Targa Resources Corp.

Second Quarter 2022 Earnings Supplement
August 4, 2022

Forward Looking Statements

Certain statements in this presentation 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 release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, are forward-looking statements.

These forward-looking statements 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. 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, commodity price volatility due to ongoing conflict in Ukraine, actions by the Organization of the Petroleum Exporting Countries (“OPEC”) and non-OPEC oil producing countries, the timing and success of business development efforts, expected benefits relating to the Delaware Basin acquisition and their impact on the Company’s results of operations, 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 most recent Annual Report on Form 10-K, and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company does not undertake an obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Strategic Update – 2Q 2022

Set up for continued success: increasing EBITDA, increasing return of capital to shareholders, and strong balance sheet

Strong Operational and Financial Execution	▪ Increased estimated FY22 adjusted EBITDA range to now be between \$2.85 billion and \$2.95 billion(1) ▪ Record adjusted EBITDA of \$666.4 million(1) in 2Q22 driven by record Permian inlet volumes and record NGL transportation and fractionation volumes ▪ Opportunistically executed additional hedges above programmatic levels given the strong commodity backdrop in Q2
Continuing to Invest in Attractive Integrated Growth Projects	▪ Ongoing construction of the Legacy I and Legacy II plants (+550 MMcf/d) in Permian Midland and Red Hills VI and Midway plants in Permian Delaware (+340 MMcf/d) ▪ Announced new 275 MMcf/d Greenwood plant in Permian Midland in response to strong producer activity levels ▪ Announced new 120 MBbl/d Train 9 fractionator in Mont Belvieu to handle anticipated NGL supply growth from Targa's system and third parties
Completed Strategic Delaware Basin Acquisition	▪ Completed \$3.55 billion Delaware Basin acquisition, increasing Targa's size and scale in the Permian Basin to 6.4 Bcf/d of natural gas processing capacity(2) ▪ Complementary and highly strategic acquisition of leading G&P system ▪ Long-term, high-quality producer dedications underpinned by long-term fixed-fee contracts ▪ ~7.5x acquisition multiple(3); near and longer-term synergy potential reduces acquisition multiple
Continuing to Return Incremental Capital to Shareholders	▪ Repurchased \$74 million of Targa common stock in 2Q22 and an incremental \$30 million common stock in July 2022; \$154 million repurchased year-to-date ▪ Declared \$0.35/share common dividend for Q2 (\$1.40/share annualized)

(1) Adjusted EBITDA is a non-GAAP measure. Please see the section of this presentation entitled "Non-GAAP Financial Measures" for a discussion of adjusted EBITDA and a reconciliation of such measure to its most directly comparable GAAP financial measure.
(2) Capacity includes new Permian processing plants currently underway and scheduled to be completed between 2022 and 2023.
(3) Acquisition multiple based on estimated 2023 adjusted EBITDA.

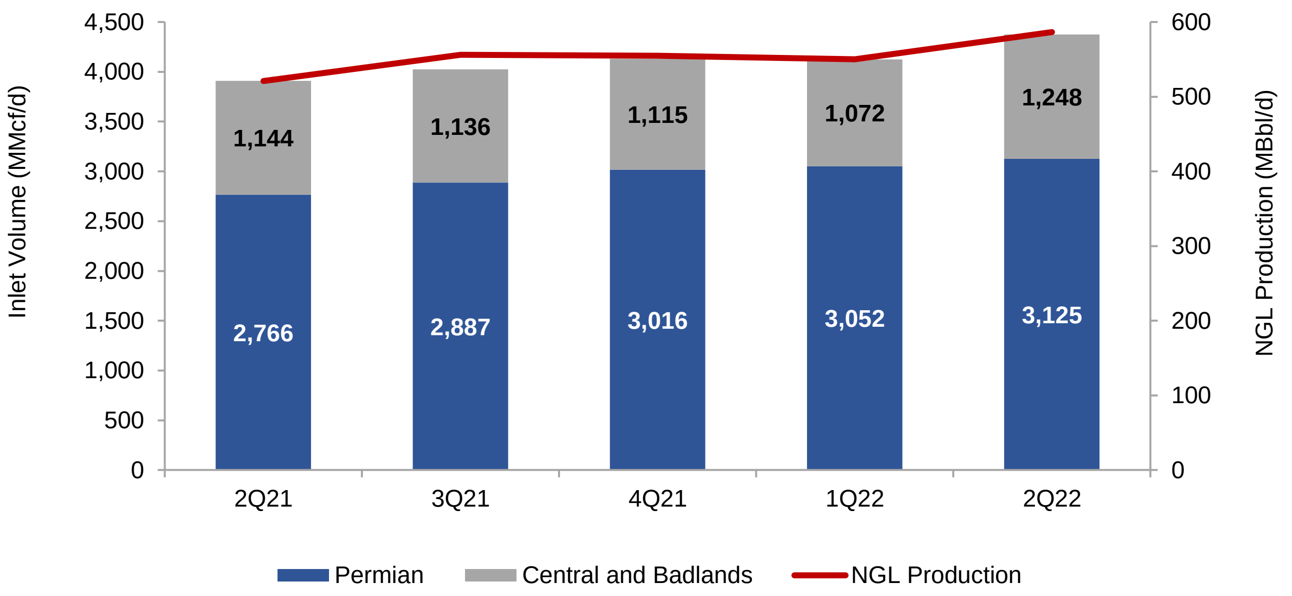
Operational Performance – Gathering & Processing Segment

