

→ CEO LETTER

Dear Stakeholders,

I am proud to share Targa's 2021 sustainability report, which highlights our continued efforts to advance our environmental, social, and governance (ESG) initiatives and commitments. As you will read throughout the pages of this report, we take our responsibilities seriously and are committed to sustainable and ethical business practices that create value for our shareholders and benefit for the communities we serve.

Meeting the World's Energy Needs

The world continues to face the challenge of providing sufficient energy to meet the requirements of a growing world population in a cleaner, more sustainable way. These are big challenges that require big solutions. At Targa, we believe that natural gas has been and will continue to be one of the most significant contributors to reducing emissions in the United States, driven largely by a conversion from coal to natural gas power generation. Additionally, while these merits of natural gas use are often understood both domestically and globally, we also know that natural gas liquids (NGLs), like propane, fill the gap as a cleaner energy source or feedstock where developing nations do not have the gas pipelines and distribution networks. We have a huge opportunity to leverage our natural gas and NGL-focused business as the world will continue to demand natural gas to meet its energy needs for decades to come.

As one of the largest independent midstream infrastructure companies in North America, we are focused on delivering natural gas and NGLs from wellhead to domestic and global markets, helping to meet the world's growing demand for less carbon-intensive, reliable, and affordable fuel and feedstocks that help support higher standards of living in the United States and beyond. In addition to growing our core business responsibly and efficiently, we focus on collaborating and contributing solutions to the world's biggest energy challenges. Our Low Carbon Energy Ventures team is actively working on carbon capture and sequestration projects, pursuing economic renewable energy projects and partnerships, and working with industry peers to evaluate options for hydrogen fuels. Our commercial, engineering, and operations teams are looking for ways to support our customers' ESG goals. And collectively, as you will see throughout this report, we are all working together to find and fix methane leaks and to engage with our industry peers in best practices and technology sharing.

Our Progress

Throughout 2021 and into 2022, we have remained focused on improving our performance and disclosures.

Through our everyday operations and business decisions, we prioritize the safety, health, and well-being of our employees, as well as the safety and support of the communities in which we operate. Targa's year-over-year safety incident rates for 2021 remained relatively constant, maintaining recent improvements

in both frequency and severity of injuries. Also in 2021, we developed a Supplier Code of Conduct, expanded our Pipeline Integrity Management Group, and implemented a new Emergency Response Program covering all Targa facilities and assets.

As a leading infrastructure provider, we work to fulfill our role in the energy value chain while reducing our environmental impact. In 2021, we made progress toward meeting our ONE Future methane intensity goals and we reduced our Scope 1 greenhouse gas (GHG) emissions by 9% compared to 2020, despite increased activity. We also achieved a 40% reduction in overall flaring volumes from emissions events in 2021 compared to 2020, and by installing additional electrical compression coupled with increased renewable energy on the electricity grid, we avoided more than 1.3 million metric tons of GHG emissions.

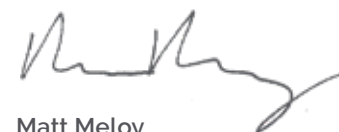
We know that our people are our best asset, and we continue our efforts to find and retain the best in the industry. In 2021, in addition to enhancing our employee benefits package and supplementing our learning and development programs, we began implementing a significant digital transformation enterprise asset management project aimed at giving our team the tools they need to work more efficiently and effectively from anywhere. We call this Project Anywhere.

Looking Ahead

Our commitment to our people, safety, sustainability, communities, and the environment is and will continue to be an integral part of our culture. As we look to the future, we remain committed to maintaining and enhancing the high ethical standards and core values that have helped guide us throughout our tenured history. We will continually seek ways to improve our processes and measure our performance with respect to ESG and we will push ourselves and our industry to find solutions to big energy challenges. We believe that our expansive energy infrastructure and midstream operating expertise position us well to play a vital role in a sustainable energy future for years to come.

We know that our progress would not be possible without the steadfast dedication of our employees and contractors who help us meet the evolving needs of our stakeholders and drive our success every day. I am appreciative and proud of the collective efforts of our Targa team, and I look forward to building on our progress. Thank you for your interest in learning more about our accomplishments in 2021. We welcome your input and feedback, and appreciate your continued support and trust.

Thank you,



Matt Meloy
Chief Executive Officer