor youth, through programs such as Junior Achievement, Big Brothers and Big Sisters of America, livestock and agricultural fairs, district career fairs, and sports and recreational programs.

### **Charitable Giving**

At Targa, we understand the impact that certain organizations and activities can have within our local communities. Whether it be charitable donations or volunteer work, we seek to help these organizations and activities continue to influence our surrounding societies in a positive manner that is consistent with our Code of Conduct. In a constant effort to be a good corporate citizen, we support programs that enhance the betterment of lives in the communities in which we operate.

When local communities where we work and live have been impacted by natural disasters, we have supported rebuilding efforts in these communities through our corporate giving program. Hurricanes and tornadoes have impacted our employees and communities in recent years, and Targa and its employees have provided support through disaster relief efforts. We also have supported the development of health care infrastructure to support our employees, their families and their communities. For example, in North Dakota we donated to the development and construction of the McKenzie County Hospital.

### **Indigenous Peoples Statement**

Targa understands the importance of working with Indigenous Peoples in communities where we operate. We recognize that it is our job to listen and try to understand the concerns and interests of all of the communities in which we operate. Targa takes a long-term view in developing these relationships and does so based on our intention of building mutual respect, confidence, and trust. We also understand the importance of direct communication with those who could potentially be affected by our operations. As such, Targa encourages its employees to recognize and respect the unique worldviews and perspectives of Indigenous Peoples.

Consistent with our Code of Conduct, Targa seeks to foster a collaborative work environment with Indigenous Peoples through mutual respect and dignity. Positive long-term interactions and cultural sensitivity with our country's first community make a positive difference and advance mutually beneficial relations.

Targa has significant operations on the Fort Berthold Indian Reservation in North Dakota. While conducting these operations, Targa regularly engages with the Mandan, Hidatsa, and Arikara (MHA) Nation. Targa respects the MHA Nation heritage, cultural traditions, and its people. We adhere to the MHA's regulatory requirements, and we hire and employ its members and a substantial number of MHA tribal members provide contractor services.

## Supply Chain Management

Targa is committed to high standards of business ethics, as reflected in our Code of Conduct, and to a sustainable supply chain that supports the overall performance of our business and projects.

The objectives of Targa's supply chain are to:

- Procure goods and services to foster long-term business success and sustainable operations
- Promote the equal and respectful treatment of all suppliers
- Manage supplier pre-qualification and ongoing performance
- Safeguard contracting policies and procedures
- Utilize data driven analytics to form strategic partnerships with suppliers

**One of Targa's core values is our commitment to safety, and we pass this commitment on to our suppliers. We conduct regular safety screenings through ISNetworld® and require our service suppliers to maintain an acceptable rating.**

As a valued part of our supply chain, suppliers play a significant role in our commitment to high standards. Our pre-qualification process focuses on the selection of suppliers that share our focus on ethics, safety, quality, and environmental performance. We then regularly engage our suppliers through business reviews, supplier relationship management evaluations, and performance audits to confirm their continued commitment to these values.

One of Targa's core values is our commitment to safety, and we pass this commitment on to our suppliers. We conduct regular safety screenings through ISNetworld® and require our service suppliers to maintain an acceptable rating. Targa expects suppliers to adhere to all applicable labor, safety, and environmental laws, including anti-harassment, equal opportunity employment, anti-corruption, and anti-bribery.

Our Supply Chain Management Statement is available on our website at [www.targaresources.com/sustainability/social](http://www.targaresources.com/sustainability/social).

# GOVERNANCE

## Governance Policies

The Board of Directors of Targa believes that sound corporate governance practices and policies provide an important framework to assist the Board in fulfilling its duty to stockholders. Our corporate governance practices and policies are reflected in our:

- Corporate Governance Guidelines
- Code of Conduct
- Code of Ethics

## Ethics and Compliance Hotline

We offer two convenient and confidential ways to seek assistance and report potential ethics and compliance issues. Both resources are hosted by a third party to maintain confidentiality and anonymity when requested. All employees, customers, vendors and other stakeholders can communicate concerns by calling 1-833-TELLTRC (1-833-835-5872) or going to our ethics and compliance website at <https://targaresources.ethicspoint.com>. Our Code of Conduct is disseminated annually to employees for their review and acknowledgement and it contains additional information for reporting potential ethics and compliance violations.

