



↖ Delivering Energy Sustainably



Environmental, Social
& Governance Report

2021

→ CONTENTS

Foreword		Safety 27		Social 38		Governance 49		Data and Disclosures 57	
CEO Letter	03	Performance Highlights	28	Performance Highlights	39	Performance Highlights	50	Performance Data Tables	57
Report Highlights	04	Safety Management and Oversight	29	Our People and Culture	40	Board of Directors	51	EIC Midstream Template V2.0	61
About Targa	05	Safety Objectives and Initiatives	30	Learning and Development	40	Board Composition and Diversity	51	Global Reporting Initiative (GRI) Index	67
ESG Approach	09	Workforce Safety Performance	30	Recruitment and Retention	43	Board Committees	51	Sustainable Accounting Standards Board (SASB) Index	74
Stakeholder Engagement	11	Vehicle Safety Performance	31	Diversity, Equity, and Inclusion	43	Risk Management	52		
About this Report	12	Safety Training	31	Employee Benefits	44	Executive Compensation	53		
Environmental Stewardship 13		Continuous Improvement	32	Supply Chain Management	46	Sustainability-focused Compensation	53	Forward-looking Statements	
Performance Highlights	14	Contractor Management	33	Community Engagement	47	Shareholder Engagement	54	Forward-looking Statements	75
Environmental Management and Oversight	15	Asset Integrity Management	33	Partners in the Community	48	Ethics and Integrity	54		
Reducing our Emissions	16	Public Safety and Awareness	34			Political Contributions	54		
Water Management	22	Emergency Preparedness and Response	36			Industry Associations	55		
Waste Management and Minimization	23					Cybersecurity	56		
Biodiversity and Land Stewardship	24								

Contents

Foreword

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ 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 metrics tons of GHG emissions.

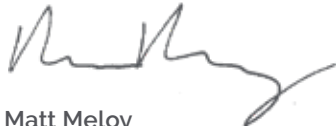
We know that our people are our best asset, and we continue our efforts to find and retain the best in the industry. In 2021, in addition to enhancing our employee benefits package and supplementing our learning and development programs, we began implementing a significant digital transformation enterprise 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

Contents

Foreword

► CEO Letter

2021 Report Highlights

About Targa

ESG Approach

Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ 2021 REPORT HIGHLIGHTS

↓ **12%**

Reduced Scope 1 + Scope 2
GHG intensity (MT CO₂e/1000 BOE)
by 12%

↓ **40%**

Reduced flaring volumes
from emissions events by 40%

13,000 mi

Completed aerial methane
detection on 13,000 miles
of pipelines and 162 surface
facilities in the Permian



Added new biodiversity information
to our ESG Performance Tables

4.9 billion

Exported ~4.9 billion gallons
of LPGs in 2021 globally that can
offset higher GHG-emitting fuels

↓ **31%**

Decreased preventable vehicle
accidents by 31%

ZERO

Achieved another year of zero
injuries at propane terminals



Received the International Liquid
Terminals Association (ILTA) safety
excellence award for the second
year in a row

 **94%**

94% of new hires were residents
of the state where their position
was located

30%

30% of our workforce were from
traditionally underrepresented
racial or ethnic groups

 **24%**

24% of our leadership team
were women

 **25%**

25% of our Board of Directors
were women; and 17% of our
Board of Directors were from
traditionally underrepresented
racial or ethnic groups

[Contents](#)[Foreword](#)[CEO Letter](#)[▶ 2021 Report Highlights](#)[About Targa](#)[ESG Approach](#)[Stakeholder
Engagement](#)[About this Report](#)[Environmental
Stewardship](#)[Safety](#)[Social](#)[Governance](#)[Data and
Disclosures](#)[Forward-looking
Statements](#)

→ ABOUT TARGA

Targa Resources Corp. ("Targa") (NYSE: TRGP) is one of the largest independent midstream infrastructure companies in North America. As a predominately natural gas and natural gas liquids (NGL) focused energy infrastructure company, we are committed to maintaining our reputation as a responsible and dependable business that benefits our stakeholders.

[Contents](#)[Foreword](#)[CEO Letter](#)[2021 Report Highlights](#)[► About Targa](#)[ESG Approach](#)[Stakeholder
Engagement](#)[About this Report](#)[Environmental
Stewardship](#)[Safety](#)[Social](#)[Governance](#)[Data and
Disclosures](#)[Forward-looking
Statements](#)

→ ABOUT TARGA CONTINUED

We safely and reliably operate a strong and diversified portfolio of gathering, processing, logistics, and transportation assets. Our assets connect natural gas and natural gas liquids (NGLs) to domestic and international markets as part of an integrated energy value chain that delivers affordable, reliable, and less carbon-intensive energy for everything from electricity, dependable home heating and cooling, transportation fuel, and products that touch our lives every day.



Gathering and Processing (G&P)

Targa has substantial natural gas G&P capacity in multiple basins. For the year ended December 31, 2021, G&P made up approximately 51% of our business based on full-year operating margin.

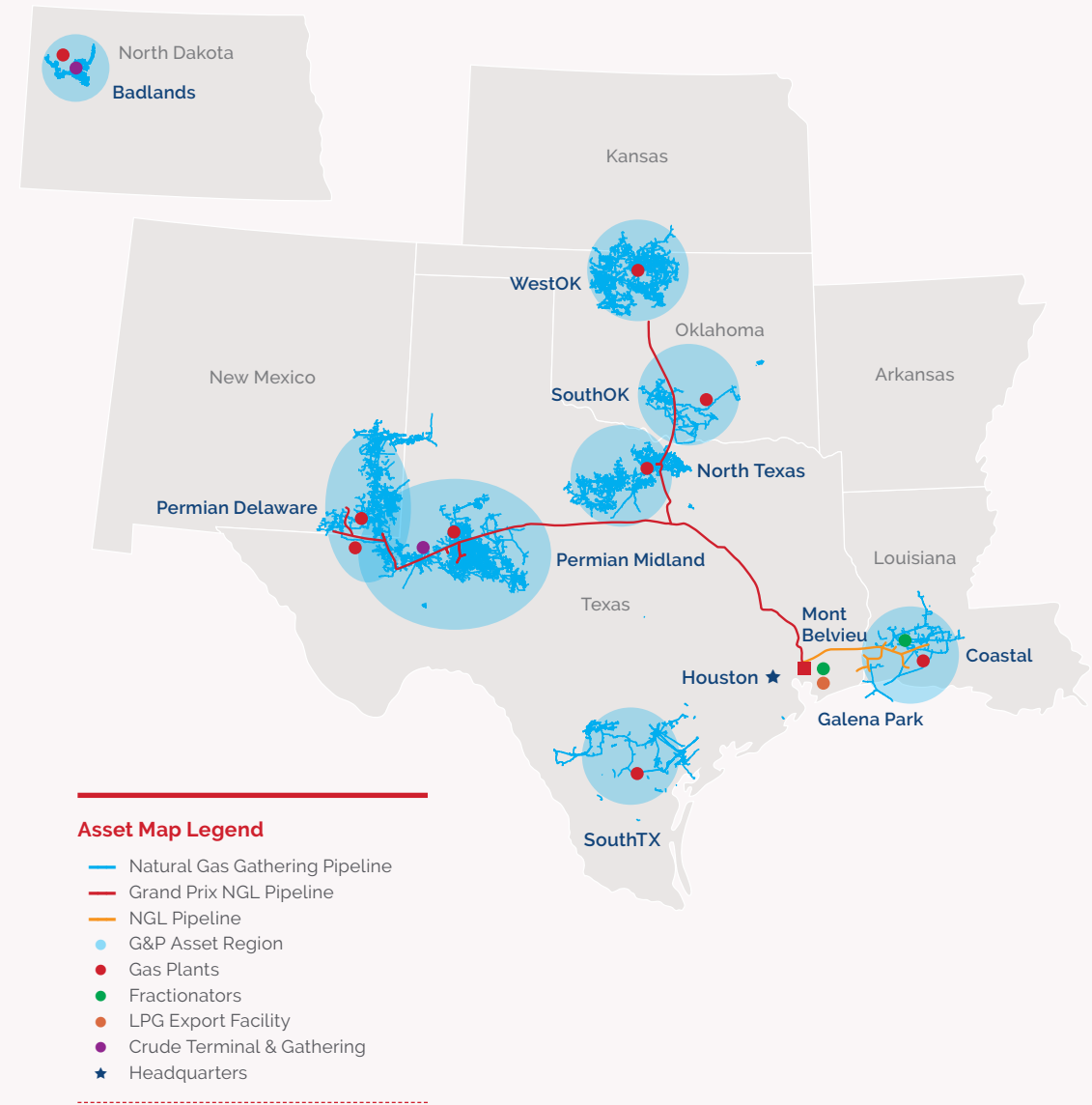
51%

Logistics and Transportation (L&T)

We connect natural gas and NGL supply to domestic and international markets. For the year ended December 31, 2021, L&T made up approximately 49% of our business based on full-year operating margin.

49%

Asset Map



Contents

Foreword

CEO Letter

2021 Report Highlights

▶ About Targa

ESG Approach

Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

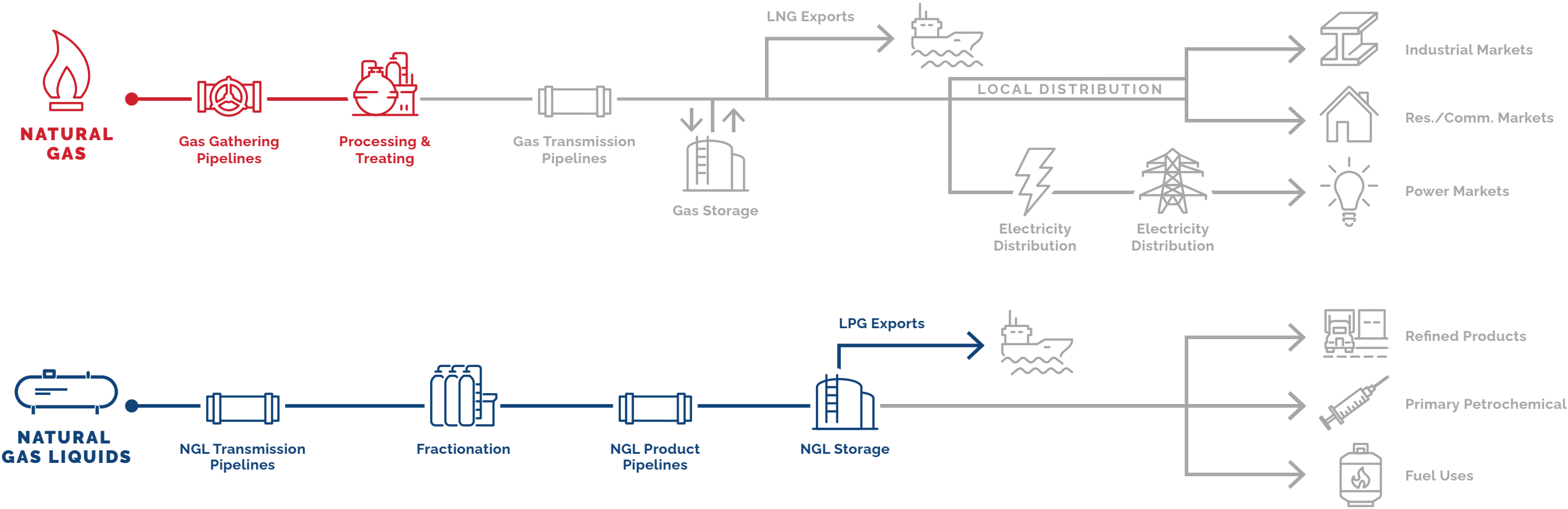
Data and Disclosures

Forward-looking Statements

→ ABOUT TARGA CONTINUED

Targa Value Chain

As a leading midstream energy provider, Targa plays a vital role in transporting the natural gas and NGLs that help meet domestic and global energy demand. We create value at various stages along the midstream value chain, as shown below.



The company also owns and operates a small footprint of crude oil gathering and storage assets.

Targa Value Chain Legend

— Natural Gas — NGLs — Outside of Targa's Role

Contents

Foreword

CEO Letter

2021 Report Highlights

► About Targa

ESG Approach

Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ABOUT TARGA CONTINUED

Natural Gas

Natural gas is one of the lowest emitting hydrocarbon-based fuels available. According to the Environmental Protection Agency's Emission Factors for Greenhouse Gas Inventories published in April of 2022, when it comes to stationary combustion sources, natural gas emits almost half of the CO₂ and less than 10% of the methane compared to coal. It is abundant, flexible, reliable, and affordable, and we believe it will continue to play a critical role in helping to meet the world's growing demand for energy. In the United States, natural gas is primarily used as a fuel for heating and generating electricity. While Targa is not an exporter of liquified natural gas (LNG), our expansive gas gathering and processing operations help create natural gas that finds its way to export and international markets needing a reliable fuel source.

Common Natural Gas Uses



Electricity Generation

Natural gas is used in steam turbines and gas turbines to generate electricity. Natural gas was the largest source – about 38% – of United States electricity generation in 2021.



Heating

Approximately half of the homes in the United States use natural gas for space heating and water heating, as it is more effective and cost-efficient than electrical heating pumps.



Transportation

The transportation sector uses natural gas as a fuel to operate compressors that move natural gas through pipelines and as a vehicle fuel in the form of compressed natural gas and NGLs.



Manufacturing

Natural gas products serve as the building block for thousands of consumer goods. Natural gas is used for petrochemicals, which are incorporated in plastics, fertilizers, synthetic fibers, cosmetics, and medicines. In addition, steel and paper production uses natural gas to generate process steam for industrial applications.

Natural Gas Liquids

NGLs including ethane, propane, and butanes, are components of natural gas that are separated from the gas state in the form of liquids. They have a wide variety of applications from specialized fuels used for home heating and transportation fuel to petrochemical feedstocks for making thousands of products that we rely on every day to sustain our quality of life and promote economic growth. In developing nations, propane makes for a cleaner home heating and cooking fuel compared to traditional fuels that generate air particulates like wood or dung.

Products Made Possible by NGLs



Household Goods

- Disposable diapers
- Luggage
- Rugs and carpet
- Detergents and pesticides
- Tires
- Shoes
- Hoses
- Athletic equipment
- Batteries



Building Materials

- Plywood
- Insulation
- Particle board
- Latex paints
- Acrylic signs



Recyclable Food Packaging

- Bottles
- Bags
- Food containers



Healthcare Products

- Surgical and oxygen masks
- Ventilators
- Gloves
- Sterile packaging
- Syringes

Contents

Foreword

CEO Letter

2021 Report Highlights

► About Targa

ESG Approach

Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ESG APPROACH



- 1

We are focused on minimizing our impact on the environment and creating environmental awareness, as we work to safely and responsibly fulfill our role in the energy value chain.
- 2

We know that our success as a company hinges on our ability to protect our workforce and the public, and to maintain the integrity of our assets.
- 3

Our talented and dedicated team is our most valuable resource, and we are committed to their health, safety, and development. We also value the connections we have with our neighbors, and we work to engage with and support them in meaningful ways.
- 4

We seek to operate our business responsibly, ethically, and in a manner aligned with the interests of our shareholders.

We own, operate, acquire, and develop a diversified portfolio of complementary midstream infrastructure assets that allow us to efficiently supply natural gas and NGLs to domestic and international markets to meet the increasing demand for cleaner, affordable fuel and feedstocks. We strive to conduct our business sustainably, safely, and with integrity, creating lasting benefits for all stakeholders, including the communities in which we live and work. As a predominately natural gas and NGL-focused energy infrastructure company, we are proud to help deliver safe, reliable products that fuel the low-carbon economy, and improve economic mobility and quality of life domestically and around the world.

We recognize that our commitment to implement programs and practices that improve our ESG performance and minimize risk is important to the sustainability of our business. We take our responsibilities seriously and believe that our success as a company hinges on our ability to create long-term benefits for our stakeholders while practicing good corporate governance, minimizing risks, advancing responsible environmental stewardship, and being a compassionate and ethical neighbor. Our approach is focused around four primary pillars: environmental stewardship, safety leadership, social responsibility, and corporate governance.

Contents

Foreword

CEO Letter

2021 Report Highlights

About Targa

► ESG Approach

Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

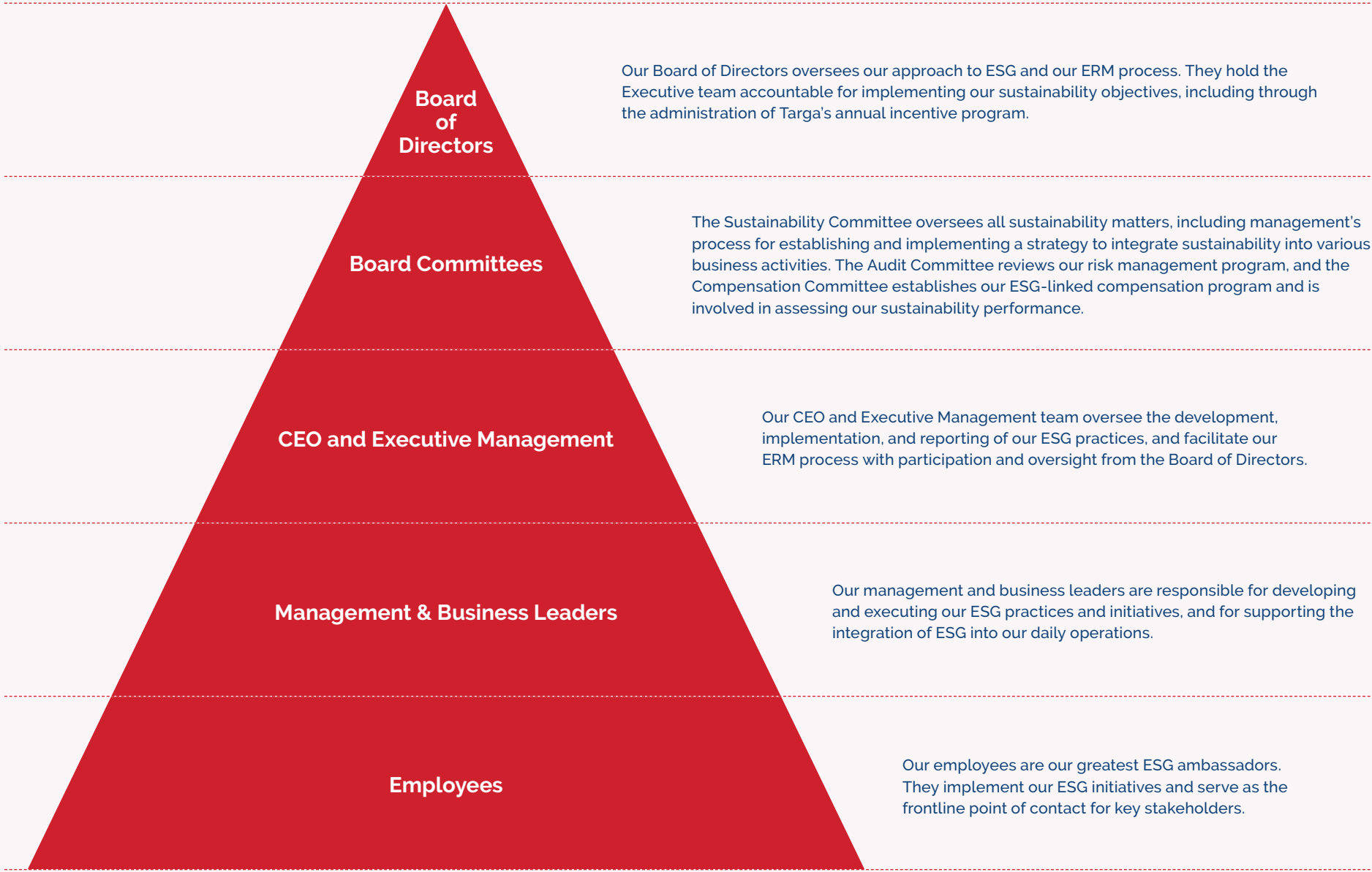
Forward-looking Statements

→ ESG APPROACH CONTINUED

Our Board of Directors oversees our approach to ESG and recognizes that ESG risks are interconnected with other business risks and opportunities. Our CEO and Executive team oversee the development, implementation, and reporting of our ESG practices, and facilitate our Enterprise Risk Management (ERM) process with participation and oversight from the Board of Directors ([see page 52](#) for additional information about our ERM process). Our Board holds the Executive team accountable for implementing our sustainability objectives, including through the administration of Targa's annual incentive program, whereby 10% of annual cash awards under our 2021 Annual Incentive Cash Compensation Program are tied to sustainability performance ([see page 53](#) for additional information about the sustainability-focused elements of our compensation program).