2Q22 Highlights:

Field G&P Natural Gas Inlet Volumes

- Record Targa volumes in the Permian Basin driven by increased producer activity
- Higher Central region volumes due to the acquisition of certain assets in South Texas during 2Q22 and increased producer activity in Oklahoma and North Texas
- Badlands volumes sequentially lower due to impact from late winter storms; volumes have since rebounded

Field G&P Natural Gas Inlet Volumes and NGL Production



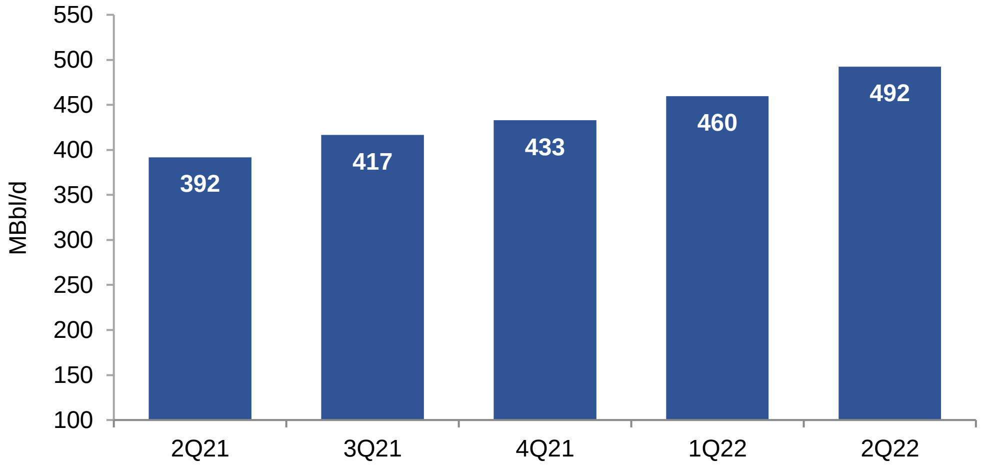
Operational Performance – Logistics & Transportation Segment

2Q22 Highlights:

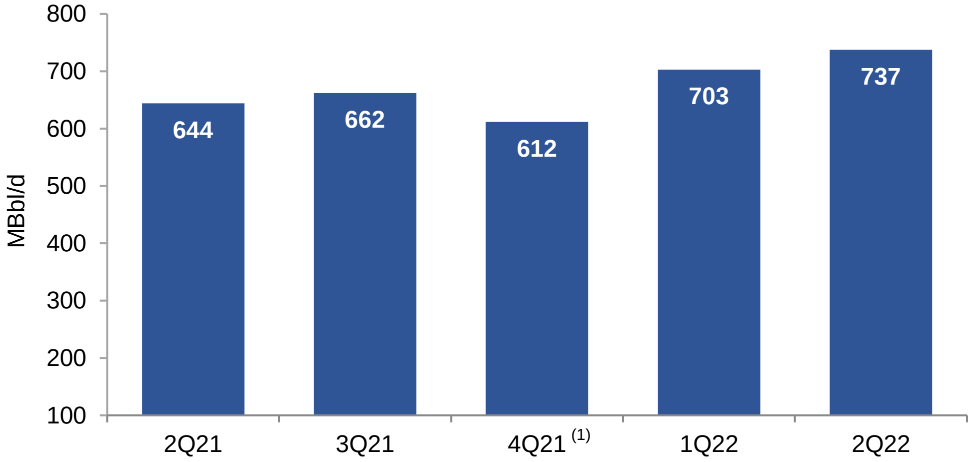
NGL Transportation, Fractionation, and LPG Export Services