## Governance Highlights

Several highlights that demonstrate our commitment to corporate governance include:

- Nine of our twelve Directors are independent, as of June 1, 2020
- Our Audit, Compensation and Nominating and Governance Committees are fully independent
- Independent Directors chair each of our Committees
- Independent Directors conduct executive sessions at meetings without the presence of members of management
- Our Nominating and Governance Committee periodically reassesses our Corporate Governance Guidelines
- Our Board conducts annual self-evaluations to determine whether the Board and its Committees are functioning effectively
- Performance-based incentive awards or payments for our officers who are subject to Section 16 of the Exchange Act are subject to clawback in the event of restatement of financial results or other events that negatively impact our company, including personal misconduct that results in an adverse impact on our financial performance

For more information regarding our corporate governance practices, please read our most recent definitive proxy statement, which is available on our website at [www.targaresources.com/sustainability/governance](http://www.targaresources.com/sustainability/governance).



## Political Contributions

Our Code of Conduct prohibits employees from making political contributions for, or on behalf of, Targa to any candidate for U.S. federal, state or local office or for foreign elections unless allowed by applicable law and approved in advance by Targa's Chief Executive Officer, any President, Chief Financial Officer, or General Counsel.

## Board of Directors

Our Board of Directors provides essential oversight for our company. Fostering diversity of backgrounds, skills and experiences among the members of our Board is critical to our success.

### Board Committees

Our Board has a standing Audit Committee, Compensation Committee, Nominating and Governance Committee, and Risk Management Committee, and may have such other committees as the Board may determine from time to time.

Our Audit, Compensation and Nominating and Governance Committees operate under charters that are available on the Investors page of our website at [www.targaresources.com/investors](http://www.targaresources.com/investors).

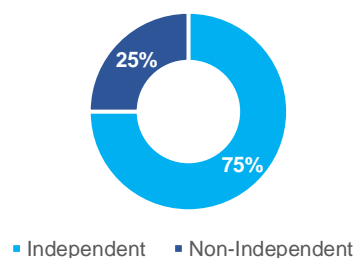
Additionally, our Risk Management Committee oversees our commodity price and commodity basis risk management and hedging activity.

### Board Diversity Highlights

Our Directors have extensive and diverse experience relevant to our business and strategy that enhances the knowledge of our Board, including significant experience in the following industries:

- Exploration and production
- Energy infrastructure services
- Chemical processing and refining
- Energy and logistics services
- Power generation
- Gas and power marketing
- Energy consulting
- Financial services

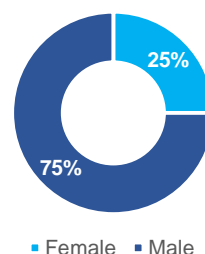
**Independent Directors<sup>(1)</sup>**



Our Directors also currently hold or have held a diverse range of leadership positions, including:

- President and Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer
- Chief Commercial Officer
- General internal and external auditor
- Senior commodity sales and trading executive
- Business owner / entrepreneur

**Board Gender Composition<sup>(1)</sup>**



<sup>(1)</sup> The data reflected herein is based on our Board composition as of June 1, 2020. As previously announced, on March 1, 2020, Mr. Matthew J. Meloy was elected to the Board and we increased the size of Targa's Board of Directors from ten to eleven directors. On June 1, 2020, we announced the election of Ms. Lindsey M. Cooksen to the Board and increased the size of Targa's Board of Directors from eleven to twelve directors.

If a vacancy on our Board arises, then our Nominating and Governance Committee is instructed by its charter to consider the diversity and optimal enhancement of the current mix of talent and experience on the Board.

## Cybersecurity

Targa's cybersecurity program is based upon the National Institute of Standards of Technology (NIST) Cybersecurity Framework. Our program is comprehensive in scope and covers all of Targa's general corporate Information Technology (IT) systems as well as Operational Technology (OT) systems supporting our various lines of business. Our senior leadership team along with our Audit Committee routinely receive regular and recurring program updates, metrics, and roadmaps to promote the effectiveness of the program and the alignment with Targa's business objectives.