Sustainable Governance



[Contents](#)

[Foreword](#)

[CEO Letter](#)

[2021 Report Highlights](#)

[About Targa](#)

► [ESG Approach](#)

[Stakeholder Engagement](#)

[About this Report](#)

[Environmental Stewardship](#)

[Safety](#)

[Social](#)

[Governance](#)

[Data and Disclosures](#)

[Forward-looking Statements](#)

→ STAKEHOLDER ENGAGEMENT

Active stakeholder engagement and dialogue are critical to building and maintaining collaborative relationships and are an integral part of our sustainability approach. Each stakeholder has certain priorities that influence how we approach our strategy. The table to the right outlines the primary stakeholder groups that we interact with regularly, provides high-level sustainability topics that are important to each group, and gives examples of how we are working to address those topics. These are the topics and commitments you will see covered in this report, along with additional details and examples about how Targa engages with each stakeholder group on its ESG strategy.

Stakeholder	Shareholders and Investors	Partners and Customers	Employees, Contractors, and Community
What they are interested in	<ul style="list-style-type: none">• Capture opportunities, provide solutions, minimize risk, and maximize value	<ul style="list-style-type: none">• Help meet their own sustainability goals	<ul style="list-style-type: none">• Support development, growth, and health of employees and the community
How we are addressing it	<ul style="list-style-type: none">• Corporate and Business Development• Corporate Governance• Corporate Behavior	<ul style="list-style-type: none">• Reliable/Safe Operations• Reduction in GHG Intensity• Workforce Health and Safety	<ul style="list-style-type: none">• Social Responsibility• Biodiversity/Land Use• Employee and Public Safety Programs• Community Outreach
Examples of our efforts	<ul style="list-style-type: none">• Government Relations• Risk Management• Ethics and Code of Conduct• Executive Compensation• Renewable Power• Carbon Capture• New Technology• Talent Acquisition and Retention• Cybersecurity	<ul style="list-style-type: none">• Increased Communication with Producers and Pipeline Operators• Voluntary and Enhanced Leak Detection and Monitoring• Facility Optimization• Reliability and Maintenance Programs• Targets to Reduce Flaring• ONE Future Membership• American Petroleum Institute’s (API) Environmental Partnership	<ul style="list-style-type: none">• Health and Safety Programs• Land Use• Diversity• Supply Chain• Employee Training• Local Hiring• Landowner Meetings• Indigenous Peoples Policy and Outreach• Human Rights

Contents

Foreword

CEO Letter

2021 Report Highlights

About Targa

ESG Approach

► Stakeholder Engagement

About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ABOUT THIS REPORT

This report discloses information about our ESG commitments, policies, and programs that we believe are important to our business and stakeholders. This report was developed by a cross-functional team of subject matter experts throughout Targa and reviewed by our Executive team, the Board Sustainability Committee, and the Board of Directors. At each stage of report development, we remained focused on what we consider to be key reporting principles, including transparency and completeness.



We initially conducted a sustainability reporting materiality assessment in 2018 to identify the ESG-related issues that most impact our business and our stakeholders. As part of that assessment, we reviewed several sustainability reporting standards and frameworks, including reporting guidelines, indicators, and terminology from the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the Sustainability Accounting Standards Board (SASB) Oil and Gas – Midstream Standards. We also reviewed peer reports and industry association guidance, listened to investor feedback, and held internal workshops with functional departments.


Annually, we review the materiality assessment to ensure that it continues to align with our company objectives and stakeholder feedback. This year, we concluded that our ESG-related issues generally did not change, and that we would continue to focus on explaining our progress more clearly around these important topics. As a result, our 2021 report, among other things, includes additional disclosures about biodiversity, provides further clarification about the independence of our Board members and our executive compensation program, and improves our qualitative disclosure related to emergency response and process safety management.

Reporting Standards

We report performance by referring to the scope of GRI Oil and Gas Sector Standards and SASB Oil & Gas – Midstream Standards recommended disclosures in preparing this report (see page 74). We also complete the Energy Infrastructure Council (EIC)/GPA Midstream ESG Reporting Template (see page 61). We engage with MSCI, Sustainalytics, and others like Standard and Poors (S&P) Global who rate us based on publicly available information. In addition, in 2022, we initiated formal efforts with an outside consulting firm regarding our active approach to assessing and managing climate risks and opportunities informed by the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Reporting Scope and Other Information

Unless otherwise noted, the information and data in this report cover the calendar year that ended on December 31, 2021. Our U.S. Securities and Exchange Commission (SEC) Form 10-K and Proxy Statement provide additional financial and operational information and can be accessed at the following link: www.targaresources.com/investors/financial-information/sec-filings. The scope of this report includes all businesses, assets, and joint ventures that are owned and operated by Targa and does not address the performance or operations of our suppliers, contractors, partners, and non-controlled investments unless and then only to the extent otherwise noted. Any other data exclusions or additions are noted throughout the report.



We welcome your feedback on this report.

Please submit comments and questions to InvestorRelations@targaresources.com.

Forward-looking Statements

This sustainability report contains forward-looking information, or forward-looking statements. Please see “Forward-looking Statements” on page 75 of this report.

Contents

Foreword

CEO Letter

2021 Report Highlights

About Targa

ESG Approach

Stakeholder Engagement

▶ About this Report

Environmental Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP

Targa is a leading infrastructure provider connecting domestic supplies of natural gas and NGLs to markets with growing demand. We are focused on minimizing our impact on the environment and creating environmental awareness, as we work to safely and responsibly fulfill our role in the energy value chain. Our commitment to responsible environmental stewardship requires that we incorporate environmental considerations throughout our operations and business decisions. Our Environmental, Safety, and Health (ES&H) Policy guides our efforts and solidifies our commitment to protecting the environment.

[Contents](#)[Foreword](#)[Environmental Stewardship](#)[2021 Performance Highlights](#)[Environmental Management and Oversight](#)[Reducing our Emissions](#)[Water Management](#)[Waste Management and Minimization](#)[Biodiversity and Land Stewardship](#)[Safety](#)[Social](#)[Governance](#)[Data and Disclosures](#)[Forward-looking Statements](#)

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

2021 Performance Highlights

↓ **12%**

Reduced Scope 1 + Scope 2
GHG intensity (MT CO₂e/1000 BOE)
by 12%

↓ **9%**

Reduced Scope 1 GHG emissions
(MT CO₂e) by 9% even as we grew
inlet volumes

↑ **20%**

Increased electricity usage
by 20% with only a 5% increase
in Scope 2 emissions

↓ **40%**

Reduced flaring volumes
from emissions events by 40%

13,000 mi

Surveyed over 13,000 miles of
pipelines and 162 surface facilities
in the Permian using aerial
methane detection



THE
ENVIRONMENTAL
PARTNERSHIP

Participated in API Environmental
Partnership aerial methane surveys

Contents

Foreword

Environmental
Stewardship

▶ 2021 Performance
Highlights

Environmental
Management
and Oversight

Reducing
our Emissions

Water Management

Waste Management
and Minimization

Biodiversity and
Land Stewardship

Safety

Social

Governance


Data and
Disclosures

Forward-looking
Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Environmental Management and Oversight

Our environmental programs are designed to minimize the impact of our business on the environment and our local communities. We are focused on reducing our emissions, managing our water use, minimizing waste, reducing spills, protecting biodiversity, and practicing effective land stewardship. We prioritize meeting and, where feasible, exceeding, regulatory requirements, and all employees share responsibility for ensuring compliance.



Targa's ES&H Policy is available on our website [↗](#)

We use a system of management policies, work practices, and controls, including automated permit compliance tracking, facility monitoring and reporting programs, compliance audits, and training. Our corporate environmental subject matter experts keep these policies and practices up to date, while our field environmental specialists work with other functional groups across Targa, including engineering, construction, and operations, to oversee their implementation. We evaluate each project to determine the appropriate emissions controls, mitigation measures, and operating parameters. Each pipeline construction project, regardless of size, is reviewed for potential impacts to natural and cultural resources, with avoidance as our primary objective.

Members of the Targa Executive team meet monthly with operations, engineering, and ES&H leadership to review our environmental performance. Key performance indicators such as spills and emissions events, along with updates on focus areas like methane emissions, are reviewed quarterly with our Board of Directors. At the operational level, a variety of reports on environmental performance are

reviewed on a routine basis by our leaders and are often visible in real-time via internal electronic programs. Operational issues, including unplanned incidents like spills or flaring, are reported weekly during operational and commercial staff meetings. All unexpected incidents are reviewed for cause and corrective actions.

Environmental Management System Elements

- Management of Policies, Standards, and Procedures
- Document Control
- Roles and Responsibilities
- Engineering Standards and Operational Controls
- Compliance Tracking System
- Monitoring and Reporting
- Records Retention
- Training
- Evaluation of Compliance
- Measurement and Key Performance Indicators
- Management Review

Additionally, we believe that focusing on operational excellence, including facility reliability and maintenance practices, results in stronger environmental performance by minimizing process upsets and equipment failures, which can result in unexpected emissions or spills (See more about our efforts through our Enterprise Asset Management (EAM) project [on page 42.](#)) We are focused on multiple management practices that result in reduced emissions and spills, including but not limited to:

- Actively monitoring for and repairing leaks
- Reducing and mitigating flaring events
- Tracking and investigating incidents to determine causes and corrective actions
- Analyzing data on a routine basis and investing resources to solve problems
- Maintaining preventive maintenance programs for our equipment
- Reviewing data with leadership on a routine basis to allow the proper resources and priorities to be put in place

We work to maintain an open and transparent relationship with our federal, state, and local regulatory agencies. We routinely engage with them, either alone or through our industry associations, on policy development, rulemaking, education, technology review, and benchmarking. We also continuously review and update our environmental management practices as we strive to align with legal and regulatory requirements and industry best practices.

Environmental Programs

- Project Evaluation
- Preconstruction Reviews
- Equipment Monitoring and Stack Testing
- Leak Detection and Repair
- Waste Management
- Water Management
- Spill Prevention and Response
- Remediation
- Biodiversity and Land Use Practices
- Employee Training

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

► Environmental Management and Oversight

Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Reducing our Emissions

We are committed to reducing emissions associated with our operations as we work to help meet the world’s demand for reliable and affordable energy. We recognize the environmental and financial risks associated with air emissions and are focused on reducing them. We strive to make measurable emissions reductions each year. To achieve these goals, we focus on implementing best practices and emissions reduction policies, investing in new technologies, and continuously improving our facilities.

We are proud to support industry partnerships and initiatives that promote environmental transparency and innovation. Since 2000, Targa has been a member company of the Environmental Protection Agency (EPA) Natural Gas STAR Program, a voluntary partnership between the EPA and oil and gas companies to reduce methane emissions. The relationships we built through our participation in the Natural Gas STAR Program resulted in an ongoing collaboration with the EPA to develop industry-specific regulations for methane and volatile organic compounds (VOCs).

“We believe in the value of sharing best practices and lessons learned with our industry peers, and look forward to continuing and expanding our involvement in these important partnerships in the years ahead.”

— JESSICA KEISER,
SENIOR VICE PRESIDENT SUSTAINABILITY AND ES&H



INDUSTRY PARTNERSHIPS AND INITIATIVES

In 2021, Targa joined Our Nation’s Energy Future (ONE Future), a coalition that comprises approximately 20% of the U.S. natural gas value chain and is committed to working together to voluntarily reduce methane emissions by identifying policies and technical solutions that better manage emissions associated with natural gas production, processing, transmission, and distribution. Targa sits on the ONE Future Steering Committee and participates in the Technical Committee. ONE Future members set a goal to reduce collective methane emissions in their supply chain to 1% or less by 2025. Targa has committed to the ONE Future 2025 methane intensity goals of 0.08% for gathering and boosting and 0.11% for processing.

In 2021, we also joined the American Petroleum Institute’s Environmental Partnership, a group of over 94 U.S. oil and gas companies that work together to improve the industry’s environmental performance. Through the Partnership, companies participate in environmental performance programs to reduce methane emissions associated with natural gas and oil production, processing, and transmission.



SPOTLIGHT

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

▶ Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Our Commitments

In 2021, we committed to the ONE Future 2025 methane intensity goals, including:

- Reducing our methane intensity to 0.08% for our gathering and boosting segment
- Reducing our methane intensity to 0.11% for our processing segment

In addition to methane intensity, we are focused on reducing flaring from our operations and helping our exploration and production (E&P) partners and downstream customers meet their flaring and GHG intensity targets.

Our Goals by 2025

↓ **.08%**

Reduce our methane intensity to 0.08% for our gathering and boosting segment

↓ **.11%**

Reduce our methane intensity to 0.11% for our processing segment

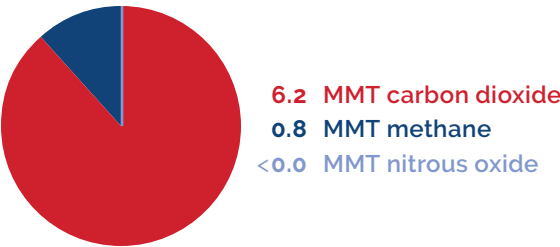
Our Performance

GHG Emissions

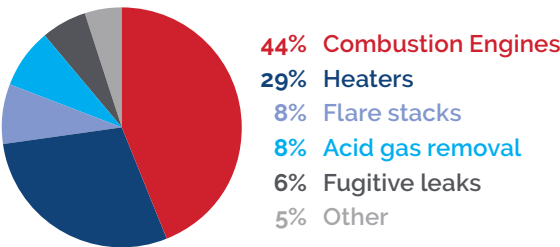
At Targa, almost 74% of our Scope 1 GHG emissions generally result from the combustion of natural gas fuel used in compressor engines and process heaters. The remaining percentage originates from fugitive emissions, flaring, venting, and other processes that are common to operating natural gas systems. These emissions are reported annually to the EPA per the requirements of the GHG Mandatory Reporting Rule and may be revised based on their review of our report. In 2021, our Scope 1 CO₂e emissions decreased by 9% compared to 2020, despite a 2% increase in inlet volumes to our gas plants, a 4% increase in NGL volumes to our Mont Belvieu fractionator, and expansion of our processing capacity.

2021 Targa Scope 1 GHG Emissions

Total reported: 7.0 million metric tons (MMT) of CO₂e



2021 Scope 1 Breakdown



Targa GHG Emissions

As reported to the EPA

	2019	2020	2021
Greenhouse Gas Reporting (million metric tons CO ₂ e)			
Scope 1	7.4	7.7	7.0
Targa Facility-direct Emissions			
Scope 2	—	2.5	2.7
Targa Electricity Emissions			

Our Scope 2 emissions physically occur at the utility where the energy is being generated and are considered Scope 1 direct emissions for the utility. Despite a 20% increase in electricity usage in 2021, our Scope 2 emissions only increased by 5% compared to 2020. This result is directly related to our continued investment in electric compression in place of gas-fired compression where possible, which also helps us avoid Scope 1 GHG emissions and non-GHG emissions.

ONE Future Methane Intensity

Annually, Targa submits information to ONE Future, who calculates methane intensity for comparison against our methane goals. This year, ONE Future included a new category of emissions from certain compressor engines due to incomplete combustion of fuel gas, often referred to as “methane slip.” While these emissions are not new, industry and academic understanding of them has progressed recently, and the inclusion of these emissions in the emission factors did result in an increase in our gathering and boosting intensity. Targa continues to monitor our goal and define actions that will help us reach it.

		2020	2021*	2021
Sector	Target			
Gathering & Boosting	0.08% by 2025	0.113%	0.095%	0.167%
Processing	0.11% by 2025	0.040%	0.021%	0.037%

*As calculated using 2020 methodology.

GHG Emissions Definitions

For this report, we are defining the following terms with respect to emissions reported pursuant to EPA’s GHG Mandatory Reporting Rule:

Scope 1

Direct GHG emissions from sources owned and operated by Targa

Scope 2

Indirect GHG emissions from the generation of purchased electricity, steam, heating, and cooling consumed by Targa

Scope 3

All other indirect GHG emissions as a consequence of Targa’s activities, from sources not owned or controlled by Targa, including emissions caused by products combusted as fuel by others

↓ **9%**

Reduced Scope 1 GHG emissions (MT CO₂e) by 9% even as we grew inlet volumes

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

▶ Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Overall GHG Emissions Intensity

At Targa, we examine our GHG emissions intensity from both a Scope 1 compared to equivalent product sales and from a Scope 1 + Scope 2 compared to gross throughput perspective. Through both measures, we achieved double-digit reductions in our GHG intensities in 2021.

For our Scope 1 GHG emissions intensity, we consider our GHG emissions (as reported to EPA) compared to equivalent product sales (as reported in our 10-K). For the year ended December 31, 2021, our Scope 1 GHG emissions intensity was 0.0113 CO₂e million metric tons per million barrels, which represents an 18% decrease compared to 2020.

For our Scope 1 + Scope 2 GHG emissions intensity, we calculate our GHG emissions intensity in accordance with the EIC GPA Midstream ESG Reporting Template (see page 60), defined as Total CO₂e Emissions (Scope 1 + Scope 2) per Thousand BOE². For the year ended December 31, 2021, our GHG emissions intensity was 8.33 MT CO₂e / Thousand BOE, which represents a 12% decrease compared to 2020.