- Record NGL Pipeline Transportation volumes driven by higher supply primarily from Targa's Permian G&P systems and from third parties
- Record fractionation volumes driven by higher supply from Targa's Permian G&P systems and from third party volumes
- Export volumes sequentially higher providing a consistent outlet for our customers despite continued volatility in global commodity markets

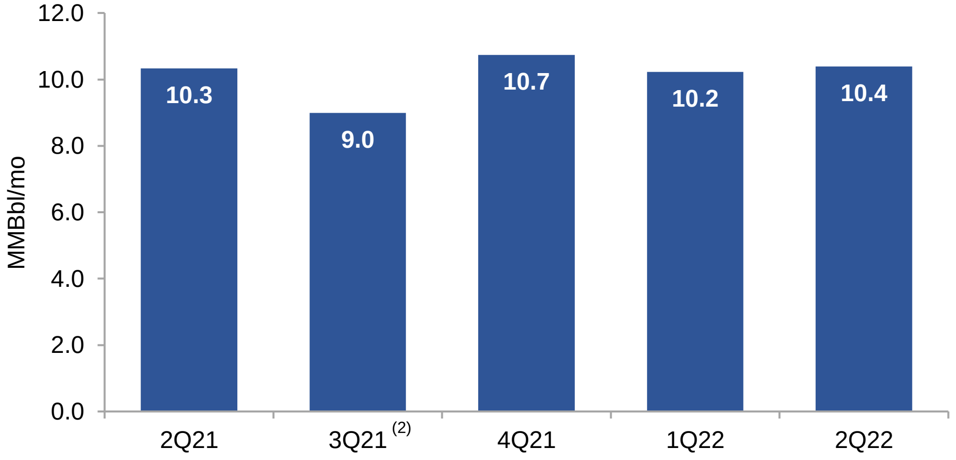
NGL Pipeline Transportation Volumes



Fractionation Volumes



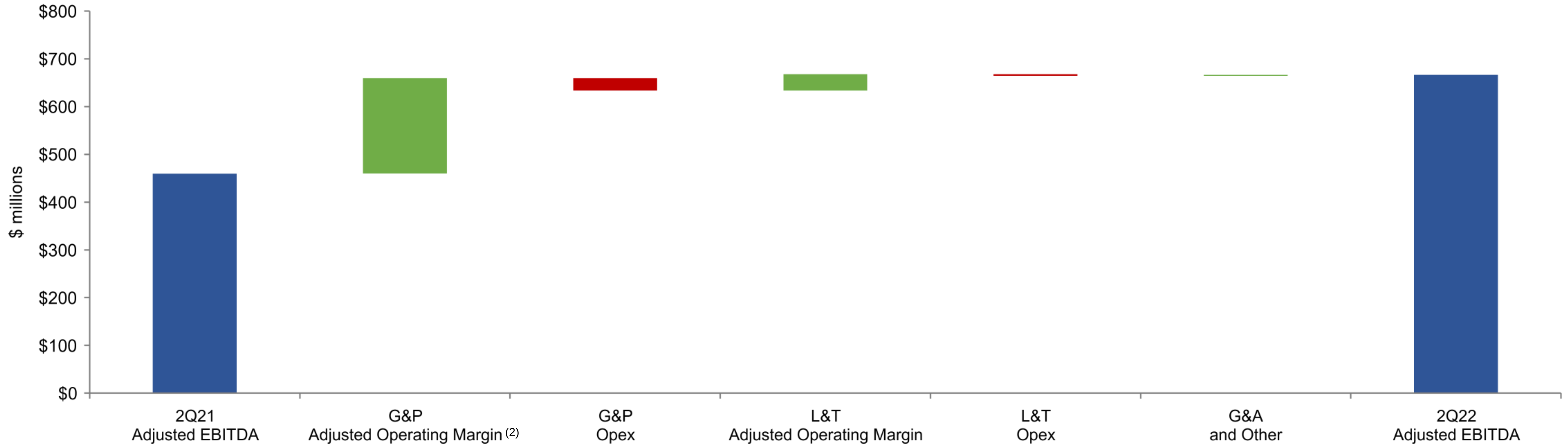
LPG Export Volumes



(1) 4Q21 volumes were impacted by an unplanned outage and associated repairs and maintenance.
(2) 3Q21 volumes were impacted by maintenance activities at Targa's Galena Park export facility.

Financial Performance – 2Q 2022 vs. 2Q 2021

45% increase in adjusted EBITDA[(1)]



Segment Operating Margin

G&P segment operating margin increased $174 million[(2)]