Our cybersecurity program follows Defense in Depth principles layering diverse countermeasures from perimeter to internal information technology systems. A wide variety of physical and logical cybersecurity technologies, processes, and architecture best practices are in use throughout the enterprise. Technologies and processes are routinely tested by both internal Targa personnel as well as independent third parties to foster the effectiveness of the program. We have a formal Cyber Incident Response Plan (CIRP) and the CIRP and associated management and communications processes are periodically tested using comprehensive real-world tabletop exercises.



Targa Fractionation Facilities in Mont Belvieu, Texas

An employee's understanding, detection and reporting of a cyber threat is a key component of our program. As a result, security awareness is provided to employees in the form of computer-based training, employee meetings, posters in the workplace, screensavers on computers and email communications. Simulated phishing attacks are also conducted quarterly on employees in order to identify those that need further training.

The cybersecurity threat landscape is dynamic and ever changing. Targa maintains close relationships with various cybersecurity industry subject matter experts, law enforcement research and benchmark organizations, as well as industry peers with the goal of effectuating a program with real-time threat information and best practice countermeasures to proactively protect Targa's technology environment against current and emerging threats.

## Industry Associations

Targa is involved with a number of industry associations, legislative and/or regulatory committees, and other stakeholder groups. Through involvement and leadership in these groups, we participate in discussions about policy issues related to our business and provide input from the midstream energy sector.

### Energy Industry

- Independent Petroleum Association of America (IPAA)
- GPA Midstream
- Petrochemical Feedstock Association of the America (PFAA)

### Washington D.C.

- EPA Natural Gas STAR
- Association of Oil Pipelines (AOPL)
- International Liquids Terminal Association (ILTA)

### Texas, Louisiana, New Mexico

- Texas Pipeline Association (TPA)
- Texas Oil and Gas Association (TxOGA)
- Texas Gas Association (TGA)
- Greater Houston Partnership
- Greater Houston Port Bureau
- Louisiana Oil and Gas Association (LOGA)
- Louisiana Association of Business and Industry (LABI)
- New Mexico Oil and Gas Association (NMOGA)
- New Mexico Methane Advisory Panel (MAP)

### Oklahoma

- Oklahoma Independent Petroleum Association and the Oklahoma Oil & Gas Association (OIPA-OKOGA)

### North Dakota, Montana and Wyoming

- North Dakota Petroleum Council (NDPC)
- North Dakota Tribal Lands Committee
- North Dakota Flaring Task Force Committee

### International

- World LPG Association (WLPGA)
- WLPGA Industry Council

# PERFORMANCE DATA

The following tables illustrate key performance data as well as the alignment of Targa's sustainability disclosures with the GRI Performance Indicators and SASB Disclosure Topics.

Topic		Accounting Metric	Units	2017	2018	2019
Environment						
Greenhouse Gas Emissions	Equivalent Product Sales (Natural Gas, NGLs & Condensate)	million barrels per year		202	238	280
	CO <sub>2</sub> Intensity	CO <sub>2</sub> e, MMT/year / Equivalent Product Sales		0.19	0.19	0.19
	Scope 3: Products Supplied to Customers	million metric tons CO <sub>2</sub> e		32.8	38.0	46.9
	Scope 3: Products Supplied to Customers	%		84.5%	85.1%	86.3%
	Scope 1: Targa Facility-Direct Emissions	million metric tons CO <sub>2</sub> e		6.0	6.6	7.5
	Scope 1: Targa Facility-Direct Emissions	%		15.5%	14.9%	13.7%
Criteria Pollutant	Nitrous Oxides (NOX)	Thousand tons		N/A	8.1	8.9
	Carbon Monoxide (CO)	Thousand tons		N/A	4.7	5.6
	Sulfur Oxides (SOX)	Thousand tons		N/A	2.4	5.3
	Particulate Matter (PM10)	Thousand tons		N/A	0.4	0.4
	Volatile Organic Compounds (VOCs)	Thousand tons		N/A	4.7	6.1
Social						
Employee Health & Safety	Total Recordable Incident Rate (TRIR) - Employees	# recordable incidents/100 full-time workers		1.57	1.20	0.90
	Employee Recordable Incidents	# total injury/illness incidents		37.0	33.0	30.0
	DART Incident Rate	# injury/illness incidents days away from work x 200,000 / total hours worked		0.89	0.62	0.60