↓18%

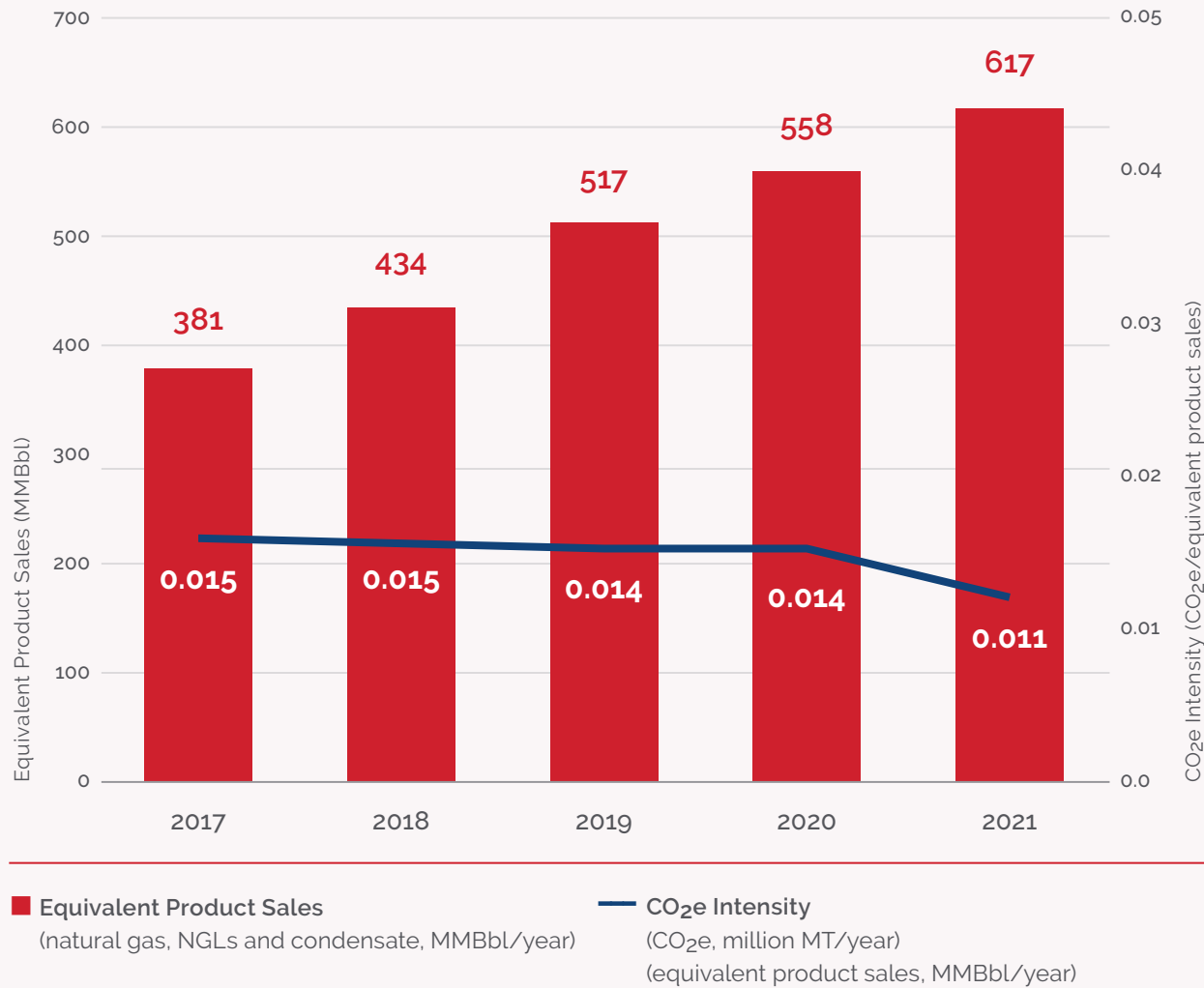
Decrease in Scope 1 GHG intensity (MT CO₂e/MMBbl) Compared to 2020

↓12%

Decrease in Scope 1 + Scope 2 GHG intensity (MT CO₂e/1000 BOE) Compared to 2020

For additional information on Targa's GHG emissions, including Scope 3 emissions that are also reported to the EPA under the GHG Mandatory Reporting Rule, and intensity metrics, please see the Performance Data Tables and EIC Midstream Template V2.0 starting on page 60.

Annual Product Sales and Scope 1 GHG Emission Intensity ^{(1) (2)}



(1) Includes natural gas, NGLs and condensate. Natural gas sales reported as BBTu/d are converted to barrel of oil equivalents (BOE) as defined by the United States Internal Revenue Service as 1 BOE = 5.8 x 10⁶ Btu.

(2) For the natural gas gathering and boosting segment, gross throughput is the total volume of gas transported by gathering and boosting facilities as per 40 CFR 98.236(aa)(10)(ii). For the natural gas processing segment, gross throughput is the quantity of natural gas produced at a gas processing plant as per 40 CFR 98.236(aa)(3)(ii). For liquid products, gross throughput is the volume of products (condensate, crude oil and NGLs) delivered to an end point. All energy throughputs are converted to barrel of oil equivalents (BOE) as defined by the United States Internal Revenue Service as 1 BOE = 5.8 x 10⁶ Btu.

Flaring

Flaring of natural gas is a controlled process for mitigating emissions of methane and VOCs, which is sometimes necessary for safe operations. We are committed to minimizing flaring as much as possible. When minimal operational flaring is necessary for upset or emergency conditions and in situations where gas capture is not possible, we deploy efficient combustion technologies to support our efforts for minimal flaring. Most of Targa's flaring results from unplanned events like operational disruptions across the natural gas value chain, such as third-party outages, weather, unplanned maintenance events, or other unexpected operational upsets. Working directly with power providers, third-party pipelines, and producers helps us provide excellent service to our customers while also minimizing emissions from our operations.

↓40%

Reduction in overall flaring volumes from emissions events compared to 2020

We are focused on analyzing these events and working to find solutions to prevent them in the future through operational or equipment changes, increased communication with upstream suppliers and downstream pipeline operators, or investing in new projects and technology enhancements. We utilize vapor recovery units to recover gas that would otherwise be flared or lost to the atmosphere. We also evaluate and expand pipeline gathering system capacity and flexibility to reduce potential field gas flaring by producers. For 2021, we achieved a 40% reduction in overall flaring volumes from emissions events compared to 2020.

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

▶ Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

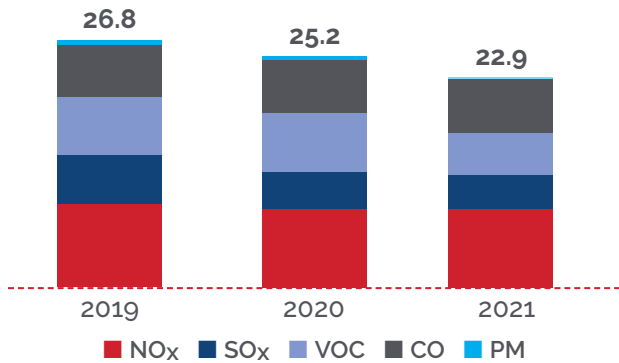
Non-GHG Emissions

We are also focused on reducing our non-GHG emissions, including VOCs, carbon monoxide (CO), nitrogen oxides (NO_x), sulfur dioxide (SO₂), and particulate matter (PM). For the year ended December 31, 2021, we achieved an overall 9% reduction in emissions for all criteria pollutants relative to the prior year.

	2019	2020	2021
Criteria Pollutant Emissions (thousands tons/year)			
Nitrogen Oxides (NO _x)	9.1	8.6	8.6
Sulfur Dioxides (SO _x)	5.3	3.9	3.8
Volatile Organic Compounds (VOC)	6.4	6.6	4.6
Carbon Monoxide (CO)	5.6	5.7	5.8
Particulate Matter (PM)	0.4	0.4	0.2
Total Emission Rates for Reporting Facilities	26.8	25.2	22.9

Non-GHG Emissions

Emission rate in thousand tons for reporting facilities



Focus on GHG Reductions



Throughout 2021, we continued to implement key projects and operating measures with a focus on reducing our methane and GHG intensity, including:

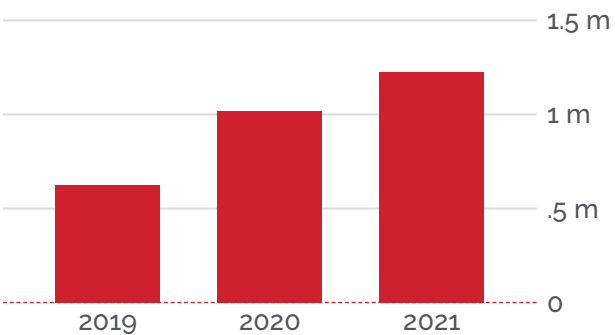
Electrical Compression

We have worked diligently to install electrical compression in place of gas-fired compression, which decreases our Scope 1 GHG emissions and non-GHG emissions. While using electric compression initially increases our Scope 2 GHG emissions, those emissions can decrease over time as more renewable power sources are added to the broader electric grid. Additionally, electric compression gives us the opportunity to pursue renewable energy projects to power our assets and further reduce Scope 2 emissions.

In 2021, we installed nearly 95,000 horsepower of compression, of which 58% was electric. Our avoided GHG emissions increased from 1 million metric tons in 2020 to more than 1.2 million metric tons in 2021 due to additional electrical compression installation and increased renewable energy on the electricity grid. We estimate annual GHG emissions avoided based on cumulative emissions that would have resulted if Targa had installed gas-fired compression at gas plants and compressor stations in lieu of the electric motor-driven compression actually installed since 2017. The emissions compound as additional electrical compression is installed annually.

Avoided GHG Emissions from Electrical Compression

(MT of CO₂e in millions)



As our volumes have increased, so has our electricity demand. Since nearly 96% of our power usage in 2021 came from the ERCOT grid, based on the ERCOT average data, approximately 23% of purchased power in 2021 was from renewable sources.



Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

▶ Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Low Carbon Energy Ventures

In 2021, Targa formed a Low Carbon Energy Ventures team that is actively working on carbon capture and sequestration projects, pursuing economically viable renewable energy initiatives and partnerships, and working with industry peers to evaluate options for hydrogen fuels.

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. We have several ongoing energy initiatives that help improve our energy efficiency. For example, we have installed solar panel-powered metering stations at most of our 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 others to improve energy efficiency.

To help further reduce our emissions, we operate four acid gas injection (AGI) wells for the primary purpose of acid gas disposal with an incidental purpose of geological sequestration of CO₂. Since 2016, we have sequestered an average of nearly 150,000 metric tons of CO₂ per year in our AGI wells, for a total of nearly 900,000 metric tons of CO₂ between 2016 and 2021.

CONCHO VALLEY SOLAR PROJECT

In November 2021, we entered into a long-term agreement to source renewable electricity from Concho Valley Solar to power our natural gas processing facilities in the Permian Basin in West Texas using high-efficiency bifacial solar photovoltaic (PV) modules. Concho Valley Solar initiated construction of a 160 MWac project near San Angelo in Tom Green County, Texas in the fourth quarter of 2021, and is expected to begin delivery of renewable energy to Targa in the fourth quarter of 2022. In addition to creating 150 jobs during the construction phase, the project will generate clean energy while minimizing impacts to wildlife, habitat, and other environmental resources.

SPOTLIGHT

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

▶ Reducing our Emissions

Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

METHANE AERIAL SURVEY
IN THE PERMIAN

In 2021, following the success of a pilot program using aerial flights with one of our partners in the Permian Basin, we implemented a new aerial flight project covering all our Permian assets, including more than 13,000 miles of gathering pipelines and 162 surface facilities in West Texas and New Mexico. Our partner's proprietary technology can pinpoint sources of methane and quantify emission rates, which it provides to Targa so we can prioritize maintenance and repair activities. It sends weekly reports of its survey progress to our operations teams, and we investigate, make necessary repairs, and report back on our findings. Every validated leak was repaired.

SPOTLIGHT



Leak Detection and Repair

Identifying and repairing unexpected leaks benefits the environment by decreasing emissions and reduces unwanted loss of valuable natural resources. Targa's Leak Detection and Repair (LDAR) program includes routine Audio, Visual, and Olfactory (AVO) inspections, and the utilization of more advanced monitoring technology such as Flame Ionization Detectors (FIDs) and Optical Gas Imaging (OGI) cameras at our natural gas processing facilities and compressor stations. In 2021, FIDs were used at all our natural gas processing facilities, and we began our enhanced OGI LDAR program, completing 18 compressor stations in addition to the 102 regulated sites. In 2022, we plan to cover 100% of our sites. Targa continues to evaluate and pilot the use of state-of-the-art leak detection technologies such as aerial spectrometry and Light Detection and Ranging (LiDAR), fixed monitoring, and satellite technologies.

In addition to our facility LDAR programs, Targa conducts our own methane aerial surveys and participates in the API Environmental Partnership aerial surveys. In 2021, aerial surveys in the Permian covered over 13,000 miles of our pipelines and 162 of our surface facilities. The information gained from our own surveys and our industry peer surveys helps inform our efforts to find and fix methane leaks. We believe that reducing methane leaks is good business. It provides long-term benefits to our stakeholders.

Continuous Improvement

As part of our projects, we continue to make investments to achieve reduced emissions and manage climate-related risk exposure. Reducing emissions is a top priority across our business and we will continue to evaluate opportunities to further improve our performance and minimize our environmental impacts.

Contents

Foreword

Environmental
Stewardship

2021 Performance
Highlights

Environmental
Management
and Oversight

► Reducing
our Emissions

Water Management

Waste Management
and Minimization

Biodiversity and
Land Stewardship

Safety

Social

Governance

Data and
Disclosures

Forward-looking
Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Water Management

Water is vital to the health, social, and economic well-being of the communities where we live and work, and it is an essential resource for our industry and our company. We recognize the importance of effectively managing our water use and are committed to reducing our impact on local water supplies. Our environmental management program guides our approach to managing water resources both during construction and while operating our facilities.

Responsible Water Use

During construction activities, we take measures to minimize impacts to water bodies and other sensitive environments, including horizontal directional drilling, pipeline re-routing around bodies of water or other sensitive environments, and management best practices related to sediment and erosion controls to minimize runoff into bodies of water. In 2021, we reduced our overall water use by approximately 6% compared to 2020.

Our largest routine use of industrial water is for cooling systems in natural gas processing plants. In 2021, we used approximately 2,600 million gallons of water for our cooling systems. This water is not contaminated during the process; more than 95% of it was returned to the hydrogeologic cycle through evaporation and discharge to surface bodies of water, which is regulated through state and federal permits. Less than 5% of the cooling water we used in 2021 was disposed of after use via permitted disposal wells. When contaminated water is generated by our operations, we evaluate sending it to reclamation facilities, when possible, based on the commercial availability of a facility, and otherwise dispose into permitted disposal wells. In 2021, we sent nearly 646,000 gallons of water with recoverable hydrocarbons to recycling facilities across our Gulf Coast operating region.

CHICO GAS PLANT ENVIRONMENTAL MANAGEMENT

Over the past few years, Targa has implemented several programs and facility improvements at our Chico Gas Plant. These projects improve water and wastewater management, reduce water stress through the reduction of industrial water use, and reduce potential ecological impacts through the elimination of offsite wastewater discharges.

In particular, we developed a program to conduct weekly water well and meter inspections to find and repair leaks within the inlet water system, which resulted in the reduction of water loss by approximately 22% between 2019 and 2020. We have also replaced the water cooling systems with air cooling systems to reduce industrial water use and eliminate wastewater discharges. As a result, we reduced water use at Chico by 55% between 2020 and 2021. This also eliminated our wastewater discharges and the use and storage of chemicals that were required to maintain the water cooling system.

SPOTLIGHT



Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

Reducing our Emissions

► Water Management

Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

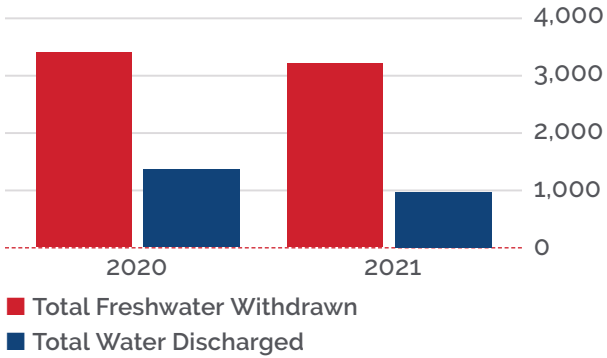
Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

We are exploring ways to reduce our cooling water needs, particularly in operational areas of high-water stress such as West Texas and New Mexico. Less than 10% of our water use occurs in these areas. We have installed air coolers at new gas processing facilities in these areas, rather than water cooling systems, and we have plans to replace several existing systems with other technologies that do not require water. As a result, Targa reduced water use in areas of water stress by more than 150 million gallons in 2021 relative to 2020.

Water Usage
(Gallons in millions)



Our second-highest use of industrial water is through the maintenance and development of underground salt dome wells that store NGLs near Mont Belvieu, Texas. The wells are created by injecting freshwater into the salt formations, which dissolves the salt until the water is saturated with it. The salt-laden brine water is then removed from the wells, creating cavern space for storage. When possible, we store the brine water in offsite ponds and reuse it in storage wells, which reduces the amount of freshwater required to maintain and develop the wells. In 2021, Targa avoided the use of over 235 million gallons of freshwater by reusing that same amount of brine water.

We utilize air and nitrogen to conduct hydrostatic testing of most new gas pipeline assets. In areas along the Gulf Coast where water is readily available, Targa uses water for hydrotesting pipelines. Where we hydrotest with water, we follow testing protocols and dispose of the water responsibly. In most cases, we can reuse the water in other segments of the pipeline, which reduces the overall amount of water required for testing.



As we move forward, we will continue our efforts to understand how different factors drive our water consumption needs and will focus on further reducing and recycling water use throughout our operations.

Waste Management and Minimization

We have programs and processes in place that are designed to provide consistent and proper management of waste, including pollution prevention strategies, encouraging waste minimization, and eliminating waste streams where possible. Our Waste Management and Minimization Plan guides us through a developed system of consistent waste identification, classification, minimization, handling, and disposal. While our sector of the energy industry does not produce significant amounts of federally regulated hazardous waste, we produce some industrial waste that is managed according to state or local protocols. The industrial waste that Targa typically generates is associated with scheduled tasks or project work, such as for pipeline, tank, and vessel maintenance, as well generation of used filters, used oil from engines, and general trash. We actively work to identify more sustainable waste management solutions to divert waste from landfills.

Electronic Waste

Electronic waste (e-waste) has become an important issue due to increased laptop and smart device usage. Plastics used to build computers and monitors can contain hazardous flame-retardants, flat-panel liquid-crystal displays can potentially contain mercury, and circuit boards of many electronic devices, monitors, and batteries may contain hazardous materials. When electronic equipment has reached the end of its useful life cycle, we aimed to recycle it, or donate the equipment to local organizations in our communities to extend its useful life and facilitate landfill avoidance. When electronic equipment is recycled, it is sent to a designated location where it is broken down, and the parts are separated for repurposing.

Electronic waste recycled or donated in 2021 included the following:

Smartphone/ MiFi/Tablets – 120	Servers – 31
Desktops – 64	TV – 1
Laptops – 192	UPS – 19
Monitors – 72	Network Equipment – 22
Printers – 5	Tape Drives – 152

Corporate Office Waste Management

At our corporate office, we are focused on energy-efficient office design and practices. We utilize recyclable plates, bowls, and coffee stirrers in all break rooms and have replaced all Styrofoam cups with paper cups. We are also committed to reducing and recycling paper, plastic, and cardboard items. Based on information reported by Targa’s shredding/ recycling vendor for our Houston corporate office, Targa recycled 25,214 pounds of paper in 2021, which translates into the following avoided impacts:

Totals from Targa Houston Office Paper Recycling Efforts*

Gallons of Oil Saved	4,790
Kilowatts of Energy Saved	50,427
Cubic Yards of Landfill Space Saved	38
Gallons of Water Saved	88,248
Trees Saved	216

*As reported by Targa Corporate office paper shredding/ recycling vendor for annual Environmental Impact Summary for 2021

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

Reducing our Emissions

Water Management

► Waste Management and Minimization

Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Biodiversity and Land Stewardship



In our effort to be good stewards of the environment, we work to protect biodiversity and the land that we use. We are committed to minimizing our footprint and causing as little impact as possible. To achieve that, we seek to implement industry best practices throughout the lifecycle of our operations, including conducting environmental site assessments prior to construction activities and spill prevention measures during active operations. We use an avoid, minimize, and mitigate hierarchical approach to limit our impact on biodiversity and land.

Management and Oversight


Targa’s biodiversity and land stewardship practices are governed by regulatory and company-driven policies.


Our Biodiversity Policy guides our approach and outlines our commitments and goals regarding biodiversity protection and responsible land use and restoration. We foster cooperative relationships with landowners and other stakeholders to successfully manage and alleviate construction and/or operational impacts to their property. We incorporate biodiversity and land stewardship into the planning process of all proposed projects, including extensive research to identify sensitive habitats, as part of our biological and species assessments within a proposed project footprint. Our Board of Directors Sustainability Committee oversees our biodiversity and land stewardship programs and policies consistent with its committee charter.

Biodiversity and Habitat Conservation

All of our projects go through an environmental assessment, which starts with a desktop review of natural and cultural resources to help us understand potential impacts on ecosystems and their biodiversity. We also utilize geographic information systems to identify pre-determined sensitive environmental and cultural locations within and adjacent to our project areas. After this initial review, we develop plans and procedures related to surveying, construction, impact avoidance, mitigation, revegetation, and operations. Site surveys are conducted as necessary to gather information about soil, topography, water, vegetation, wildlife, threatened and endangered species, cultural resources, land use, and other important 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.