\+ Higher realized commodity prices

\+ Higher Permian and Central volumes driven by increased producer activity and the acquisition of certain assets in South Texas

− Higher operating expenses due to increased activity levels, system expansions, acquisition of certain assets in South Texas, and inflation

L&T segment operating margin increased $31 million

\+ Higher NGL pipeline transportation and fractionation volumes

− Lower marketing and LPG export margin

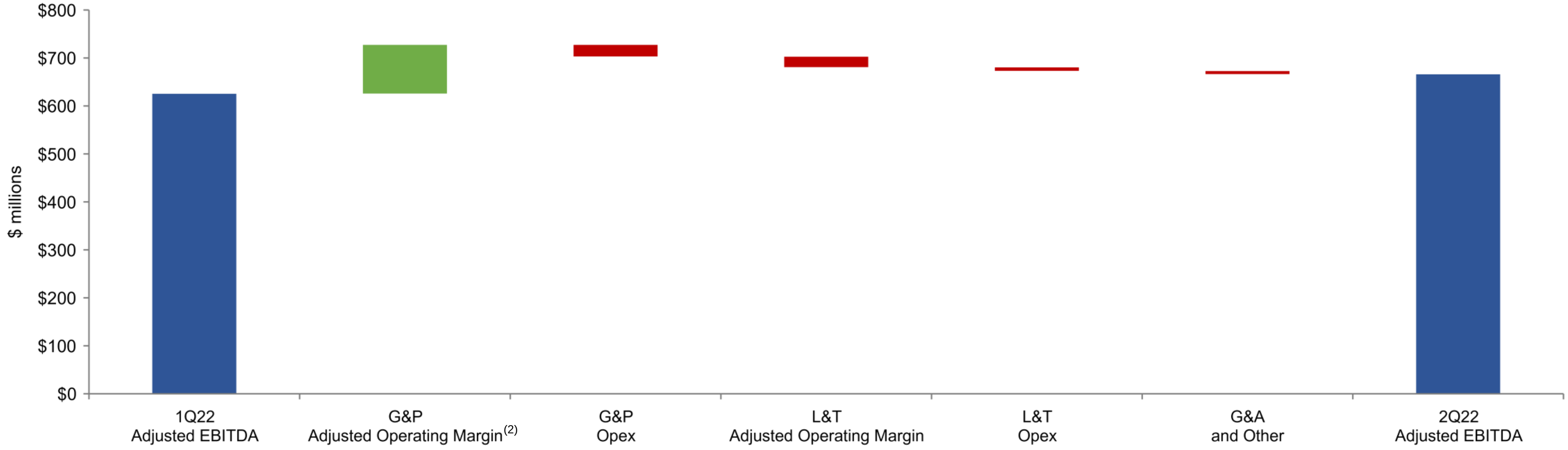
− Higher operating expenses due to repairs and maintenance

(1) Adjusted EBITDA and adjusted operating margin are non-GAAP measures. Please see the section of this presentation entitled "Non-GAAP Financial Measures" for a discussion of adjusted EBITDA and adjusted operating margin and a reconciliation of adjusted EBITDA to its most directly comparable GAAP financial measure.

(2) Inclusive of realized hedge gain/(loss).