Topic	Accounting Metric	Units	2017	2018	2019
Employee Health & Safety	Number of DART Incidents	# injury/illness incidents days away from work	21.00	17.00	20.00
	Preventable Vehicle Accident Rate	# total preventable vehicle accidents x 1,000,000 / miles traveled	0.75	1.35	1.27
Operational Safety	Total miles of natural gas products transported by jurisdictional transmission pipe	Billion cubic feet (Bcf)	337 Bcf through 339 miles	336 Bcf through 340 miles	662 Bcf through 340 miles
	Total miles of crude oil products transported by jurisdictional pipe	Million barrels (MMBbl)	3 MMBbl through 206 miles	4 MMBbl through 209 miles	5.4 MMBbl through 211 miles
	Total miles of refined products transported by jurisdictional pipe	Million barrels (MMBbl)	7.1 MMBbl through 16 miles	0.3 MMBbl through 2 miles	0.3 MMBbl through 3 miles
	Total miles of natural gas liquids products transported by jurisdictional pipe	Million barrels (MMBbl)	8 MMBbl through 609 miles	10 MMBbl through 1,122 miles	43 MMBbl through 1,911 miles
Employee Demographics	Minority Employees in Workforce	%	26%	27%	29%
	Employees aged ≤ 30 years old	%	15%	16%	16%
	Employees aged 31-50 years old	%	48%	51%	53%
	Employees aged > 50 years old	%	37%	33%	31%

Topic	Accounting Metric	Units	2017	2018	2019
Employee Demographics	Female Employees	%	16%	17%	16%
	Female Leadership Employees <sup>(1)</sup>	%	21%	24%	24%
	Female Named Executive Officer Employees	%	0%	17%	17%
	Employee Voluntary Turnover Rate	%	9%	9%	9%
<b>Governance</b>					
Board of Directors	Number of board members <sup>(2)</sup>	#	10	11	10
	Percentage of independent board members <sup>(2)</sup>	%	60%	73%	80%
Topic	Accounting Metric	Units	2017	2018	2019
Board Diversity	Number of women on the board <sup>(2)</sup>	#	1	2	2
	Percent of directors who are women <sup>(2)</sup>	%	10%	18%	20%
Ethics	Code of Conduct and Ethics Policy	Y/N	Y	Y	Y
<b>Economic</b>					
Financial Performance	Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) (million USD)	\$	\$1,096.8	\$1,291.1	\$1,435.5

<sup>(1)</sup> Includes all employees who are Manager and above

<sup>(2)</sup> As previously announced, on March 1, 2020, Mr. Matthew J. Meloy was elected to the Board and we increased the size of Targa's Board of Directors from ten to eleven directors. On June 1, 2020, we announced the election of Ms. Lindsey M. Cooksen to the Board and increased the size of Targa's Board of Directors from eleven to twelve directors. Following the election of Mr. Meloy and Ms. Cooksen, 75% of our directors are independent and 25% are women.

## Global Reporting Initiative (GRI) Indicators

The following tables illustrate how the Company's sustainability disclosures align with the GRI Performance Indicators and where specific information may be found.