Based on the results of the assessment, the project design group develops plans that seek to avoid, minimize, and/or mitigate our potential environmental impact. This process is regulated by states, the U.S. Bureau of Land Management, the U.S. Forest Service, the U.S. Fish and Wildlife Services (USFW), the U.S. Bureau of Indian Affairs, and the U.S. Army Corps of Engineers. In 2021, approximately 10% of land owned, leased, and operated by Targa was within or near areas of protected conservation status or endangered species habitat, as determined by the International Union for Conservation of Nature (IUCN).



Targa's Biodiversity Policy
is available on our website 

Red List Species (IUCN)	2021
Number of Red List Species in Targa's areas of operation	69
Critically endangered	9
Endangered	18
Vulnerable	18
Near threatened	8
Least concern	16

If we cannot avoid priority sensitive areas by rerouting during the design phase, we work to avoid or minimize our potential impacts on fragile resources during construction by implementing seasonal restrictions and using different crossing methods, such as hydraulic directional drilling or boring beneath resources. In active construction across stream banks, we install, inspect, and regularly maintain sediment barriers and stormwater filtration devices to prevent erosion from stormwater runoff. We also inspect for streambank stabilization and restoration in accordance with applicable regulations, which increases restoration efficiency and reduces soil exposure to erosion post-construction. In areas with threatened or endangered species, we employ maintenance conservation measures to reduce our impact on these species, including mowing within a specific timeframe, maintaining height requirements of the herbaceous vegetation layer, and avoiding broadcast and aerial application of herbicide and pesticides.

We have joined several voluntary USFW conservation programs over the years. For example, we have participated in the Lesser Prairie-Chicken Range-Wide Conservation Plan since 2014, which covers all our assets in New Mexico within the Lesser Prairie-Chicken habitat area. We continue to employ the

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

Reducing our Emissions

Water Management

Waste Management and Minimization

► Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED



VENICE LOUISIANA MARSH REBUILD

In 2021, Targa preformed regular maintenance dredging of silted access canals and boat slips with the goal of restoring access to nine storage wells in Plaquemines Parish, Louisiana. As part of the process, we excavated approximately 61,800 cubic yards of dredge material from the water-bottom and banks and reused it to rebuild nearby wetlands. By pumping the material to a subsiding site, we rebuilt 12.7 acres of wetlands and created additional habitat for the local fauna.

SPOTLIGHT

conservation measures set by the Candidate Conservation Agreement with Assurance, including adjusting timing for non-emergency operations, not starting construction until after 9 a.m., minimizing traffic and speed, and avoiding off-road travels. Participation in this conservation agreement across the industry has contributed to a population increase of Lesser Prairie-Chickens since population surveys began in 2012.

Land Use

We are dedicated to appropriately remediating and restoring land used for our facilities and pipelines. Our land remediation and restoration efforts are guided by our Biodiversity Policy and our land lease contracts. Following construction, we work to restore rights-of-way, including, where possible, seeding the property with native grass seed obtained from local suppliers based on specifications agreed upon by Targa and the landowner. Targa also inspects the rights-of-way, where possible, to promote the effectiveness of the native grass seed growth. Being good stewards of the land requires extra attention to areas impacted by construction, and restoration of rights-of-way will always be a key focus for Targa.

Targa's asset retirement obligations function to track and identify potential long-term impacts to the environment and associated costs upon the retirement of an asset. We endeavor to facilitate the surface land's return to its original state as required by legal, contractual, and other regulatory requirements and as a best practice and part of our commitment to being a good neighbor and steward of the environment.

Environmental assessments are conducted as necessary to evaluate subsurface conditions and identify suitable approaches for remediation and restoration of land no longer used in our operations. Where possible, we work with landowners and agencies to re-establish native vegetation, and we strive to meet or exceed regulatory standards in our remediation and restoration practices.

Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

Reducing our Emissions

Water Management

Waste Management and Minimization

► Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ ENVIRONMENTAL STEWARDSHIP CONTINUED

Spill Prevention and Response

We continuously work to implement preventive measures that seek to reduce the risk of spills that could impact the environment. We focus on secondary containment construction design and material, routine inspections, annual training, and response drills. If a spill does occur, we utilize a cross-functional team that is trained to focus on safety and environmental protection.

Targa maintains more than 250 spill prevention, control, and countermeasure (SPCC) plans and three facility response plans. These plans include inspection and facility operations details. If a release occurs, Targa’s standard procedures entail stopping the release at the source; recovery of all free-standing liquids using vacuum, skimming, and absorbent equipment; remediation of impacted soil; and restoration of the land. We use a computer-based training system to conduct annual spill prevention and response training for facility personnel. The training reinforces the importance of prevention by conducting routine inspections and equipment maintenance.

Each plan must be kept up to date, reviewed regularly, and certified every five years. In 2021, we reviewed, updated, or created over 50 SPCC plans.

SPOTLIGHT

REDUCING OUR ENVIRONMENTAL IMPACT IN THE BADLANDS

In 2021, we executed multiple phases of a pipeline extension project in the Badlands of North Dakota. Due to significantly limited midstream infrastructure in the area, many producers are limited in their ability to capture associated natural gas, which is often flared as a result. Through our pipeline extension project, we were able to connect in with adjacent midstream producers to capture and process their associated natural gas, thereby reducing their flaring requirements and decreasing their emissions. The project route did contain culturally and environmentally sensitive areas, which we avoided by re-routing the pipeline. During the construction phase of the project, we reduced our water usage needs by almost 50% by reusing hydrostatic test water.



Contents

Foreword

Environmental Stewardship

2021 Performance Highlights

Environmental Management and Oversight

Reducing our Emissions

Water Management

Waste Management and Minimization

► Biodiversity and Land Stewardship

Safety

Social

Governance

Data and Disclosures

Forward-looking Statements

→ SAFETY

Safety is a top priority at Targa. We know that our success as a company hinges on our ability to protect our workforce and the public and to maintain the integrity of our assets. We promote a safety-first culture and operate our assets in a way that continuously exceeds industry standards. Our goal is for everyone to return home safely at the end of every day.

[Contents](#)[Foreword](#)[Environmental
Stewardship](#)[Safety](#)[2021 Performance
Highlights](#)[Safety Management
and Oversight](#)[Safety Objectives
and Initiatives](#)[Workforce Safety
Performance](#)[Vehicle Safety
Performance](#)[Safety Training](#)[Continuous
Improvement](#)[Contractor
Management](#)[Asset Integrity
Management](#)[Public Safety
and Awareness](#)[Emergency
Preparedness
and Response](#)[Social](#)[Governance](#)[Data and
Disclosures](#)[Forward-looking
Statements](#)

→ SAFETY CONTINUED

Performance Highlights



Created a dedicated asset integrity management team

↓ 31%

Decreased overall preventable vehicle accident rate by 31%

ZERO

Completed another year with zero injuries at propane terminals



Received the International Liquid Terminals Association (ILTA) safety excellence award for the second year in a row



Initiated in-vehicle monitoring (IVM) program

73

Completed 73 formal facility safety audits and investigations

2,725

Recorded and reviewed more than 2,725 supervisor field safety observations



Completed 11 hazardous liquids pipeline emergency response drills including 5 deployment exercises

[Contents](#)[Foreword](#)[Environmental Stewardship](#)[Safety](#)[▶ 2021 Performance Highlights](#)[Safety Management and Oversight](#)[Safety Objectives and Initiatives](#)[Workforce Safety Performance](#)[Vehicle Safety Performance](#)[Safety Training](#)[Continuous Improvement](#)[Contractor Management](#)[Asset Integrity Management](#)[Public Safety and Awareness](#)[Emergency Preparedness and Response](#)[Social](#)[Governance](#)[Data and Disclosures](#)[Forward-looking Statements](#)

Safety Management and Oversight

We prioritize safety throughout all parts of our organization. Investing in safety programs that protect our employees and communities strengthens our company and is aligned with our core values. We believe that "Zero is Achievable," and our goal is to operate and deliver our products without any injuries.



Investing in safety programs that protect our employees and our communities strengthens our company and allows us all to share the benefits provided by a strong energy economy. We strive to continuously improve our safety performance through our vision of "Zero is Achievable," which is rooted in our belief that we can achieve zero accidents.

Senior leadership and members of the Executive team report quarterly to our Board of Directors on our safety performance. Additionally, key safety performance indicators are reviewed regularly by our operational leaders and monthly by members of our senior leadership and Executive team.

Our ES&H Policy provides a framework for integrating safety performance into our core business activities. Our Integrated Management System (IMS) is how we put our ES&H Policy into action. The IMS provides us with a company-wide platform to manage and reduce risks in our operations, including safety risks. It is designed to facilitate achieving regulatory compliance and a positive safety culture that focuses on information sharing and personal accountability.

Our safety policies and standards are developed by our corporate subject matter experts with oversight and governance by our legal team and certain Executive team members. They are implemented in the field by our safety specialists, engineers, and operational leadership team. Each comply with regulatory requirements and seek to integrate industry best practices and learnings from our organization. The policies and standards are reviewed regularly, updated as needed, and are available on our intranet for all employees to access.

At Targa, a strong safety performance is an expectation and not a justification for increased incentive compensation. As a result, we maintain a holistic scorecard including quantitative and qualitative evaluation of incident rates, severity, process improvements, and other safety-related items outside of our 2021 Bonus Plan. The scorecard serves as a modifier that can reduce plan payout if safety performance is below expectations. For additional information on our compensation program, [see page 53](#).

Integrated Management System Elements

- Management Policies, Standards, and Procedures
- Document Control
- Records
- Management Review
- Corrective and Preventive Action
- Evaluation of Compliance
- Roles and Responsibilities
- Engineering Standards and Operational Controls
- Measurement and Key Performance Indicators
- Training and Evaluation

Contents

Foreword

Environmental Stewardship

Safety

2021 Performance Highlights

▶ Safety Management and Oversight

Safety Objectives and Initiatives

Workforce Safety Performance

Vehicle Safety Performance

Safety Training

Continuous Improvement

Contractor Management

Asset Integrity Management

Public Safety and Awareness

Emergency Preparedness and Response

Social

Governance

Data and Disclosures

Forward-looking Statements

Safety Objectives and Initiatives



We continue to make improvements in our safety programs and management systems, implementing new ideas and technologies to help us meet our goals. Specifically, in 2021, we focused on a set of objectives and initiatives that we believe reinforce our commitment to safety, including:

- Creation of a dedicated asset integrity team to oversee pipeline and facility programs
- Implementation of a safety leadership development course for our supervisors and managers
- Creation of process safety management committees at each of our operations to oversee implementation of all 14 elements of Project Safety Management with digitized data

- Expansion of our standardized safety training courses with 23 new classes
- Implementation of supervisor field safety observations and reviews through our DoneSafe System; in 2021, we completed 2,725 reviews with close to 100% participation by all supervisors
- Development and review of investigation and cause determination standards and practices, with an intended organization-wide deployment in 2022
- Implementation of safety protocols or measures targeted to address employee use of personal protective equipment, with a specific focus on preventing hand injuries

Workforce Safety Performance

As a company, we take our commitment to safety seriously and we actively assess and measure our safety culture. We believe that identifying strategic safety goals each year reinforces our commitment to the well-being of our workforce, improves our safety culture, and helps us work toward our vision of zero accidents. We do not publish specific incident rate targets or tie incentives to meeting a specific rate because we believe that can lead to a culture of under-reporting safety incidents and hazards. However, we do want to perform well within our industry sector.

We compare our relative safety performance to that of our peers using the information reported by our industry association, GPA Midstream. In 2021, the GPA Midstream Total Recordable Incident Rate (TRIR) among reporting companies with operations in the United States that have more than 1 million operator work hours was 0.67.

Targa's year-over-year incident rates for 2021 remained relatively flat, maintaining recent improvements in both frequency and severity, with zero work-related fatalities. Our TRIR decreased slightly in 2021 to 0.99. Our Days Away, Restricted, or Transferred (DART) incident rate increased slightly, from 0.52 in 2020 to 0.53 in 2021, but the number of DART incidents has decreased by 12% between 2018 and 2021. While Targa is not yet outperforming the GPA incident rate, we continue to seek to decrease TRIR pursuant to the initiatives and programs outlined in this section.

Targa Safety Statistics

Injury and Incident Rate ^{(1) (2)}



⁽¹⁾ Total U.S. Department of Labor Occupational Safety and Health Administration (OSHA)-recordable injuries and illnesses multiplied by 200,000 and divided by total employee work hours

⁽²⁾ Total number of lost workday injuries and illnesses as defined by OSHA multiplied by 200,000 and divided by total employee work hours

Contents

Foreword

Environmental Stewardship

Safety

2021 Performance Highlights

Safety Management and Oversight

▶ Safety Objectives and Initiatives

Workforce Safety Performance

Vehicle Safety Performance

Safety Training

Continuous Improvement

Contractor Management

Asset Integrity Management

Public Safety and Awareness

Emergency Preparedness and Response

Social

Governance

Data and Disclosures

Forward-looking Statements

Vehicle Safety Performance



Tracking vehicle safety performance is one of the ways we manage risk and help employees stay safe on the road. In 2021, we expanded our driver safety program to begin requiring in-vehicle-monitoring (IVM) for all Targa owned/leased vehicles. As of June 2022, approximately 90% of our owned/leased vehicles have the monitors installed with plans to reach 100% by the end of the year. IVM enables Targa to identify improvement opportunities in driving habits that can be shared with individual drivers through coaching and real-time feedback. Targa’s overall companywide preventable vehicle accident rate decreased by 31% between 2020 and 2021.

The Targa Transports team delivers propane and other NGLs across the United States. It continues to maintain a strong safety performance record. In 2021, it had an Out of Service rate of 2.9%, significantly below the national average of 21.1%.

↓ 31%
Overall preventable vehicle accident rate decreased by 31% between 2020 and 2021

Safety Training

Our ongoing safety programs and trainings are designed to actively engage employees and contractors in all aspects of safety, and to help them gain the knowledge and skills they need to operate safely and responsibly. Our safety training program includes a dynamic combination of online and instructor-led training aimed at ensuring our employees understand and practice our safety policies and standards.

Each employee is taught the concept of Take 10, in which they stop and Take 10 moments to consider 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, or routine activities or scenarios inherent to our business that must be given significant care and consideration.

In 2021, we implemented a new safety leadership development course for our supervisors and managers and expanded our standardized safety training courses with 23 new classes. Throughout the year, we completed 19,967 computer-based training sessions, and countless special, instructor-led sessions. Targa employees completed more than 37,600 total ES&H training hours during the year, an increase of 20% compared to 2020. We also require all contractors who perform work for Targa to complete necessary training and orientation before starting work. The training includes a site-specific safety orientation that informs contractors of relevant safety information.



37,600
Total ES&H training hours in 2021

↑ 20%
Increase in safety training hours with 23 new classes compared to 2020

Contents

Foreword

Environmental Stewardship

Safety

2021 Performance Highlights

Safety Management and Oversight

Safety Objectives and Initiatives

Workforce Safety Performance

▶ Vehicle Safety Performance

Safety Training

Continuous Improvement

Contractor Management

Asset Integrity Management

Public Safety and Awareness

Emergency Preparedness and Response

Social

Governance

Data and Disclosures

Forward-looking Statements

→ SAFETY CONTINUED



SAFETY EXCELLENCE

The International Liquid Terminals Association (ILTA) recognized Targa again with a 2021 Safety Excellence Award during the ILTA International Operating Conference and Trade Show in Houston, Texas. This is the second year in a row Targa has received this honor for safety excellence. Our terminal facilities in Galena Park, Mont Belvieu, Johnson's Corner, Port Everglades, Calvert City, Greenville, Chattanooga, and Tyler were all included in Targa's submission for the award.

"We are honored to receive this distinguished recognition. Safety is Targa's top priority, and we are excited to celebrate this important achievement. We continue to strive for safety improvement and are thankful for the opportunity to participate in ILTA's safety program, which allows us to measure our industry's performance and share success stories and best practices."

— MIKE MULLIS,
AREA MANAGER



SPOTLIGHT

Continuous Improvement

Continuous improvement processes are the key to any mature safety management system. Our safety systems are designed to provide meaningful feedback, which we use to drive improvement and mitigate risks. By measuring our results and evaluating our key performance indicators, we identify new opportunities for improvement, which result in clearly defined action items. Each action item is assigned to an employee with a target deadline for completion.

We are focused on analyzing failures, identifying performance opportunities, and investigating incidents. In 2021, we utilized our enterprise-wide software system to track 1,301 corrective or preventive actions. In addition to helping us improve our safety performance, documenting corrective and preventive measures in the software system allows us to efficiently and effectively demonstrate compliance with various safety regulations and requirements.

We review and investigate accidents and injuries to identify and address causes and minimize reoccurrences to the greatest extent practicable. The lessons learned from those accidents and injuries are communicated throughout our organization and integrated into our management systems.

Each year, safety audits and inspections are systematically conducted for Targa's operations and contractors. We utilize 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 safety improvements. In 2021, Targa completed 73 formal safety audits and investigations of operations, resulting in 341 completed actions aimed at improving our safety performance.

Contents

Foreword

Environmental
Stewardship

Safety

2021 Performance
Highlights

Safety Management
and Oversight

Safety Objectives
and Initiatives

Workforce Safety
Performance

Vehicle Safety
Performance

Safety Training

► Continuous
Improvement

Contractor
Management

Asset Integrity
Management

Public Safety
and Awareness

Emergency
Preparedness
and Response

Social

Governance

Data and
Disclosures

Forward-looking
Statements

Contractor Management

Contractors play a significant role in our operations. We actively engage with contractors to create a safe work environment. We conduct site and project-specific orientations for all contractors across the entire company at the start of each project and we hold regular safety meetings, worksite 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. We also expect them to satisfy all contractual requirements and comply with all applicable laws, regulations, and industry standards.

Targa rolled out a Supplier Code of Conduct in 2021, which all suppliers are expected to acknowledge and promote. Suppliers must ensure that employees, their contractors, and subcontractors are fully compliant with the provisions of the Supplier Code of Conduct. Failure to follow the Supplier Code of Conduct can result in termination of their relationship with Targa. For more information about our Supplier Code of Conduct, [see page 46](#).

When choosing to partner with a service provider, we use ISNetwork®, a nationally recognized contractor safety management service, to verify if that provider is prequalified to be assigned work. To prequalify and be approved for work, the contractor or service provider must have a "satisfactory" grade or better by Targa within the ISNetwork system. Grading criteria used by Targa includes several evaluations intended to differentiate contractor risk, including but not limited to:

- Minimum insurance coverage, as specified by Targa's corporate risk requirements

- Safety performance and risk measurements such as TRIR and DART
- On-the-job fatalities during the previous three years
- Environmental releases or spills during the previous three years
- Regulatory citations received during the previous three years
- Implementation of a compliant drug & alcohol program, when applicable

When contractors are performing certain pipeline tasks, as required by regulation, we review their operator qualification (OQ) records prior to hiring. For this process, we utilize Veriforce, another nationally recognized contractor safety management service, which is used by pipeline contractors to track U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) OQ requirements.

We also conduct contractor safety audits utilizing third-party auditors, and we conduct internal evaluations of our contractors to review their compliance with both regulatory and contractual requirements. Targa employees work with our contractors daily to promote a safe and environmentally responsible work environment. Additionally, we also participate in an industry group that conducts audits of a common pool of contractors and share the results, which allows the industry to conduct more audits and improve overall safety performance. In 2021, the industry group was able to complete 48 contractor audits. The group meets quarterly to ensure the timely closure of action items by the contractors.