Financial Performance – 2Q 2022 vs. 1Q 2022

Record quarterly adjusted EBITDA[(1)]



Segment Operating Margin

G&P segment operating margin increased $77 million[(2)]

- \+ Higher realized commodity prices
- \+ Higher Permian and Central volumes driven by increased producer activity and the acquisition of certain assets in South Texas
- − Higher operating expenses due to increased activity levels, system expansions, acquisition of certain assets in South Texas, and inflation

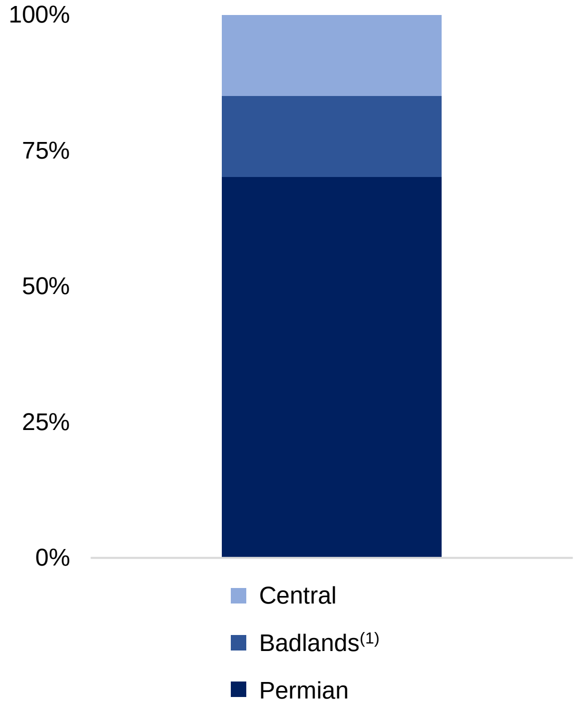
L&T segment operating margin decreased $30 million

- \+ Higher NGL pipeline transportation and fractionation volumes
- − Lower marketing margin and LPG export margin
- − Higher operating expenses due to taxes, compensation, repairs and maintenance

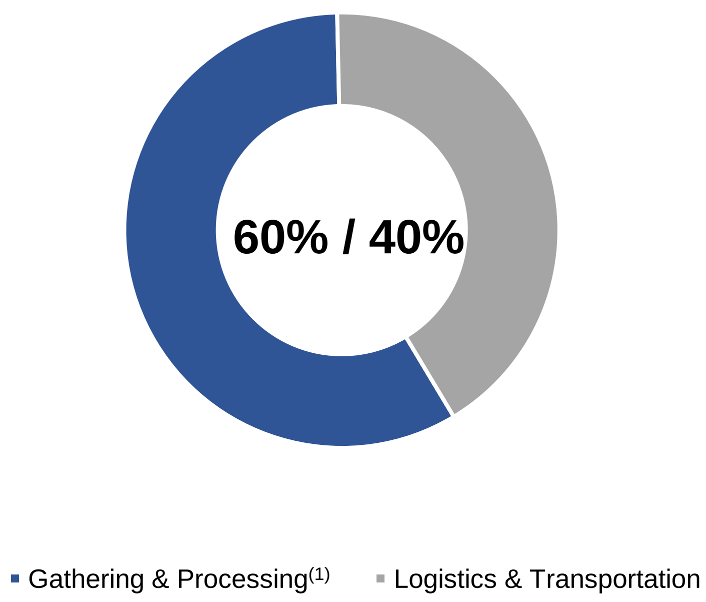
(1) *Adjusted EBITDA and adjusted operating margin are non-GAAP measures. Please see the section of this presentation entitled "Non-GAAP Financial Measures" for a discussion of adjusted EBITDA and adjusted operating margin and a reconciliation of adjusted EBITDA to its most directly comparable GAAP financial measure.*
(2) *Inclusive of realized hedge gain/(loss).*