GRI Standard	Disclosures	Description	Location or Answer
<b>GENERAL DISCLOSURES</b>			
GRI 102: General Disclosures	<b>Organizational profile</b>		
	102-1	Name of the organization	Targa Resources Corp
	102-2	Activities, brands, products, and services	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-3	Location of headquarters	Houston, TX
	102-4	Location of operations	2019 Annual Report on Form 10-K, page 5
	102-5	Ownership and legal form	Publicly traded corporation (NYSE: TRGP)
	102-6	Markets served	2019 Annual Report on Form 10-K, page 4
	102-7	Scale of the organization	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-8	Information on employees and other workers	Sustainability Report, subsection Social and Human Capital Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	102-9	Supply chain	Sustainability Report, subsection Social and Human Capital Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	102-10	Significant changes to the organization and its supply chain	Not disclosed
	102-11	Precautionary Principle or approach	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-12	External initiatives	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-13	Membership of associations	Sustainability Report, subsection Governance <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	<b>Strategy</b>		
	102-14	Statement from senior decision-maker	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-15	Key impacts, risks, and opportunities	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a> 2019 Annual Report Form 10-K, page 29
	<b>Ethics and integrity</b>		
	102-16	Values, principles, standards, and norms of behavior	Sustainability Report, subsection Social and Human Capital Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	102-17	Mechanisms for advice and concerns about ethics	2019 Annual Report on Form 10-K, page 86 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	<b>Governance</b>		
	102-18	Governance structure	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-19	Delegating authority	2019 Annual Report on Form 10-K, Item 10
	102-20	Executive-level responsibility for economic, environmental, and social topics	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-21	Consulting stakeholders on economic, environmental, and social topics	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement, page 14 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-22	Composition of the highest governance body and its committees	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-23	Chair of the highest governance body	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-24	Nominating and selecting the highest governance body	2019 Annual Report on Form 10-K, Item 10 2020 Proxy Statement <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-25	Conflicts of interest	2019 Annual Report on Form 10-K, Item 10 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a> 2019 Annual Report on Form 10-K, Item 10 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-30	Effectiveness of risk management processes	2019 Annual Report on Form 10-K, Item 10 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>

GRI Standard	Disclosures	Description	Location or Answer
	<b>Governance</b>		
	102-31	Review of economic, environmental, and social topics	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a> 2019 Annual Report on Form 10-K, Item 10 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-32	Highest governance body's role in sustainability reporting	2019 Annual Report on Form 10-K, Item 10 <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
	102-35	Remuneration policies	2019 Annual Report on Form 10-K, Item 11
	102-36	Process for determining remuneration	2019 Annual Report on Form 10-K, Item 11
	102-37	Stakeholders' involvement in remuneration	2019 Annual Report on Form 10-K, Item 11
	<b>Stakeholder engagement</b>		
	102-40	List of stakeholder groups	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	<b>Reporting Practices</b>		
	102-45	Entities included in the consolidated financial statements	2019 Annual Report on Form 10-K
	102-46	Defining report content and topic Boundaries	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-47	List of material topics	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a>
	102-48	Restatements of information	Not applicable
	102-49	Changes in reporting	Enhanced disclosures from 2018 Sustainability Report to 2019 Sustainability Report
	102-50	Reporting period	January 1, 2019 through December 31, 2019
	102-51	Date of most recent report	Not applicable
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	<a href="mailto:InvestorRelations@targaresources.com">InvestorRelations@targaresources.com</a>
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared with reference to the GRI Standards.
	102-55	GRI content index	This document represents the company's content index.
	102-56	External assurance	We did not seek external assurance for the data in this sustainability report.
<b>ECONOMIC TOPICS</b>			
<b>Economic Performance</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	2019 Annual Report on Form 10-K
	103-2	The management approach and its components	2019 Annual Report on Form 10-K
	103-3	Evaluation of the management approach	2019 Annual Report on Form 10-K
GRI 201: Management Approach	201-1	Direct economic value generated and distributed	2019 Annual Report on Form 10-K
<b>Risk Management</b>			
	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-2	The management approach and its components	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-3	Evaluation of the management approach	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
<b>ENVIRONMENTAL TOPICS</b>			
<b>Asset Integrity</b>			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Safety subpage, Systems Integrity <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-2	The management approach and its components	Sustainability Report, Safety subpage, Systems Integrity <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-3	Evaluation of the management approach	Sustainability Report, Safety subpage, Systems Integrity <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>