Asset Integrity Management

We know that our assets must remain safe and reliable to serve our customers and provide long-term benefits for our stakeholders. Our comprehensive Asset Integrity Program is designed to align with state and federal regulations and to adequately maintain our vessels, caverns, pipes, and other process equipment and controls within their safety specifications. All of our assets and processes are built and operated using recognized engineering practices and standards. Our integrated management system works to ensure that these assets continue to stay within those standards, and that any changes to our process designs are appropriately evaluated before implementation. Our employees and contractors actively participate in reviewing changes to our operations and validating our operational hazard assessments. Additionally, we seek to maintain a qualified workforce trained on operational, maintenance, emergency, and shutdown procedures specific to our operations.

Targa operates an extensive network of natural gas and NGL pipelines. Communities are growing with new developments at rapid rates in Texas and other states in which we operate. We utilize an asset database and satellite imagery to help verify stakeholder proximity to our pipelines and monitor urban development near our pipeline easements. Targa uses the information to ensure the public remains safe and informed about our operations when activity such as new construction is occurring nearby.

Our pipeline safety management protocols include employee training, visually inspecting pipeline rights-of-way by air and ground regularly, maintaining cathodic protection systems to protect our steel pipelines from external corrosion, and maintaining pipeline public awareness and education programs to communicate with stakeholders and prevent third-party damage to our pipelines.

Asset Integrity

- Line Patrolling
- Overpressure Protection and Relief Systems
- Corrosion Protection
- Valve Inspections
- Rotating Equipment Maintenance
- Pipe Inspections
- Tank and Vessel Inspections
- Leak Detection
- Emergency Shutdown Systems
- Control Systems
- Boilers and Direct-fired Heaters

We operate underground storage facilities in Texas, Louisiana, and Mississippi for NGL products. The operation and maintenance of these facilities is regulated under various applicable state agencies. The storage wells are designed, operated, and maintained per technical guidelines published by API. As part of our underground storage management protocols, we utilize 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. We also conduct periodic inspections and testing of the caverns to assure mechanical integrity,

Contents

Foreword

Environmental Stewardship

Safety

2021 Performance Highlights

Safety Management and Oversight

Safety Objectives and Initiatives

Workforce Safety Performance

Vehicle Safety Performance

Safety Training

Continuous Improvement

▶ Contractor Management

Asset Integrity Management

Public Safety and Awareness

Emergency Preparedness and Response

Social

Governance

Data and Disclosures

Forward-looking Statements

→ SAFETY CONTINUED

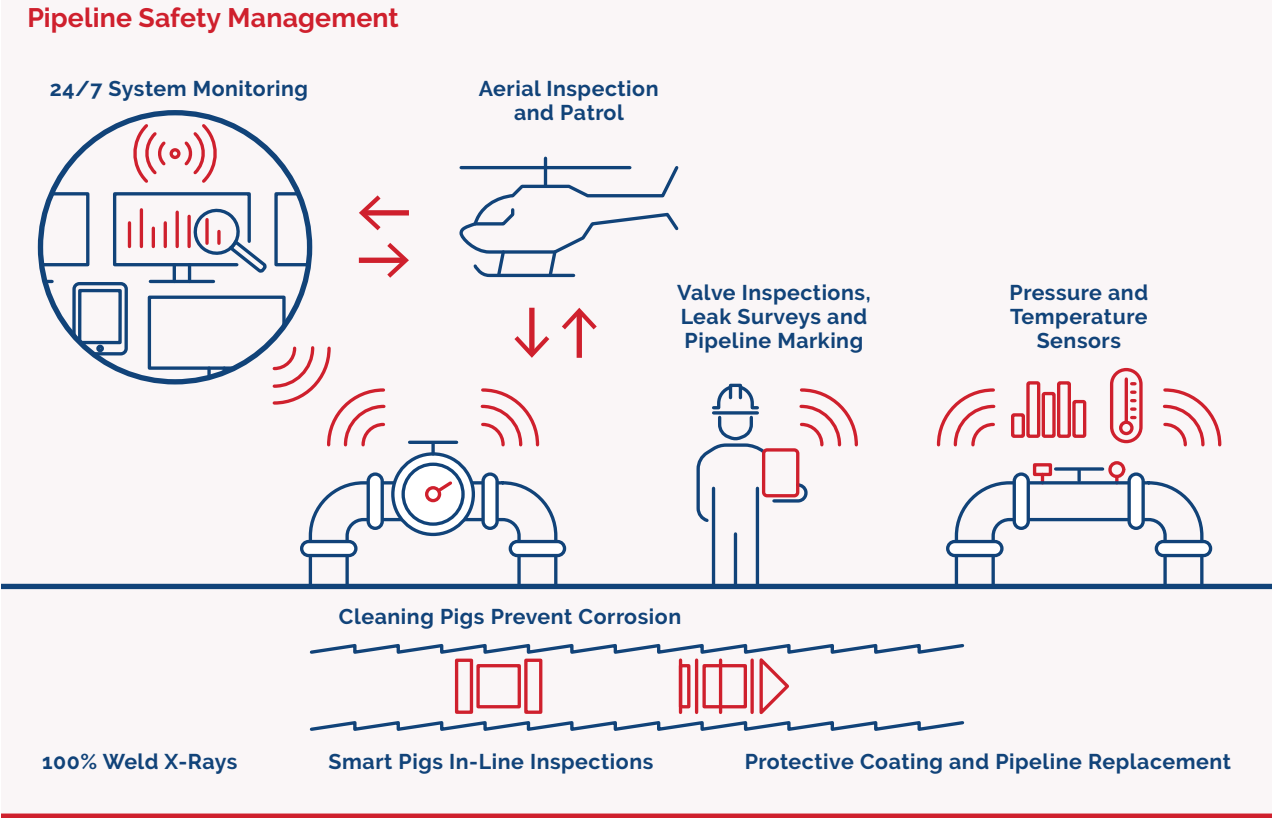
including sonar surveys of individual caverns to determine their size, shape, and any abnormal changes, and casing logs to monitor corrosion or mechanical issues with well tubulars.

In 2021, we focused on the following initiatives and activities to help us continue to safely operate our assets:

- Purchased additional pipeline risk analysis software to further enhance our pipeline integrity management programs
- Began developing a risk ranking model and plans for pipelines that are not subject to federal or state integrity management rules, which will allow for enhanced operational activities to further mitigate risk
- Expanded our corporate-driven mechanical integrity program to supplement our site-specific integrity programs
- Completed voluntary detailed audits for a sample of facilities to assess work practices and status to create a roadmap for standardization and best practices across the company
- Established a vetted list of asset integrity contractors and trained them so they are prepared and ready to work when needed

“We are working to continuously improve and optimize the maintenance of our assets to ensure higher efficiency and to minimize risk. We know that effective asset integrity management significantly decreases the cost of inspection, maintenance, and repair while improving the overall reliability and safety of our assets.”

— KERRI SELSOR,
SENIOR VICE PRESIDENT ENGINEERING



We utilize an asset database and satellite imagery to help verify stakeholder proximity to our pipelines and monitor urban development near our pipeline easements. Targa uses the information gathered to inform our community safety and communications protocols when activity such as new construction is occurring nearby. Our Pipeline Safety Management Protocols include:

- Employee training
- Visually inspecting pipeline rights-of-way by air and ground regularly
- Maintaining cathodic protection systems to protect our steel pipelines from external corrosion
- Maintaining pipeline public awareness and education programs to communicate with stakeholders and prevent third-party damage to our pipelines

We continuously update our pipeline safety management protocols in response to changes in the regulatory landscape.

As part of our asset integrity management, our operating assets, both facilities and pipelines, go through regular internal and external audits. The results of these audits allow us to strive for continuous improvement by identifying gaps, creating action items, and closing out those items in a timely manner.

Public Safety and Awareness

We are committed to protecting the public. One of the challenges to maintaining safe operations is accidental damage caused by third-party activities such as excavation, construction, farming activities, and homeowner maintenance. In response, we have a robust Public Awareness Program that is designed to proactively engage with stakeholders to raise awareness to help prevent potential safety incidents and reduce third-party damage to pipelines. We continually look for opportunities to educate the public on pipeline safety through our community activities like local county fairs, landowner picnics, and school or organizational events, such as 4H. As part of our program, we also work with emergency responders to conduct drills and ensure effective coordination in the event of an incident.

Our Public Awareness Program was expanded to cover all pipelines in 2021. Through the Program, we have a formal process utilizing third-party resources to identify and communicate with local stakeholders and communities of interest, including schools, businesses, residences, and landowners, located along our pipeline easements and near our other operational assets. We mail pipeline safety materials to identified stakeholders providing information on pipeline reliability, damage prevention and locating, recognizing a leak, and reporting emergencies. We also participate in traditional one-call damage prevention programs administered by the states in which we operate to ensure that members of the community are aware of the location of our pipelines before they begin any type of excavation work.

Striking an underground pipeline can cause injury, repair costs, inconvenient outages, and fines. Every digging project, no matter how large or small,

Contents

Foreword

Environmental
Stewardship

Safety

2021 Performance
Highlights

Safety Management
and Oversight

Safety Objectives
and Initiatives

Workforce Safety
Performance

Vehicle Safety
Performance

Safety Training

Continuous
Improvement

Contractor
Management

▶ Asset Integrity
Management

Public Safety
and Awareness

Emergency
Preparedness
and Response

Social

Governance

Data and
Disclosures

Forward-looking
Statements

→ SAFETY CONTINUED

warrants contacting 811 by phone or online. It is the easiest way to avoid damaging buried utilities and pipelines. When calling 811, homeowners and contractors are connected to the local one-call center, which notifies the appropriate utility or pipeline companies of their intent to dig. Professional locators then arrive at the digging site to mark the approximate locations of underground lines with flags, spray paint, or both.

We perform periodic Public Awareness Program evaluations to assess our program's effectiveness and identify areas for improvement. A random sampling of all pipeline stakeholders working and living in and around our liquid transmission, gas transmission, and gas gathering pipelines, are sent a survey. In 2021, our Public Awareness Program effectiveness report indicated that 78.4% of the surveyed stakeholders understood the hazards of an unintended release from a pipeline, 89.8% are familiar with the requirement to request a utility locate before digging, and 91.7% believe pipelines are safe. These numbers help us understand the importance of staying involved in the community and looking for opportunities to continue to educate the community. Across our operations, we also participate in community events and public meetings where pipeline safety and awareness are discussed. For additional information about our community engagement, [see page 47](#).

“Our number one priority is the safety of our employees, our customers, and our communities. Striking an underground utility or pipeline is a real safety risk, but it’s largely avoidable with a call to 811. A single call can protect families and help keep communities safe.”

— JOHN BOYETTE,
DIRECTOR NGL PIPELINE OPERATIONS

SPOTLIGHT

811 DAY MONT BELVIEU

National 811 Day occurs every year on August 11 and serves as a natural reminder for residents to call 811 prior to any digging project to have underground utility and pipelines marked. We help reinforce this important safety message consistently through our one-call damage prevention programs, but National 811 Day provides an opportunity to further emphasize the importance of it. In 2021, at the request of the city of Mont Belvieu, Targa participated in its 811 Day event with a Targa-sponsored booth and handouts. Targa employees were there to discuss the importance of contacting 811 before digging, utilizing a piece of pipe that was damaged by equipment, with local community members.





Contents

Foreword

Environmental
Stewardship

Safety

2021 Performance
Highlights

Safety Management
and Oversight

Safety Objectives
and Initiatives

Workforce Safety
Performance

Vehicle Safety
Performance

Safety Training

Continuous
Improvement

Contractor
Management

Asset Integrity
Management

► Public Safety
and Awareness

Emergency
Preparedness
and Response

Social

Governance

Data and
Disclosures

Forward-looking
Statements

→ SAFETY CONTINUED

Emergency Preparedness and Response

As a responsible member of the communities where we operate, we have robust processes in place to prepare for and appropriately respond to a wide range of emergencies. As we work to protect the environment, our workforce, and our communities, it is critical that we prepare for events that have the potential to negatively impact our employees and contractors, facilities, operations, the environment, or the communities surrounding our operations.

Our Emergency Response Program applies to any emergency event. It is guided by our ES&H Policy and is overseen by the Executive team. It seeks to ensure that Targa has the resources needed to appropriately prepare for and respond to emergencies. All incidents are investigated and reviewed in monthly meetings with members of the Executive team.

Through our annual emergency response drill planning, we identify potential risks that might require emergency response for both our pipelines and our facilities. We have regional, site-level, and unit-level emergency response teams in place to respond when needed, and site-specific emergency response plans are written and implemented at each facility and updated regularly to reflect best practices.

Our gas processing plants and fractionators have full-time control rooms staffed by operating personnel who monitor the facilities and the associated gathering systems. Pipeline markers and facility signage provide phone numbers to a local control room for the public to call in case of an emergency.

In addition, three pipeline control rooms monitor and control our regulated natural gas and liquid pipelines. These control rooms operate under a Control Room Management (CRM) plan and are continuously staffed to monitor and control pipeline operations.

Federal and state agencies audit our CRM plan. The pipeline controllers are trained to respond to emergencies, including identification, notification, verification, and implementation of actions to isolate a release. The controllers are also included in pipeline emergency response drills. Our Pipeline Emergency Response Plan is reviewed annually and revised as necessary but updates to the plan can occur during the year if necessary.

In 2022, in response to new regulations, we have developed and are including emergency response procedures for natural gas gathering pipelines into our Pipeline Emergency Response Plan. We are in the process of training all natural gas gathering pipeline operations staff on the new procedures and the overall Pipeline Emergency Response Plan. As a benefit of this new development, Targa now has one Pipeline Emergency Response Plan for the entire company, uniform emergency response procedures for all pipelines, and a team of cross-functional employees to respond to any pipeline release.

We know that our emergency response plans are most effective when accompanied by regular and comprehensive training. In collaboration with local emergency responders, we conduct annual

“An important aspect of our business is the ability to respond to emergencies as soon as they arise. Targa conducts extensive training and drills in preparation for such situations because we know that effective emergency response depends on competent response teams.”

**— CLARK WHITE,
EXECUTIVE VICE PRESIDENT OF OPERATIONS**



emergency response drills of simulated incidents involving our facilities and pipelines. Targa employees across our facilities and pipelines are trained using the Incident Command System (ICS) to ensure we can effectively respond to emergencies with first responders from other organizations or agencies. Certain key employees take specific training to become incident commanders. The lessons learned from our annual emergency response drills are invaluable and are shared across our organization and with our first responders to support our commitment to continuous improvement.

Our employees routinely attend Local Emergency Planning Committee (LEPC) meetings and liaise with local fire departments to provide information regarding Targa’s operations, including relevant safety information. These efforts help our local first responders prepare for potential incidents in the areas where we work. Additionally, Targa participates in industry-organized pipeline safety meetings for excavation contractors and first responders, which are designed to share information about the potential hazards associated with pipeline operations. During the pandemic, Targa has been able to successfully continue these meetings virtually.

Contents

Foreword

Environmental
Stewardship

Safety

2021 Performance
Highlights

Safety Management
and Oversight

Safety Objectives
and Initiatives

Workforce Safety
Performance

Vehicle Safety
Performance

Safety Training

Continuous
Improvement

Contractor
Management

Asset Integrity
Management

Public Safety
and Awareness

► Emergency
Preparedness
and Response

Social

Governance

Data and
Disclosures

Forward-looking
Statements

→ SAFETY CONTINUED



EMERGENCY RESPONSE DRILL

In October 2021, Targa conducted an emergency response exercise that included notification and deployment of Targa staff and first responders to the location of a simulated release from the Grand Prix pipeline in Liberty, Texas. Participants included staff from Targa, Liberty County LEPC, Texas Division of Emergency Management, Dayton Fire Department, Dayton Emergency Medical Services, Liberty County HAZMAT, and the Texas Department of Criminal Justice. During the exercise, we utilized a Unified ICS, implemented road closures to isolate the simulated release location, simulated the evacuation of local residences and businesses, and simulated media inquiries. Following the exercise, we identified lessons learned. We successfully evaluated implementation of our Pipeline Emergency Response Plan and deepened our working relationship with local first responders.



SPOTLIGHT

Contents

Foreword

Environmental
Stewardship

Safety

2021 Performance
Highlights

Safety Management
and Oversight

Safety Objectives
and Initiatives

Workforce Safety
Performance

Vehicle Safety
Performance

Safety Training

Continuous
Improvement

Contractor
Management

Asset Integrity
Management

Public Safety
and Awareness

► Emergency
Preparedness
and Response

Social

Governance

Data and
Disclosures

Forward-looking
Statements

A group of diverse professionals, including two women in the foreground, are smiling and looking at documents. The woman on the left wears glasses and a floral top, while the woman on the right wears a green patterned top. They are in a bright, modern office setting with large windows in the background.

→ SOCIAL

We know that our talented and dedicated team is our most valuable resource, and we are committed to their health, safety, and development. We promote a respectful and inclusive workplace that embraces differences and appreciates each other's contributions to common and individual goals. Our commitment to building and fostering trust in the workplace also extends to the communities we serve. We value the connections we have with our neighbors, and we work to engage with and support them in meaningful ways.

[Contents](#)[Foreword](#)[Environmental
Stewardship](#)[Safety](#)[Social](#)[2021 Performance
Highlights](#)[Our People
and Culture](#)[Learning and
Development](#)[Recruitment
and Retention](#)[Diversity, Equity,
and Inclusion](#)[Employee Benefits](#)[Supply Chain
Management](#)[Community
Engagement](#)[Partners
in the Community](#)[Governance](#)[Data and
Disclosures](#)[Forward-looking
Statements](#)

→ SOCIAL CONTINUED

2021 Performance Highlights

22%

Filled 22% of 416 open positions with internal candidates



Extended successful virtual learning programs to additional Targa teams

94%

94% of our new hires were residents of the state where their position was located



Successfully launched Project Anywhere, a digital transformation project aimed at utilizing technology to standardize and streamline our processes and maintenance activities and ultimately improve our overall efficiency and effectiveness

30%

30% of our workforce were from traditionally underrepresented racial or ethnic groups; 24% of our leaders were women; and our women named executive officers increased from 17% to 20%



Rolled out a Supplier Code of Conduct

[Contents](#)[Foreword](#)[Environmental Stewardship](#)[Safety](#)[Social](#)[▶ 2021 Performance Highlights](#)[Our People and Culture](#)[Learning and Development](#)[Recruitment and Retention](#)[Diversity, Equity, and Inclusion](#)[Employee Benefits](#)[Supply Chain Management](#)[Community Engagement](#)[Partners in the Community](#)[Governance](#)[Data and Disclosures](#)[Forward-looking Statements](#)

Our People and Culture



We know that our people and our culture are critical to our success. Targa employs approximately 2,400 employees and is an equal opportunity employer. We are dedicated to attracting, developing, and retaining the best people who share our values and are committed to both individual and collective goals. We seek to create a culture where everyone is empowered to innovate and create shared value, and where trust, respect, integrity, and accountability are at the forefront of every action and decision.

We believe that investing in employees and communities creates a healthy company culture that translates into shareholder value. Our team members are

effective stewards of our assets, who, through our collaborative work culture, apply the tools needed to successfully solve problems, increase efficiency, and continue to drive value for Targa.

To achieve an industry-leading position, we encourage a collaborative, inclusive, and safety-minded work environment. We seek to identify the most qualified internal and external talent for our organization. We focus on developing a workforce committed to our collective goals of safety, customer service, teamwork, business performance, and our high standard of ethics, integrity, and compliance.

Learning and Development

We are committed to providing training and development opportunities to improve employee skills and performance. We believe our employees are the key building blocks that help us operate safely and provide excellent service to our customers. We are focused on providing training and development opportunities that concurrently help develop our employees while advancing their careers. We promote formal and informal learning and development throughout the organization. Open and honest feedback is provided to employees through our annual performance review process and via informal meetings throughout the year. Each year, 100% of our employees receive a performance review.