Business Mix – 2Q 2022

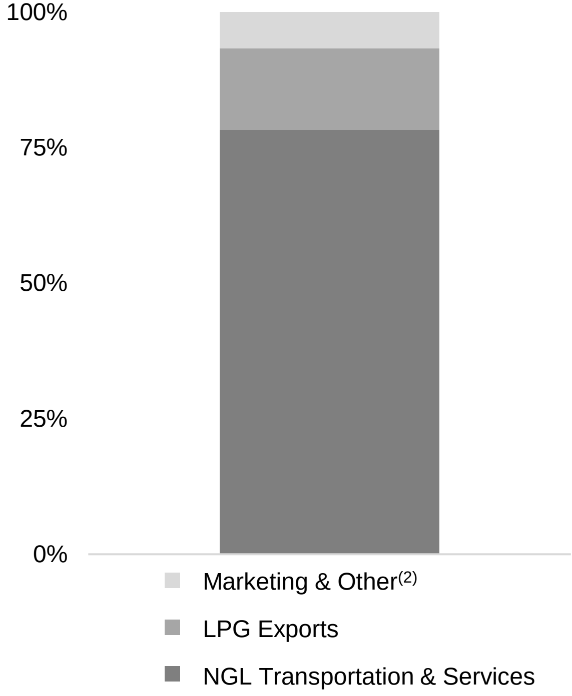
Field Gathering & Processing Operating Margin



Business Mix – Segment Operating Margin



Logistics & Transportation Operating Margin



(1) *Fully consolidated operating margin and includes 100% interest in Badlands.*
(2) *Marketing & Other includes Domestic NGL Marketing (Wholesale Propane, Refinery Services, Commercial Transportation) & Gas Marketing.*

Updated 2022 Financial Estimates

Increased estimated FY22 adjusted EBITDA to account for Delaware Basin acquisition and is now ~41%(1) higher than 2021

Financial Metrics	2022 Estimates
Adjusted EBITDA(1)	$2,850 - $2,950 million
Net Growth Capex	$1,000 - $1,100 million
Net Maintenance Capex	$150 million
Segment Operating Margin Mix (G&P/L&T)	~60% / ~40%

Commodity Prices Assumptions(2)		Commodity Price Sensitivities(3)	
Waha Natural Gas ($/MMBtu)	$6.00	+/- $0.25	$1 to $2 million
Wtd Avg NGL ($/Gal)(4)	$1.05	+/- $0.05	$13 to $15 million
WTI Crude Oil ($/Bbl)	$100.00	+/- $5.00	$3 to $4 million

FY 2022 increase to adjusted EBITDA estimate to account for:

- ✓ Completion of the Delaware Basin acquisition effective August 1st

Updated net growth capex estimate to account for:

- ✓ New organic growth projects to handle supply growth (Greenwood plant and Train 9)
- ✓ Growth across recently acquired Delaware Basin assets

(1) Adjusted EBITDA is a non-GAAP measure. Please see the section of this presentation entitled "Non-GAAP Financial Measures" for a discussion of adjusted EBITDA and a reconciliation of such measure to its most directly comparable GAAP financial measure. Year over year increase based on the midpoint of estimated 2022 adjusted EBITDA range.
(2) Updated full year outlook as revised in August 2022, reflects commodity price assumption for July through December 2022.
(3) Commodity price sensitivity for July through December 2022 inclusive of a number of factors, including unhedged PoP exposure, fee floor arrangements and any associated fee floor hedges, NGL barrel composition and recovery economics.
(4) Targa's composite NGL barrel comprises 45% ethane, 31% propane,11% normal butane, 4% isobutane and 9% natural gasoline.

Reconciliations

Non-GAAP Financial Measures

This presentation includes the Company's non-GAAP financial measures: adjusted EBITDA and adjusted operating margin (segment). The following tables provide reconciliations of adjusted EBITDA to its most directly comparable GAAP measure.

The Company utilizes non-GAAP measures to analyze the Company's performance. Adjusted EBITDA and adjusted operating margin (segment) are non-GAAP measures. The GAAP measures most directly comparable to these non-GAAP measures are income (loss) from operations, Net income (loss) attributable to Targa Resources Corp. and segment operating margin. These non-GAAP measures should not be considered as an alternative to GAAP measures and have important limitations as analytical tools. Investors should not consider these measures in isolation or as a substitute for analysis of the Company's results as reported under GAAP. Additionally, because the Company's non-GAAP measures exclude some, but not all, items that affect income and segment operating margin, and are defined differently by different companies within the Company's industry, the Company's definitions may not be comparable with similarly titled measures of other companies, thereby diminishing their utility. Management compensates for the limitations of the Company's non-GAAP measures as analytical tools by reviewing the comparable GAAP measures, understanding the differences between the measures and incorporating these insights into the Company's decision-making processes.