Biodiversity & Land Use			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Environmental subpage, Biodiversity <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-2	The management approach and its components	Sustainability Report, Environmental subpage, Biodiversity <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-3	Evaluation of the management approach	Sustainability Report / Website Sustainability Page, Environmental subpage, Biodiversity <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
Emissions			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-2	The management approach and its components	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-3	Evaluation of the management approach	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	305-4	GHG emission intensity	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
Spill Prevention Control & Emergency Response			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-2	The management approach and its components	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-3	Evaluation of the management approach	Sustainability Report, Environmental subpage, Spill Prevention and Response; Safety subpage, Public Awareness and Emergency Preparedness <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
Environmental Management			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Environmental subpage, Environmental Engagement <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-2	The management approach and its components	Sustainability Report, Environmental subpage, Environmental Engagement <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	103-3	Evaluation of the management approach	Sustainability Report, Environmental Engagement <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
SOCIAL TOPICS			
Occupational Health and Safety			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-2	The management approach and its components	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	103-3	Evaluation of the management approach	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-4	Workers representation in formal joint management-worker health and safety committees	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-3	Occupational health services	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-4	Workers representation in formal joint management-worker health and safety committees	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-5	Worker training on occupational health and safety	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-6	Promotion of worker health	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	403-9	Work-related injuries (partial)	Sustainability Report, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Sustainability Report, Performance Table subpage <a href="https://www.targaresources.com/sustainability/performance">https://www.targaresources.com/sustainability/performance</a>

Occupational Health and Safety			
	404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report, Social and Human Capital Management subpage <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	404-4	Does the company have any internal policy/standard/control which addresses issues of workplace harassment, intimidation, freedom of speech, etc.?	Sustainability Report, Social and Human Capital Management subpage, Code of Conduct <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
Diversity and Equal Opportunity			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Social and Human Capital Management subpage, Our Employees <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-2	The management approach and its components	Sustainability Report, Social and Human Capital Management subpage, Our Employees <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-3	Evaluation of the management approach	Sustainability Report, Social and Human Capital Management subpage, Our Employees <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Sustainability Report, Social and Human Capital Management subpage, Our Employees <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a> <a href="https://www.targaresources.com/sustainability/governance">https://www.targaresources.com/sustainability/governance</a>
Community Relations			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Social and Human Capital Management subpage, Community Engagement <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-2	The management approach and its components	Sustainability Report, Social and Human Capital Management subpage, Community Engagement <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-3	Evaluation of the management approach	Sustainability Report, Social and Human Capital Management subpage, Community Engagement <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
GRI 411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	Sustainability Report, Social and Human Capital Management subpage, Indigenous Peoples Statement <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a> Targa Resources has had no violations involving the rights of indigenous peoples for the reporting period.
Supply Chain Management			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Sustainability Report, Social and Human Capital Management subpage, Supply Chain Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-2	The management approach and its components	Sustainability Report, Social and Human Capital Management subpage, Supply Chain Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>
	103-3	Evaluation of the management approach	Sustainability Report, Social and Human Capital Management subpage, Supply Chain Management <a href="https://www.targaresources.com/sustainability/social">https://www.targaresources.com/sustainability/social</a>

## Sustainable Accounting Standards Board (SASB) Framework Alignment

The following tables illustrate how the Company's sustainability disclosures align with the SASB Disclosure Topics, and where specific information may be found.

SASB Topic	SASB code (a)	Accounting Metric	Disclosure Level	Location or Direct Answer
Greenhouse Gas Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Partial	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a> <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
	EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Partial	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
Air Quality	EM-MD-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Disclosed	Sustainability Report, Environmental subpage, Emissions <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	Partial	Sustainability Report, Environmental subpage <a href="https://www.targaresources.com/sustainability/environmental">https://www.targaresources.com/sustainability/environmental</a>
Operational Safety, Emergency Preparedness, and Response	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Partial	Sustainability Report, Leadership Statement <a href="https://www.targaresources.com/sustainability">https://www.targaresources.com/sustainability</a> Sustainability Report / Website Sustainability page, Safety subpage <a href="https://www.targaresources.com/sustainability/safety">https://www.targaresources.com/sustainability/safety</a>
	EM-MD-000.A	Total miles of: (1) natural gas, (2) crude oil, and (3) refined petroleum products transported, by mode of transport	Disclosed	Sustainability Report, Performance Table <a href="https://www.targaresources.com/performance">https://www.targaresources.com/performance</a>

(a) SASB Extractives & Minerals Processing Sector Oil & Gas Midstream standard EM-MD

(b) GRI 103 Management Approach, GRI 305 Emissions, GRI 403 Occupational Health and Safety, GRI 404 Training and Education, GRI 405 Diversity and Equal Opportunity, GRI 411 Rights of Indigenous Peoples



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