We offer a variety of opportunities and resources to help employees grow their knowledge and skills. We have an educational reimbursement program that is designed to provide employees with financial assistance for educational pursuits. In 2021, we enhanced the program and promoted it to all employees through a company-wide communication, a screen saver awareness campaign, and our intranet. As a result, the number of employees who utilized the program increased by 100%. To help our employees meet their professional goals, we also foster internal job placements and cross-department transfers when possible. Functional leaders work with one another to identify



internal talent and find continued growth opportunities within the organization. In 2021, Targa hired for 416 new positions, 22% of which were filled internally.

In 2020, we piloted a virtual learning program, Udemy Business, with the intent to provide our employees with additional opportunities for learning and development. With positive feedback and utilization, in 2021, the pilot was extended to additional groups, including IT, Supply Chain, ES&H, Analyst Development Program (ADP), and Accounting.

Udemy Business is an online learning platform with 5,500+ top rated, engaging courses that our personnel have the opportunity to access anytime, anywhere. In conjunction with the benefits this platform offers for professional and personal development, multiple groups have also been able to leverage the platform to obtain continuing education credits to stay current on certifications. We aim to cultivate a culture of learning at Targa and our partnership with Udemy Business offers personnel a channel of learning outside of our traditional compliance trainings. We are invested in

“At Targa, we work hard to create a work environment that is empowering, safe, and diverse. We want everyone to bring their best selves to work so we can continue moving forward every day.”

— SANJAY LAD,
VICE PRESIDENT FINANCE AND INVESTOR RELATIONS

Contents

Foreword

Environmental
Stewardship

Safety

Social

2021 Performance
Highlights

► Our People
and Culture

Learning and
Development

Recruitment
and Retention

Diversity, Equity,
and Inclusion

Employee Benefits

Supply Chain
Management

Community
Engagement

Partners
in the Community

Governance

Data and
Disclosures

Forward-looking
Statements

→ SOCIAL CONTINUED

providing our employees with opportunities that encourage them to adopt new strategies, expand on changes, contribute innovative ideas, and accept new challenges; the wide array of course available within Udemy allows them to do all those things and more, whether it's learning a new program or mastering a new skill. We believe that by providing these developmental opportunities for our personnel and encouraging the expansion of knowledge and development, we are also investing in the expansion and quality of our business.

As an example, the Accounting Department at Targa logged over 872 hours in 2021 as it began its test run in the last two quarters of the year. The users liked the functionality and the individual plan that was set up for them to follow. They have now set certain training hours for 2022 as part of their annual goal setting.

"I appreciate the wide variety of available content from the Udemy Business Learning Program. I have been able to apply certain skills like active listening best practices and negotiation concepts in both my professional and personal life."

— ACCOUNTING DEPARTMENT EMPLOYEE

We also offer development programs focused on skill-building for our field employees. We accelerate and advance employees' careers, knowledge, and skill sets through formal on-the-job training and classroom-based training. Through our Developmental Technicians Program, we review program participants every six months and, if they have sufficiently progressed at each review session, they are promoted to the next level. At the third review, assuming sufficient progression, they are promoted to Technician Level 1 in their respective disciplines.

INVESTING IN OUR EMPLOYEES

We believe in the value of developing our current employees to help them achieve their personal and professional goals. Alex Moss started his career at Targa in 2013 in operations at our Eunice, New Mexico, gas plant. He proactively identified and expressed a desire to gain the skills and knowledge necessary to work on the environmental team at Targa. After inquiring with the Area Manager and the ES&H Manager about the requirements needed to make that transition, he took the initiative to obtain his master's degree, which Targa paid for through our education reimbursement program. After completing his degree, in 2017, Targa offered Alex an Environmental Specialist position at one of our Permian Basin gas plants. Recently, in August 2021, Alex was promoted to an Environmental Supervisor and was relocated with his family to Mont Belvieu, Texas, where he and his family are thriving personally and professionally.

"I believe that we have a responsibility to be good stewards of our natural resources. I felt like the environmental team was the place where I could make the biggest impact. I am grateful to Targa for supporting my journey and am happy to work for a company that values and invests in employee education and development."

— ALEX MOSS,
ENVIRONMENTAL SUPERVISOR



Contents

Foreword

Environmental
Stewardship

Safety

Social

2021 Performance
Highlights

Our People
and Culture

► Learning and
Development

Recruitment
and Retention

Diversity, Equity,
and Inclusion

Employee Benefits

Supply Chain
Management

Community
Engagement

Partners
in the Community

Governance

Data and
Disclosures

Forward-looking
Statements



PROJECT ANYWHERE

Enterprise Asset Management for a modern workforce

In 2021, we launched Project Anywhere, a digital transformation project aimed at utilizing technology to standardize and streamline our processes and maintenance activities thus improving our overall efficiency and effectiveness. This new Enterprise Asset Management system will be a critical tool to enhanced innovation, automation, and technology adoption to help create a more agile, sustainable, and satisfied workforce. The system also tracks important information that is used to monitor and improve our safety and environmental performance. Through the project, we aim to:

- Compile and standardize all organizational assets, including type, location, and criticality
- Establish standard work tasks and frequency, along with requirements for associated data
- Use data to drive optimization decisions

Additionally, Targa’s ADP offers entry-level opportunities in various functional areas of our business by recruiting recent college graduates and rotating them through different roles within the organization over a three-year period. Our goal is to help them gain experience and broaden their skills and interests. In partnership with senior leaders and human resources, supervisors provide formal and informal training, mentorship, and continuous feedback during each rotational assignment. After graduating from the program, participants are placed in permanent positions within the Targa organization.

Top 5 Enrolled Courses

- Write Better Emails: Tactics for Smarter Team Communication
- Conscious Listening
- Active Listening: You can Be a Great Listener
- Productivity and Time Management for the Overwhelmed
- Goal Setting at Work: Plan for Success and Reach Your Goals

Contents

Foreword

Environmental Stewardship

Safety

Social

2021 Performance Highlights

Our People and Culture

▶ Learning and Development

Recruitment and Retention

Diversity, Equity, and Inclusion

Employee Benefits

Supply Chain Management

Community Engagement

Partners in the Community

Governance

Data and Disclosures

Forward-looking Statements

Recruitment and Retention

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

In 2021, we hired 313 new employees. Our Human Resources team works closely with all departments to recruit and hire high-quality candidates for job openings. We use external job boards, our own career site, and virtual and in-person career fairs as our primary recruitment tools. To help incentivize our employees to identify and refer high-quality candidates to Targa, we increased the employee referral reimbursement amount in 2021. We also focus on hiring local employees as part of our effort to positively contribute to the communities where we operate. In 2021, continuing our dedication to hiring from our local communities, 94% of our new hires were residents of the state where their positions were located.

Our retention efforts include professional development opportunities and a leading benefits package. We monitor employee turnover rates in conjunction with exit interviews with employees who voluntarily leave, to help plan and predict succession needs. The experiences of Targa employees are meaningful to us and we have included turnover as a company performance metric. Our voluntary turnover rate in 2021 was approximately 8%.



“We will continue our focus on recruiting, developing, and retaining top talent, with a focus on hiring locals with a diverse set of skills and backgrounds. We want Targa to be a great place to learn, grow, contribute, and thrive, and where all employees feel supported, challenged, and fulfilled.”

— DEREK JAMES,
RECRUITING MANAGER

Diversity, Equity, and Inclusion

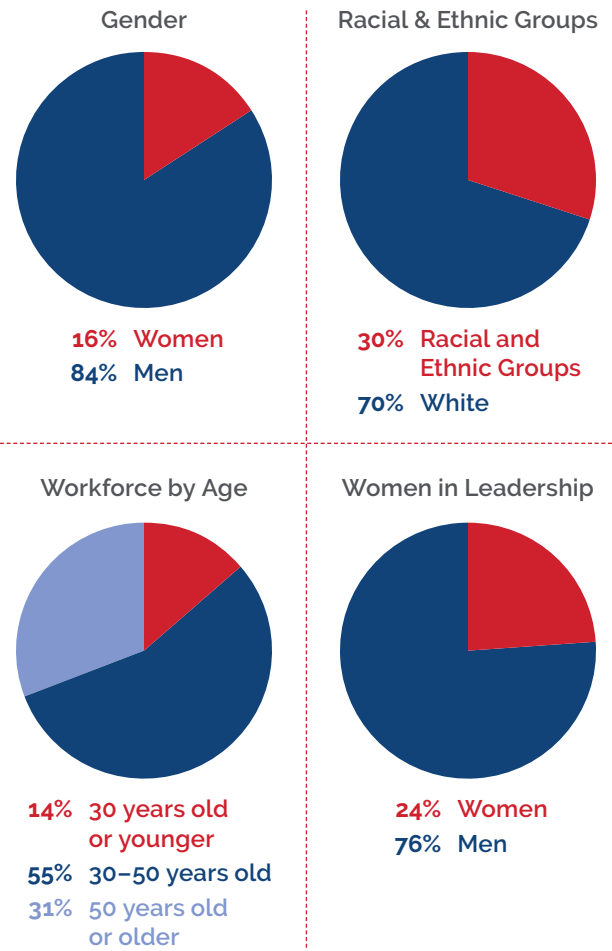
We believe that employing and empowering a diverse workforce gives us a competitive advantage in our ability to innovate, pivot, and solve complex challenges. We are committed to championing a work environment where all employees treat each other with dignity and respect. This commitment extends to providing equal employment and advancement opportunities based on merit and experience. We believe this to be a fundamental principle. It 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 several diversity job boards. In addition, we partner with organizations to attract diverse talent and leverage our military veteran workforce to attract talent with transferable skill sets. We support the communities where we operate by hiring local talent when possible.

Our employee demographic profile allows us to promote thought, skill, knowledge, and culture across our operations to achieve our social obligations and commitments. At the end of 2021, 30% of our workforce were from traditionally underrepresented racial or ethnic groups, and, consistent with 2020, 24% of our leaders, managers, and above, were women. Our women named executive officers increased from 17% to 20% between 2020 to 2021.

After successfully piloting unconscious bias training in 2020, we extended the training to all employees in 2021 and developed a course on Inclusive Leadership.

2021 Workforce Demographics



Contents

Foreword

Environmental Stewardship

Safety

Social

2021 Performance Highlights

Our People and Culture

Learning and Development

► Recruitment and Retention

Diversity, Equity, and Inclusion

Employee Benefits

Supply Chain Management

Community Engagement

Partners in the Community

Governance

Data and Disclosures

Forward-looking Statements

Employee Benefits

We conduct annual evaluations and benchmarking analyses to ensure that our total compensation and benefits packages remain attractive and competitive. Our benefits package includes a full range of coverage and services for our employees, including medical, prescription coverage, dental, vision, basic life and AD&D insurance, short-term and long-term disability plans, and more. To provide our employees with more choice and flexibility regarding their healthcare plan, we offer two primary choices. We also offer a diabetes and cardiovascular program that provides educational resources and technology monitoring equipment to employees with diabetes or hypertension.

Over the last several years, we made various improvements to our employee benefits package, including increasing our short-term disability coverage from three months to six months and covering the cost of long-term disability insurance. We also implemented an improved and updated Employee Assistance Program (EAP), Parental Leave Policy, and Bereavement Policy.

Targa provides the option for most corporate office employees to participate in workplace flexibility plans. These can include our “flex-Friday” program or the option to work remotely on Wednesdays and Fridays. Additionally, to help encourage overall wellness, we have developed partnership programs with local fitness centers in the Houston and Tulsa areas to encourage employees to take preventive and proactive measures to support their overall health.



PARTNERING TO PROMOTE SUCCESS

We partner with a variety of organizations to help advance the career and educational ambitions of kids from underserved communities.

In 2021, we participated in the [Emerge Program](#), a nationally recognized free program that started in the Houston Independent School District to help first-generation and low-income students attend and graduate from the nation's top colleges and universities. The program has helped hundreds of students receive full scholarships to top colleges. More importantly, while only 13% of students from Houston's low-income communities are expected to receive any sort of postsecondary credential, 92% of EMERGE students matriculated to a four-year college or university, with 75% of the EMERGE Class of 2021 on track to graduate within six years.

We are also a long-time partner with [Genesys Works](#), whose mission is to provide pathways to career success for high school students in underserved communities through skills training, meaningful work experiences, and impactful relationships, while simultaneously helping employers fill critical talent gaps within their companies. They envision a future where all young adults are equipped and empowered with the knowledge and skills required to achieve career success, upward mobility, and a lifetime of economic self-sufficiency. Targa has been partnering with Genesys Works since 2011 and to date, we have provided internships for 29 students through the program.



SPOTLIGHT

Contents

Foreword

Environmental
Stewardship

Safety

Social

2021 Performance
Highlights

Our People
and Culture

Learning and
Development

Recruitment
and Retention

Diversity, Equity,
and Inclusion

► Employee Benefits

Supply Chain
Management

Community
Engagement

Partners
in the Community

Governance

Data and
Disclosures

Forward-looking
Statements

→ SOCIAL CONTINUED

KEEPING OUR EMPLOYEES SAFE THROUGH THE COVID-19 PANDEMIC

When the COVID-19 pandemic started in 2020, we modified our business practices, prioritizing the health and safety of our employees, including an initial shift to remote work where possible and the securing of our operations control rooms. With the introduction of vaccines, Targa launched a vaccine campaign to ensure our employees had the best information and resources available to get vaccinated and protect themselves and their co-workers from illness. Targa kicked off the campaign with a “meet the expert” session with a leading physician expert in the field of immunology and viral contagion. The meeting was held via Zoom and included a discussion about current research and successes, risks, and debunking common social media myths. Employees had the ability to submit questions in advance. Targa held raffles for eligible employees who received the vaccination, including Yeti coolers and United Airlines mileage.



Contents

Foreword

Environmental
Stewardship

Safety

Social

2021 Performance
Highlights

Our People
and Culture

Learning and
Development

Recruitment
and Retention

Diversity, Equity,
and Inclusion

► Employee Benefits

Supply Chain
Management

Community
Engagement

Partners
in the Community

Governance

Data and
Disclosures


Forward-looking
Statements

Supply Chain Management

We maintain a comprehensive Supply Chain Management Program that seeks to deliver quality materials and services for our business operations.

Suppliers and contractors play a fundamental role in our success, and we rely heavily on them to deliver exceptional results in a socially responsible, safe, and ethical manner. In 2021, we rolled out a Targa Supplier Code of Conduct. Through a phased manual process, suppliers are expected to acknowledge and promote the Code throughout all business operations. All suppliers are expected to:

- Operate safely with ethical business practices, ensuring compliance with laws, rules, and regulations, including anti-harassment, equal opportunity, anti-corruption, human rights, and anti-bribery
- Act in Targa's best interest and avoid conflicts of interest or circumstances appearing to be a conflict of interest
- Protect Targa's assets, records, and reputation
- Report any improper activities or suspected violations of the Targa Code of Conduct



Targa's Supplier Code of Conduct is available on our website [↗](#)

Our sourcing team works closely with key suppliers to develop strategic agreements that will provide the best overall value to both parties by:

- Optimizing strategic working relationships between Targa and its key suppliers
- Providing suppliers with foresight into Targa's future needs
- Leveraging spend to improve Targa's total cost of ownership by optimizing value-to-price relationships

- Mitigating supply risks and securing critical goods and services in a manner that is aligned with Targa's strategic objectives

Supply Chain Management Program

- 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 to align with industry standards
- Safeguard contracting policies and procedures
- Utilize data-driven analytics to form strategic partnerships with suppliers

Contracting Process

Targa contracts with many different types of companies. Annually, our top suppliers are construction, engineering, and technical services, as well as mechanical and rotating equipment and maintenance services. Our pre-qualification process focuses on selecting suppliers that share our focus on ethics, safety, quality, and environmental performance. We actively monitor suppliers to sustain reliable business operations and mitigate risks.



Suppliers that meet certain risk criteria and wish to provide materials and/or services to Targa are evaluated through our pre-qualification contracting process and are required to complete our Contractor Safety Management Program through our third-party partnership with ISNetwork. ISNetwork reviews and verifies safety statistics, insurance requirements, and financial ratings for each service provider and each service provider is required to maintain an acceptable rating in ISNetwork and comply with all Targa standards and contract terms to continue working with Targa.

As part of our goal to continually improve and exceed industry standards, suppliers may be required to participate in Targa's Supplier Performance Management Program. Through this program, our sourcing team reviews a supplier's performance related to safety, quality, and technical knowledge and shares the information with the business. Our Safety teams ensure our suppliers are regularly audited and reviewed as described in our Contractor Management Programs [on page 33](#).

Ensuring our suppliers are qualified and ready to work for Targa is a safety priority for the company.

Supplier Diversity

We are committed to developing and promoting relationships with diverse suppliers. We value supplier diversity and afford equal opportunity to all suppliers who meet the criteria to work for Targa. In 2021, we implemented a system to identify and track key metrics on suppliers who were added to our system, with the goal of identifying and increasing the number of diverse suppliers we do business with each year.

Local Procurement

We support the development of local businesses and strive to actively promote them within our communities whenever possible. These relationships help ensure reliable access to critical supplies and services while creating local economic growth, including more jobs within the community.

"The City of Watford would like to thank and recognize Targa Resources for awarding a recent project to Silver Fox, a local, Watford City, North Dakota company. When projects are awarded to our local companies its impact is felt throughout the community."

— JUNE 2021 LETTER FROM CITY OF WATFORD
THANKING TARGA FOR EMPLOYING
SILVER FOX PIPELINE & FACILITY SERVICES,
A LOCAL FEMALE, MINORITY-OWNED BUSINESS

Contents

Foreword

Environmental
Stewardship

Safety

Social

2021 Performance
Highlights

Our People
and Culture

Learning and
Development

Recruitment
and Retention

Diversity, Equity,
and Inclusion

Employee Benefits

► Supply Chain
Management

Community
Engagement

Partners
in the Community

Governance

Data and
Disclosures

Forward-looking
Statements

Community Engagement and Community Programs

At Targa, we are committed to positively impacting and promoting the development of the communities where we live and work. Our employees and their families live in these communities, and we strive to be a safe and dependable community member. We build trust by maintaining open and responsive communication.

When constructing new facilities that will be located near communities, we start by consulting with local stakeholders such as landowners, emergency responders, indigenous peoples, and local governments to understand their concerns. We proactively manage community relations and consult with local communities where we operate.

Landowner Engagement

We manage over 73,600 active right-of-way access agreements and leases across our 31,000 miles of pipeline. Our goal is to engage and consult with stakeholders throughout the lifecycle of our projects and operations. When planning a project, we identify landowners or stakeholders that may be impacted and when negotiating easements or amendments, we strive to find mutually agreeable and equitable settlements and individualized arrangements with each of our landowners. Once construction is complete, we contact landowners before entering their properties to perform construction, operations, or maintenance work.

We are committed to treating all our landowners with mutual respect and strive to leave any work area in better condition than it was immediately before our work activities. In many cases, we improve existing infrastructure (i.e., upgrading their roads) utilizing the crews and equipment that are already on-site.

The strong relationships we have with our neighbors and landowners help us manage issues in ways that benefit them and avoid problems. One way that we engage with landowners in North Dakota is through events like our annual landowner appreciation picnic. The family-friendly, casual environment allows us to show our appreciation to our landowners, and helps us form open and honest communication channels, which enable us to maintain strong positive relationships.

Our right-of-way department responds to all landowner calls promptly, with the goal of responding within the same day, and we address issues as quickly as possible. Community members can also report issues through our formal anonymous whistleblower system by calling 1-833-TELLTRC (1-833-835-5872) or going to the website at www.targaresources.ethicspoint.com. Our ethics and compliance system is hosted by a third party to maintain confidentiality and anonymity to the greatest extent possible.



“At Targa, we strive to engage stakeholders early and often about our projects and operations and to be an active and engaged community partner.”

— SCOTT PRYOR,
PRESIDENT LOGISTICS & TRANSPORTATION

Indigenous Peoples

We understand the importance of working with indigenous peoples, and aim to address and mitigate any potential cultural, social, and environmental impacts to indigenous communities where we operate. We seek to foster a collaborative work environment through mutual respect, dignity, and trust. Positive long-term interactions and cultural sensitivity with our country's first nations can make a positive difference and advance mutually beneficial relationships. We take a long-term view in developing these bilateral relationships, and we understand the importance of direct communication with those who could potentially be affected by our operations. Targa encourages its affiliates, officers, and employees to support and encourage such mutually constructive partnerships with indigenous peoples.