Adjusted EBITDA

The Company defines adjusted EBITDA as Net income (loss) attributable to Targa Resources Corp. before interest, income taxes, depreciation and amortization, and other items that the Company believes should be adjusted consistent with the Company's core operating performance. The adjusting items are detailed in the adjusted EBITDA reconciliation table and its footnotes. Adjusted EBITDA is used as a supplemental financial measure by the Company and by external users of the Company's financial statements such as investors, commercial banks and others to measure the ability of the Company's assets to generate cash sufficient to pay interest costs, support the Company's indebtedness and pay dividends to the Company's investors.

Adjusted Operating Margin

The Company defines adjusted operating margin for our segments as revenues less product purchases and fuel. It is impacted by volumes and commodity prices as well as by our contract mix and commodity hedging program.

Gathering and Processing adjusted operating margin consists primarily of:

- service fees related to natural gas and crude oil gathering, treating and processing; and revenues from the sale of natural gas, condensate, crude oil and NGLs less producer settlements, fuel and transport and the Company's equity volume hedge settlements.

Logistics and Transportation adjusted operating margin consists primarily of:

- service fees (including the pass-through of energy costs included in fee rates); system product gains and losses; and NGL and natural gas sales, less NGL and natural gas purchases, fuel, third-party transportation costs and the net inventory change.

Adjusted operating margin for the Company's segments provides useful information to investors because it is used as a supplemental financial measure by management and by external users of our financial statements, including investors and commercial banks, to assess:

- the financial performance of the Company's assets without regard to financing methods, capital structure or historical cost basis; the Company's operating performance and return on capital as compared to other companies in the midstream energy sector, without regard to financing or capital structure; and the viability of capital expenditure projects and acquisitions and the overall rates of return on alternative investment opportunities.

Non-GAAP Measures Reconciliation

	Three Months Ended,		
	June 30, 2022	March 31, 2022	June 30, 2021
		(in millions)	
Reconciliation of Net income (loss) attributable to Targa Resources Corp. to Adjusted EBITDA			
Net income (loss) attributable to Targa Resources Corp.	$ 596.4	$ 88.0	$ 56.2
Interest (income) expense, net	81.2	93.6	94.8
Income tax expense (benefit)	87.1	22.9	6.6
Depreciation and amortization expense	269.9	209.1	211.9
(Gain) loss on sale or disposition of assets	(0.6)	(1.0)	(0.4)
Write-down of assets	0.5	0.5	1.1
(Gain) loss from financing activities (1)	33.8	15.8	1.9
(Gain) loss from sale of equity method investment	(435.9)	-	-
Equity (earnings) loss	(1.4)	(5.6)	(12.8)
Distributions from unconsolidated affiliates and preferred partner interests, net	6.8	12.5	26.9
Compensation on equity grants	13.8	13.5	15.0
Risk management activities	4.5	178.2	69.7
Noncontrolling interests adjustments (2)	10.3	(1.7)	(10.9)
Adjusted EBITDA	**$ 666.4**	**$ 625.8**	**$ 460.0**

(1) *Gains or losses on debt repurchases or early debt extinguishments.*
(2) *Noncontrolling interest portion of depreciation and amortization expense.*

Non-GAAP Measures Reconciliation

	Full Year 2022E (in millions)
Reconciliation of Estimated Net Income attributable to Targa Resources Corp. to Estimated Adjusted EBITDA	
Net income attributable to Targa Resources Corp.	$ 1,245.0
Interest expense, net	400.0
Income tax expense	340.0
Depreciation and amortization expense	1,050.0
Gain from sale of equity method investment	(440.0)
Loss from financing activities (1)	50.0
Equity earnings	(14.0)
Distributions from unconsolidated affiliates and preferred partner interests, net	40.0
Compensation on equity grants	55.0
Risk Management and other	180.0
Noncontrolling interests adjustments (2)	(6.0)
Estimated Adjusted EBITDA	**$ 2,900.0**

(1) Losses on debt repurchases or early debt extinguishments.
(2) Noncontrolling interest portion of depreciation and amortization expense.

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