Our commitments with respect to indigenous peoples potentially affected by our activities include but are not limited to:

- Avoiding involuntary resettlement
- Performing appropriate due diligence to assess how our proposed operations may impact indigenous communities and an assessment of the actual impact during those operations
- Supporting their social, economic, and cultural rights
- Promoting socio-economic development
- Avoiding or mitigating impact to archeological sites and traditional cultural areas

- Respecting their land rights
- Respecting and seeking to obtain the right to Free Prior and Informed Consent, including an assessment of how such a process should be carried out and which parties should be involved
- Seeking effective communication, representation, and participation
- Designing and implementing appropriate processes for raising, addressing and, where necessary, remedying any grievances

We have significant operations on the Fort Berthold Indian Reservation in North Dakota. While conducting these operations, we regularly engage with the Mandan, Hidatsa, and Arikara (MHA) Nation. We respect the MHA Nation heritage, cultural traditions, and people. We adhere to the MHA's regulatory requirements, employ several of its members, and contract with its service providers. As with all our projects, any new pipeline project on the Fort Berthold Indian Reservation is preceded by cultural resource surveys that help reduce the potential of a negative impact to cultural resources, including archaeological sites.

We engage with and receive approval from the MHA Nation Tribal Business Council and Energy Committee for greenfield projects on allotted and tribe-owned land. We have also voluntarily provided funding for yearly celebrations where the MHA honors its heritage and traditions, which has allowed us to deepen our understanding of and relationships with the MHA Nation and its members. We will continue to prioritize constructive and meaningful engagement and a positive and sustainable relationship with the MHA Nation.



Targa's Indigenous Peoples Policy is available on our website [↗](#)

Contents

Foreword

Environmental Stewardship

Safety

Social

2021 Performance Highlights

Our People and Culture

Learning and Development

Recruitment and Retention

Diversity, Equity, and Inclusion

Employee Benefits

Supply Chain Management

► Community Engagement

Partners in the Community

Governance

Data and Disclosures

Forward-looking Statements

Partners in the Community

Being a good neighbor is a priority for us. We are committed to promoting socio-economic development and improved well-being across communities where we live and work. We participate in community events, sponsor programs, make charitable contributions, and participate in volunteer activities. In consultation with local stakeholders, we strive to identify and support programs and activities that deliver meaningful benefits.

Volunteerism and Charitable Giving

Targa employees across our organization volunteer and support our local communities in a variety of ways. Many of our employees serve as leaders in their communities to support local social and economic development. They serve on city councils, school district boards, hospitals, agricultural committees, and chambers of commerce. At Targa, we look for opportunities to support 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.



We understand the impact that certain organizations and activities can have on our local communities. We seek to help these organizations and activities continue to influence our surrounding societies in a positive manner. We look to support programs that enhance the betterment of lives in the communities in which we live and work. In particular, we believe supporting our emergency responder organizations as well as programs that develop our future energy workforce is a priority. We proudly share some of our efforts below as well as in the Safety Section of this report.

Emergency Responders

We have a strong history of partnering with the emergency responders who protect our communities. Many of our facilities are in areas where the local fire departments are staffed entirely by volunteers, including some of our employees. We sponsor and provide training programs, donate equipment, and participate in fundraisers to support their efforts. For example, we donated a gas detector to the Saint Jo, Texas, Volunteer Fire Department in late 2021, enhancing its ability to detect the presence of gas when responding to an emergency. The Targa team held a training on how to use the detector and we periodically ensure the detector is properly calibrated per the manufacturer's requirement.

As another example, due to COVID-19-related restrictions around in-person meetings in 2021, our team held a meeting with local emergency responders near our Chico Plant via Zoom. We invited local fire departments and the county emergency response team. During the meeting, a Targa team member utilized the dash camera in his vehicle to provide a driving tour of the Chico Plant, along with a presentation of plot plans and other plant data, with the goal of familiarizing



local emergency responders with our facility and operations so they are better prepared to respond to an emergency, if needed.

Our employees are active members of LEPCs in several counties, enabling them to build relationships with first responders and maintain readiness for emergencies. To learn more about our emergency preparedness and response efforts, [see page 36](#). Our employees are also leaders of Mutual Aid Mont Belvieu (MAMB) and Channel Industries Mutual Aid (CIMA), through which we provide training and equipment to emergency response personnel.

STEM

We believe that supporting science, technology, engineering, and math (STEM) programs helps develop the energy workforce of the future. Therefore, it is an important strategic investment of our time and resources. In 2021, Targa participated in the Rice Owl Edge Externship Program, which provides students with short-term job shadowing experiences, allowing them to explore career options and gain realistic

perspectives of an industry. As part of the program, Targa's ES&H team sponsored three students interested in environmental science.

Targa is also a long-time supporter of the Anahuac School District's SystemsGo program 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 and aero science curriculum that uses project-based learning to teach STEM; develop teamwork, problem-solving, and leadership skills; and encourage careers in engineering. These efforts support the future of our stakeholders in the southeast Houston metropolitan area where we do business.

At one of our facilities in Louisiana, through a cooperative effort with a valve manufacturer, we provided a "cutaway" ball and slab gate pipeline valve to a local organization for training purposes. The Targa Area Managers spoke to the training class about necessary skills for a pipeline technician and provided advice on interview skills.



Contents

Foreword

Environmental Stewardship

Safety

Social

2021 Performance Highlights

Our People and Culture

Learning and Development

Recruitment and Retention

Diversity, Equity, and Inclusion

Employee Benefits

Supply Chain Management

Community Engagement

► Partners in the Community

Governance

Data and Disclosures

Forward-looking Statements

→ GOVERNANCE

We seek to operate our business responsibly, ethically, and in a manner aligned with the interests of our shareholders. We believe that good corporate governance creates a business environment that is conducive to long-term investments and sustainable economic growth. Our corporate governance practices and policies provide an essential framework to assist Targa's Board of Directors in fulfilling its duties to shareholders. The framework for our corporate governance can be found in our Code of Conduct, Corporate Governance Guidelines, and Code of Ethics. Our corporate governance practices and policies are reviewed and updated regularly by our Board of Directors. Our Corporate Governance Guidelines are reviewed periodically by the Nominating & Governance Committee.

- Contents
- Foreword
- Environmental Stewardship
- Safety
- Social
- Governance
 - 2021 Performance Highlights
 - Board of Directors
 - Board Composition and Diversity
 - Board Committees
 - Risk Management
 - Executive Compensation
 - Sustainability-focused Compensation
 - Shareholder Engagement
 - Ethics and Integrity
 - Political Contributions
 - Industry Associations
 - Cybersecurity
- Data and Disclosures
- Forward-looking Statements

→ GOVERNANCE CONTINUED

2021 Performance Highlights

75%

75% of our Board of Directors are independent

17%

17% of our Board of Directors were from traditionally underrepresented racial or ethnic groups

 25%

25% of our Board of Directors were women



Established a Board Sustainability Committee

10%

10% of Annual Incentive Compensation Program is weighted to sustainability performance



Comprehensive cybersecurity program based on industry best practices

[Contents](#)[Foreword](#)[Environmental Stewardship](#)[Safety](#)[Social](#)[Governance](#)[► 2021 Performance Highlights](#)[Board of Directors](#)[Board Composition and Diversity](#)[Board Committees](#)[Risk Management](#)[Executive Compensation](#)[Sustainability-focused Compensation](#)[Shareholder Engagement](#)[Ethics and Integrity](#)[Political Contributions](#)[Industry Associations](#)[Cybersecurity](#)[Data and Disclosures](#)[Forward-looking Statements](#)

→ GOVERNANCE CONTINUED

Board of Directors

Our Board provides essential oversight for Targa and assures that the long-term interests of our shareholders are being served. In 2021, our Board consisted of 12 members. The Board of Directors reviewed the independence of our directors using the independence standards of the New York Stock Exchange (NYSE) and various other factors and determined that 75% are independent.

The full Board meets regularly throughout the year and the independent members of the Board of Directors meet in executive session without the presence of the CEO or other members of management at least once annually. During 2021, the full Board held eight meetings, and each of the directors serving on the Board of Directors attended at least 75% of the aggregate of the total number of meetings of the Board and the total number of meetings of all committees of the Board on which that director served. Annual self-evaluations are conducted by the Board to determine whether the Board and its Committees are functioning effectively.

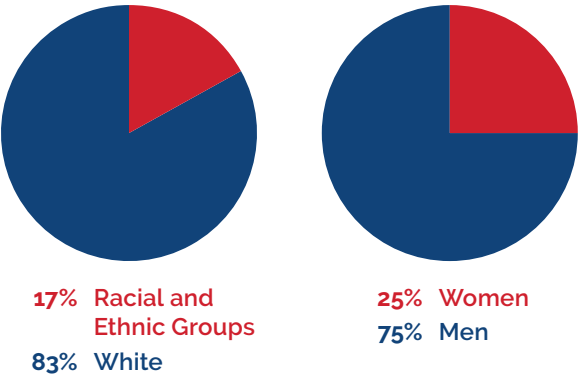
Resources

- 2022 Proxy Statement
- Code of Conduct
- Corporate Governance Guidelines
- Code of Ethics
- Audit Committee Charter
- Compensation Committee Charter
- Nominating & Governance Committee Charter
- Sustainability Committee Charter

Board Composition and Diversity

We are committed to building a diverse Board of Directors with different backgrounds, professional experiences, and other individual qualifications and attributes. If a vacancy on our Board arises, our Nominating & 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. We have increased the racial and ethnic diversity of our Board from 0% in 2018 to 17% in 2021, and the percentage of women serving on our Board rose from 18% in 2018 to 25% in 2021.

2021 Board Demographics



More information on each Board member, including a summary of their qualifications and expertise can be found in our 2022 Proxy Statement, available on our website at www.targaresources.com/sustainability/governance.

Board Committees

Our Board of Directors has a standing Audit Committee, Compensation Committee, Nominating & Governance Committee, Risk Management Committee, and Sustainability Committee, and may create other committees from time to time. Women chair two of our five Board Committees.



Our committee charters are available, along with more information about each committee's responsibilities, on our website.

Contents

Foreword

Environmental Stewardship

Safety

Social

Governance

2021 Performance Highlights

▶ Board of Directors

Board Composition and Diversity

Board Committees

Risk Management

Executive Compensation

Sustainability-focused Compensation

Shareholder Engagement

Ethics and Integrity

Political Contributions

Industry Associations

Cybersecurity

Data and Disclosures

Forward-looking Statements

→ GOVERNANCE CONTINUED

Risk Management

The Board of Directors is responsible for oversight of risk management. Targa’s business leaders and Executive team regularly conduct an Enterprise Risk Assessment (ERA) to proactively identify, understand, manage, and respond to key business risks.

Enterprise Risk Classification



Targa’s internal audit team facilitates the ERA. It includes business leaders across diverse disciplines from within the company and outside the organization, allowing us to obtain unique insights into current and emerging risks. These risks are grouped into four categories: strategic, operational, financial, and compliance/legal. Each risk is assessed on a scale of likelihood and significance and then assigned to senior managers who are responsible for monitoring and, when needed, taking action to mitigate the impact of the risk event.

Through ongoing discussion and review, we can gain perspective on the individual and relative potential impacts of all identified risks. The final ERA is reviewed by the Audit Committee, which is responsible for overseeing Targa’s risk management programs. For more information on Targa’s material risks, refer to Targa’s Form 10-K for the year that ended on December 31, 2021.



SUSTAINABILITY COMMITTEE

As part of our Board of Directors’ continued commitment to sustainability, in March of 2021, we established the Sustainability Committee, a board committee to oversee all sustainability matters. One of the Sustainability Committee’s purposes is to oversee management’s process for establishing and implementing a strategy to integrate sustainability into various business activities, with the goal of creating long-term stakeholder benefits. The Sustainability Committee currently consists of four Board members that meet regularly with the CEO, Chief Financial Officer (CFO), General Counsel, and Senior Vice President of Sustainability.

SPOTLIGHT

- Contents
- Foreword
- Environmental Stewardship
- Safety
- Social
- Governance
 - 2021 Performance Highlights
 - Board of Directors
 - Board Composition and Diversity
 - Board Committees
 - Risk Management
 - Executive Compensation
 - Sustainability-focused Compensation
 - Shareholder Engagement
 - Ethics and Integrity
 - Political Contributions
 - Industry Associations
 - Cybersecurity
 - Data and Disclosures
 - Forward-looking Statements

→ GOVERNANCE CONTINUED

Executive Compensation

The philosophy underlying our executive compensation program is to employ some of the best leaders in our industry to ensure we execute on our business goals, promote both short- and long-term profitable growth, and create long-term shareholder value. As such, our program is grounded in the following principles:

- **Competitiveness:** We strive to attract and retain key executives by providing a total compensation program that is competitive with the market, which encompasses not only diversified midstream companies but also other companies in the energy industry.
- **Performance Accountability:** We aim to ensure an alignment between our strategic, operational, and financial performance and the total compensation received by our named executive officers (NEOs). This includes providing compensation for performance that reflects individual and company performance both in absolute terms and relative to our peer group.
- **Shareholder Alignment:** We aim to find a balance between short-term and long-term compensation while emphasizing at-risk or variable compensation. Performance-based compensation acts as a valuable means of supporting our strategic goals and business objectives and aligning the interests of our NEOs with those of our shareholders.

The following practices and policies in our executive compensation program promote sound compensation governance and align the interests of our shareholders and executives:

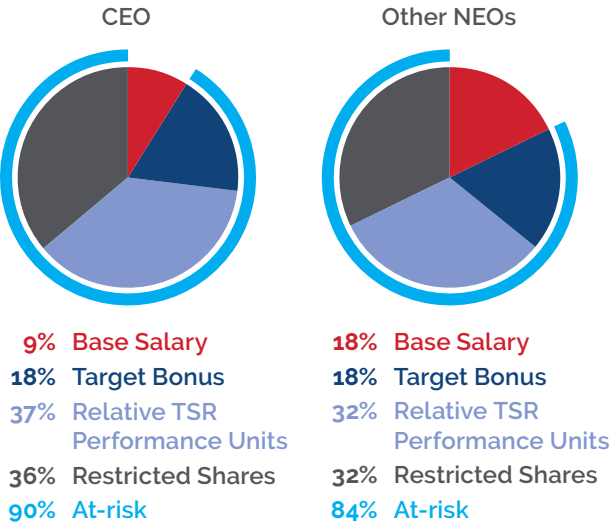
What We Do	What We Don't Do
✓ Provide majority of NEO compensation in the form of performance-based, at-risk, long-term compensation	✗ No employment contracts
✓ Use a combination of absolute and relative performance metrics in incentive plans	✗ No single-trigger, change-in-control severance arrangements
✓ Maintain a comprehensive clawback policy aligned with industry norms*	✗ No single-trigger, change-in-control vesting for NEO equity awards**
✓ Complete an annual compensation risk assessment	✗ Impose excise tax gross-ups
✓ Maintain executive and director share ownership guidelines	✗ No perquisites or supplemental benefits not generally available to other employees
✓ Retain an independent consultant to advise the committee	✗ No hedging or pledging of company stock
	✗ No executive compensation practices that promote excessive risk

* Implemented in 2019

** Implemented in 2020

We remain committed to at-risk, incentive-based pay with payouts tied to our performance through several strategic and financial objectives, including relative company total shareholder return (TSR) and realizable pay heavily dependent upon our ability to grow shareholder value. The following charts show the mix of total direct compensation of our CEO and our other NEOs for 2021.

2021 Target Total Direct Compensation Mix



More information about our executive compensation program can be found in our 2022 Proxy Statement, available on our website at www.targaresources.com/sustainability/governance.

Sustainability-focused Compensation

Our Board holds the Executive team accountable for implementing Targa's sustainability objectives, including through the administration of Targa's annual incentive program. To promote a focus on investment in human capital and the incorporation of the interests of all key stakeholders in the execution of our business strategy, and to help ensure that annual performance leads to sustainable long-term growth as well as continued improvement on environmental performance, 10% of annual cash awards under our 2021 Annual Incentive Compensation Program was tied to ESG performance. In making the determination of the cash bonus awards this year and determining the sustainability weighting, the Compensation Committee considered that the Executive team had held unplanned turnover flat relative to the prior year, published Targa's third annual sustainability report, established and is on track to achieve methane intensity targets, and significantly improved disclosure and dialogue with the investor community.

Targa prioritizes safety in all parts of our organization. We believe that safety performance should always be an expectation and not a justification for increased incentive compensation. Therefore, a holistic score-card including quantitative and qualitative evaluation of incident rates, severity, process improvements, and other safety-related items operates outside our 2021 bonus program as a modifier that can reduce plan payout if safety performance is below expectations.

Contents

Foreword

Environmental Stewardship

Safety

Social

Governance

2021 Performance Highlights

Board of Directors

Board Composition and Diversity

Board Committees

Risk Management

Executive Compensation

Sustainability-focused Compensation

Shareholder Engagement

Ethics and Integrity

Political Contributions

Industry Associations

Cybersecurity

Data and Disclosures

Forward-looking Statements

→ GOVERNANCE CONTINUED

Shareholder Engagement

We regularly meet with our shareholders to discuss business topics, seek feedback on our performance, and address other matters such as executive compensation. During 2020 and 2021 we maintained the focus of our stockholder engagement on executive compensation matters in response to say-on-pay vote support of approximately 66% in 2020. Our say-on-pay vote support increased substantially to approximately 98% in 2021.

During our 2021 outreach, our shareholders generally expressed support for the design and administration of our current programs. In response to feedback from some investors, we added a per-share metric to our 2021 annual incentive program. Our Compensation Committee will continue to consider shareholder feedback, changing industry conditions, and evolving best practices when identifying and implementing improvements to our compensation program.

We are committed to broadening our perspective and improving shareholder engagement around executive compensation, governance, sustainability, and other related matters. We plan to continue annual outreach on those topics with our shareholders.

Ethics and Integrity

Integrity is fundamental to our business. Our integrity, reputation, and long-term success depend on each team member's actions. Our Code of Conduct guides us in achieving high standards of ethical business conduct. Our commitment to these standards helps us hire talented and ethical people, build high-quality assets, and attract loyal customers and business partners. It is the foundation of our success. Our Code of Conduct explicitly prohibits offering, accepting, receiving, or giving bribes and emphasizes our commitment to complying with all applicable legal requirements, including anti-corruption laws.

We offer two convenient and confidential ways to seek assistance and report potential ethics and compliance issues. All employees, customers, contractors, and other stakeholders, and third parties can communicate concerns to our formal anonymous whistleblower system with legal protections by calling 1-833-TELLTRC (1-833-835-5872) or going to the website at www.targaresources.ethicspoint.com. Targa's ethics and compliance system is hosted by a third party to maintain confidentiality and anonymity to the greatest extent possible. We have a formal process and structure in place to process all reports, which includes reporting to the Audit Committee and the Board. We prohibit retaliation against anyone who reports or participates in any investigation of a possible violation of our Code of Conduct or other ethics or compliance matter.



All employees, customers, contractors, other stakeholders, and third parties can communicate concerns to our formal anonymous whistleblower system with legal protections by calling 1-833-TELLTRC (1-833-835-5872).

Our Code of Conduct is disseminated to employees in our annual training for their review and acknowledgment. It contains additional information about reporting potential ethics and compliance violations. Additionally, respect for human rights is a fundamental value at Targa. We strive to respect human rights in our relationships with our employees, contractors, customers, communities, indigenous communities, and other business stakeholders. More information is available in our Human Rights Policy.



Targa's Code of Conduct [↗](#), Human Rights Policy [↗](#), and Indigenous Peoples Policy [↗](#) are available on our website.

Political Contributions

Our Code of Conduct prohibits employees from making political contributions for or on behalf of Targa to any candidate for federal, state, or local office, or for foreign elections unless allowed by applicable law and approved in advance by Targa's CEO, any President, CFO, or General Counsel. The policy is approved by our Board.

Contents

Foreword

Environmental Stewardship

Safety

Social

Governance

2021 Performance Highlights

Board of Directors

Board Composition and Diversity

Board Committees

Risk Management

Executive Compensation

Sustainability-focused Compensation

► Shareholder Engagement

Ethics and Integrity

Political Contributions

Industry Associations

Cybersecurity

Data and Disclosures

Forward-looking Statements

→ GOVERNANCE CONTINUED

Industry Associations

We are involved with several industry associations, legislative, and/or regulatory committees representing the oil and gas industry. Through these groups and associations, we share best practices, develop industry standards, and expand our public and political advocacy. We regularly assess our industry association memberships to ensure alignment with our priorities. We serve in leadership positions and maintain active involvement in relevant trade association working groups, which strengthens our ability to advocate for our interests.

Sustainability/Environmental Focused

- Environmental Protection Agency (EPA) Natural Gas Science to Achieve Results (STAR)
- Our Nation's Energy Future (ONE Future)
- Energy Infrastructure Council (EIC)
- The American Petroleum Institute (API) Environmental Partnership

Energy Industry – National

- GPA Midstream (GPA)
- National Propane Gas Association (NPGA)
- International Liquids Terminal Association (ILTA)
- National Propane Gas Association (NPGA)
- Propane Education and Research Council (PERC)
- Petrochemical Feedstock Association of America (PFAA)
- Association of Oil Pipelines (AOPL)

Texas and New Mexico

- Texas Pipeline Association (TPA)
- Texas Propane Gas Association (TPGA)
- Greater Houston Partnership (GHP)
- Greater Houston Port Bureau (GHPB)
- New Mexico Oil and Gas Association (NMOGA)

Louisiana and Oklahoma

- Oklahoma Independent Petroleum Association and the Oklahoma Oil & Gas Association (OIPA-OKOGA)
- Louisiana Oil and Gas Association (LOGA)
- Louisiana Association of Business and Industry (LABI)
- Louisiana Propane Gas Association (LPGA)

North Dakota

- North Dakota Petroleum Council (NDPC)
- North Dakota Tribal Lands Committee
- North Dakota Flaring Task Force Committee International
- World LPG Association (WLPGA)
- WLPGA Industry Council

Contents

Foreword

Environmental Stewardship

Safety

Social

Governance

2021 Performance Highlights

Board of Directors

Board Composition and Diversity

Board Committees

Risk Management

Executive Compensation

Sustainability-focused Compensation

Shareholder Engagement

Ethics and Integrity

Political Contributions

► Industry Associations

Cybersecurity

Data and Disclosures

Forward-looking Statements

→ GOVERNANCE CONTINUED

Cybersecurity



Our cybersecurity program is based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework and supplemental guidance for operational technologies. We follow federal and state regulatory guidance and regulations and adopt internal policies and standards in alignment with these requirements. Our cybersecurity program is comprehensive in scope and covers Targa's general corporate Information Technology (IT) systems and the Operational Technology (OT) systems supporting our various lines of business. Our Board of Directors provides oversight of our cybersecurity program and our Executive team and the Audit Committee receive regular and recurring program updates, metrics, and

roadmaps to promote the program's effectiveness and ensure alignment with our business objectives. Our Code of Conduct communicates our expectations of employees and contractors to maintain the security of our IT systems.

We continue to make significant investments in new cybersecurity technologies to protect our facilities, users, and stakeholders, and to protect the personal information of our employees and contractors. People are a crucial component of a successful cybersecurity program, and we continue to train and add staff to our Information Security team in response to and prediction of the evolving landscape.

Our cybersecurity program follows Defense in Depth principles, layering various countermeasures from the internet perimeter to internal IT and OT systems. A wide variety of physical and logical cybersecurity technologies, processes, and architecture best practices are used throughout Targa's enterprise. These processes and technologies support vulnerability, configuration, and backup management functions, which help guard against the outbreak of malware, ransomware, and other cybersecurity threats. Targa's security posture is routinely tested by internal Targa personnel and independent third parties to gauge its effectiveness. Targa has formal disaster recovery and business continuity plans, as well as a Cyber Incident Response Plan (CIRP), which is periodically tested using comprehensive real-world tabletop exercises.

We regularly engage with independent third parties to continually assess our vulnerabilities and help us mitigate our risks.

Each employee's and contractor's recognition and reporting of a cyber threat is a critical component of our program. As a result, security awareness is provided to employees and contractors with access to our facilities or systems through computer-based training, employee meetings, posters in the workplace, screensavers on computers, and email communications. Targa makes use of targeted imagery displayed on all corporate computers to reinforce security awareness concepts. We also conduct simulated phishing attack campaigns to identify employees who need further training. With employees working remotely, we have implemented additional security protocols on both Targa-issued and personal devices used to access Targa's systems, such as multi-factor authentication.

We recognize that cybersecurity threats continue to emerge and evolve. Continual assessment and enhancement of our security posture in predicting and responding to the changing threat landscape are core components of our cybersecurity program. Targa maintains close relationships with various cybersecurity industry subject matter experts, governmental agencies, law enforcement research and benchmark organizations, and industry peers to continuously improve our program based on real-time threat information and best practice countermeasures.

Contents

Foreword

Environmental
Stewardship

Safety

Social

Governance

2021 Performance
Highlights

Board of Directors

Board Composition
and Diversity

Board Committees

Risk Management

Executive
Compensation

Sustainability-focused
Compensation

Shareholder
Engagement

Ethics and Integrity

Political Contributions

Industry Associations

► Cybersecurity

Data and
Disclosures

Forward-looking
Statements

→ DATA AND DISCLOSURES

Performance Data Tables

TOPIC	ACCOUNTING METRIC	UNITS	2019	2020	2021
Environment					
Greenhouse Gas Emissions	Equivalent Product Sales (Natural Gas, NGLs & Condensate) ¹	Million barrels per year	517	558	617
	Scope 3: Products Supplied to Customers ²	Million metric tons CO ₂ e	25.1	27.1	23.9
	Scope 2: Electricity Consumption ³	Billion kilowatt hours	N/A	5.9	7.1
	Scope 2: Electricity Emissions ⁴	Million metric tons CO ₂ e	N/A	2.5	2.7
	Scope 1: Targa Facility-Direct Emissions ⁵	Million metric tons CO ₂ e	7.4	7.7	7.0
Criteria Pollutant ⁶	Nitrous Oxides (NO _x)	Thousand tons	9.1	8.6	8.6
	Carbon Monoxide (CO)	Thousand tons	5.6	5.7	5.8
	Sulfur Oxides (SO _x)	Thousand tons	5.3	3.9	3.8
	Particulate Matter (PM ₁₀)	Thousand tons	0.4	0.4	0.2
	Volatile Organic Compounds (VOCs)	Thousand tons	6.4	6.6	4.6
Spills ⁷	Total Hydrocarbon spills > 5 bbls beyond secondary containment ¹⁴	# spills	12	6	6
	Volume of Hydrocarbon spills > 5 bbls beyond secondary containment ¹⁴	Barrels (bbl)	244	167	248
	Hydrocarbon spills in USAs	# spills	N/A	0	0
	Hydrocarbon spills in the Arctic	# spills	0	0	0
Water ⁸	Total Freshwater Withdrawn	Million gallons	N/A	3,394	3,204
	Withdrawn: Surface Water	Million gallons	N/A	631	529
	Withdrawn: Groundwater	Million gallons	N/A	2,437	2,322
	Withdrawn: Municipal Supply	Million gallons	N/A	325	353
	Total Water Discharged	Million gallons	N/A	1,356	962
	Discharged to Injection Well	Million gallons	N/A	791	324
	Discharged to Surface Water	Million gallons	N/A	563	637
	Discharged to Land	Million gallons	N/A	2	1
Biodiversity	International Union for Conservation of Nature (IUCN) Red List Species in Targa's Areas of Operation ⁹	# species	68	69	69
	Critically Endangered Species	# species	9	9	9
	Endangered Species	# species	17	18	18
	Vulnerable Species	# species	18	18	18
	Near Threatened Species	# species	8	8	8
	Least Concern Species	# species	16	16	16
	Percent of land owned, leased, or operated within areas of protected conservation status or endangered species habitat ¹⁰	%	N/A	N/A	10.3

→ DATA AND DISCLOSURES CONTINUED

Performance Data Tables

TOPIC	ACCOUNTING METRIC	UNITS	2019	2020	2021
Social					
Employee Health & Safety	Total Recordable Incident Rate (TRIR) — Employees	# recordable incidents/100 full-time workers	0.90	1.01	0.99
	Employee Recordable Incidents	# total injury/illness incidents	30.0	31.0	28.0
	DART Incident Rate	# injury/illness incidents days away from work x 200,000 / total hours worked	0.60	0.52	0.53
	Number of DART Incidents	# injury/illness incidents days away from work	20	16	15
	Preventable Vehicle Accident Rate	# total preventable vehicle accidents x 1,000,000 / miles traveled	1.27	1.42	0.97
	Total hours of Health, Safety, and Emergency Response Training for Employees	# hours	32,489	31,101	37,633
Pipeline Safety	Total miles of natural gas products transported by jurisdictional transmission pipe	Billion cubic feet (Bcf)	362 Bcf through 340 miles	297 Bcf through 301 miles	247.5 Bcf through 287 miles
	Total miles of crude oil products transported by jurisdictional pipe	Million barrels (MMBbl)	5.4 MMBbl through 211 miles	5.3 MMBbl through 210 miles	7.4 MMBbl through 164 miles
	Total miles of refined products transported by jurisdictional pipe	Million barrels (MMBbl)	0.3 MMBbl through 3 miles	0.17 MMBbl through 2.6 miles	0.13 MMBbl through 2.54 miles
	Total miles of natural gas liquids products transported by jurisdictional pipe	Million barrels (MMBbl)	43 MMBbl through 1,911 miles	62.64 MMBbl through 2,021 miles	80.8 MMBbl through 2,030.5 miles
	Jurisdictional Natural Gas Transmission and Gathering: Number of reportable incidents ¹¹	# incidents	N/A	0	0
	Jurisdictional Natural Gas Transmission and Gathering: Number of reportable incidents per 1000 miles ¹¹	# incidents/1000 miles	N/A	0	0
	Jurisdictional Natural Gas Liquids Transmission: Number of reportable incidents ¹¹	# incidents	3	6	0
	Jurisdictional Natural Gas Liquids Transmission: Number of reportable incidents per 1000 miles ¹²	# incidents/1000 miles	2	3	0
	Jurisdictional Natural Gas Transmission and Gathering pipeline inspections: in line, % of total pipeline	%	N/A	4%	19%
	Jurisdictional Natural Gas Transmission and Gathering pipeline inspections: in line, number of miles	# miles	N/A	13	57
	Jurisdictional Natural Gas Liquids Transmission pipeline inspections: in line, % of total pipeline	%	N/A	13%	8.3%
	Jurisdictional Natural Gas Liquids Transmission pipeline inspections: in line, number of miles	# miles	N/A	285	169

→ DATA AND DISCLOSURES CONTINUED

Performance Data Tables

TOPIC	ACCOUNTING METRIC	UNITS	2019	2020	2021
Employee Demographics	Minority Employees in Workforce	%	29%	29%	30%
	Employees aged ≤ 30 years old	%	16%	15%	14%
	Employees aged 30–50 years old	%	53%	55%	56%
	Employees aged > 50 years old	%	31%	30%	31%
	Female Employees	%	16%	16%	16%
	Female Leadership Employees ¹³	%	24%	24%	24%
	Female Named Executive Officer Employees	%	17%	17%	20%
	Employee Turnover (Voluntary)	%	9%	6%	8%
Governance					
Employee Demographics	Number of board members	#	10	12	12
	Percentage of independent board members	%	80%	75%	75%
Board Diversity	Number of women on the board	#	2	3	3
	Percent of directors who are women	%	20%	25%	25%
	Percent of directors who are from EEOC defined minority group	%	0%	8%	17%
Ethics	Code of Conduct and Ethics Policy	Y/N	Y	Y	Y
Economic					
Financial Performance	Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) (million USD)	\$	\$1,435.5	\$1,636.6	\$2,052.0

→ DATA AND DISCLOSURES CONTINUED

Performance Data Tables

1. Product sales from 10-K were converted to barrel-of-oil-equivalent (BOE) using the U.S. Internal Revenue Service conversion of a single BOE as equal to 5.8×10^6 BTU to provide a common denominator. NGLs and condensate volumes are considered as one to one with oil equivalent barrels.
2. Emissions reported according to the United States Environmental Protection Agency (USEPA) Greenhouse Gas Reporting Rule Subpart NN – Suppliers of Natural Gas & Natural Gas Liquids. This calculation includes emission equivalents of NGLs fractionated assuming complete combustion or oxidation of NGL products that Targa delivers to customers. If the products are combusted or oxidized by downstream customers, that portion would be considered Scope 1 direct emissions for the customer at the point combustion or oxidation occurs. These Scope 3 figures do not include sale of natural gas to end-user.
3. Total quantity in billion kilowatt-hours of indirect energy consumed from purchased electricity generated off-site.
4. Scope 2: Electricity Emissions calculated based on total electricity consumption and EPA's eGRID Total Output Emission Factors by Subregion.
5. Scope 1: Targa Facility-direct Emissions are part of Targa's reported emissions pursuant the USEPA Greenhouse Gas Reporting Rule Subpart C – General Stationary Fuel Combustion Sources and Subpart W – Petroleum and Natural Gas Systems. Facilities that emit 25,000 metric tons or more per year of GHGs under Subparts C and W combined are required to report under these rules.
6. Criteria pollutants are comprised of direct emissions from Targa operations that are required to be reported to federal and/or state environmental agencies. These emissions are typically reviewed annually and may change with their review of our reports. SO₂ emission totals for RY2020 have been revised based on review of prior submission.
7. Total count and volume of hydrocarbon spills only includes the hydrocarbon fraction of spills from produced water and brine. Data for 2019 and 2020 have been revised to be consistent with EIC ESG Reporting Template and industry standards.
8. Water disclosures include water withdrawn and discharged for the purpose of industrial use only at Targa gas processing plants, fractionation, plants, and storage cavern facilities.
9. Data collected using the U.S. Fish and Wildlife Services (USFWS) Information for Planning and Consultation online tool and cross referenced with International Union for Conservation of Nature Red List Species.
10. Percentage includes aboveground facilities and pipeline right-of-ways that are assumed to be 30 ft wide. "Within" or near are defined as within 5km of the boundary of an area that is protected conservations status or an endangered species habitat. Targa's GIS and the World Database of Protected Areas (WDPA), USFWS Critical Habitats and USFWS Wildlife boundary were used to calculate percent of operation.
11. As reported to the Pipeline Hazardous Materials and Safety Administration (PHMSA) on Form F 7100.2-1. Incidents as defined in Code of Federal Regulations (CFR) Part 191.3.
12. As reported to the Pipeline Hazardous Materials and Safety Administration (PHMSA) on Form F 7000.1-1. Incidents as defined in Code of Federal Regulations (CFR) Part 195.50.
13. Employees with direct reports, manager title and above.

N/A – indicates Targa did not track or this information is not available.

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

See the EIC Reporting URL for the complete template: www.targaresources.com/sustainability

	METRIC	UNITS	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
--	--------	-------	------	------	------	--

	Activity					
1.1	EBITDA	Million US \$	2,052.00	1,636.60	1,435.50	
1.2	Gross Throughput	Thousand BOE	1,159,724	1,084,619	1,053,166	For the natural gas gathering and boosting segment, throughput is the total volume of gas transported by gathering and boosting facilities as per 40 CFR 98.236(aa)(10)(ii) in the GHGRP. For the natural gas processing segment, throughput is the quantity of natural gas processed at a gas processing plant as per 40 CFR 98.236(aa)(3)(ii). For liquid products, throughput is the volume of products delivered to an end point.
1.3	Miles of Pipeline (Total Pipeline)	Miles	29,536	34,717	30,189	
1.4	Carbon Accounting Basis for Data	Operational/Equity/Financial	Operational	Operational	Operational	

	Environment ²					
	Hydrocarbon Releases					
2.1	Number of hydrocarbon liquid releases beyond secondary containment > 5 bbl	#	6	6	12	
2.2	Volume of hydrocarbon liquid releases beyond secondary containment > 5 bbl	bbls	248	167	244	Number and volumes for 2019 & 2020 adjusted per V2.0 template instructions.
2.3	Hydrocarbon Liquid Releases Intensity per Mile of Pipeline - Total	bbl/mile	0.008	0.005	0.008	

	Emissions					
2.4	Total GHG Emissions (Scope 1 + Scope 2) - Total	mt CO ₂ e	9,657,000	10,214,000	N/A	2019 not available.
2.4.1	Scope 1 GHG Emissions - Total	mt CO ₂ e	6,997,000	7,677,000	7,405,000	Sources included in Scope 1 GHG Emissions include Sites Not Required to Report Under the EPA GHGRP. Emissions from Saltwater Disposal Sites and Glycol Dehydrators at Well Sites are not applicable to Targa Resources.
2.4.1.1	Scope 1 CO ₂ Emissions - Total	mt CO ₂	6,220,000	6,661,000	6,366,000	
2.4.1.2	Scope 1 Methane Emissions - Total	mt CH ₄	30,950	40,480	40,800	
2.4.1.3	Scope 1 Nitrous Oxide Emissions - Total	mt N ₂ O	11	11	10	
2.4.1.4	Percent of Scope 1 emissions that are methane	%	11%	13%	14%	

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

	METRIC	UNIT	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
2.4.2	Scope 1 GHG Emissions - EPA	mt CO ₂ e	6,987,000	7,665,000	7,379,000	
2.4.2.1	Scope 1 CO ₂ Emissions - EPA	mt CO ₂	6,211,000	6,652,000	6,357,000	
2.4.2.2	Scope 1 Methane Emissions - EPA	mt CH ₄	30,900	40,400	40,760	
2.4.2.3	Scope 1 Nitrous Oxide Emissions - EPA	mt N ₂ O	11	11	10	
2.4.3	Scope 2 GHG Emissions	mt CO ₂ e	2,660,000	2,537,000	N/A	Scope 2 GHG Emissions calculated on location-based method. 2019 not available.
2.5	Total GHG Emissions (Scope 1 + Scope 2) Intensity per Thousand BOE- Total	mt CO ₂ e/ Thousand BOE	8.33	9.42	N/A	2019 not available.
2.6	Scope 1 Methane Emissions Intensity per ONE Future Methodology (See EIC Definitions tab for instructions)					
2.6.2	For Processing Sector	%	.037	0.040	N/A	Targa joined in 2021. See page 17 for more information.
2.6.3	For Gathering and Boosting Sector	%	.167	0.113	N/A	Targa joined in 2021. See page 17 for more information.
2.7	Does the company participate in an external emissions reduction program?	Yes/No	Yes	Yes	Yes	Targa is a member of ONE Future and The Environmental Partnership and participates in EPA's Natural Gas Star Program.
2.8	Does the company have a greenhouse gas emissions reduction target?	Yes/No	Yes	Yes	No	Targa's methane intensity targets are as follows: Processing Sector 0.11% by 2025, Gathering & Boosting 0.08% by 2025.
2.9	NO _x Emissions	Metric Tons	7,774	7,798	8,233	NO _x , SO _x , and VOC emissions from facilities subject to state Emission Inventory requirements.
2.10	SO _x Emissions	Metric Tons	3,415	3,530	4,820	
2.11	VOC Emissions	Metric Tons	4,160	5,990	5,832	
2.12	% of electricity used that is renewable	%	0.00	0.00	0.00	2020 revised per V2.0 template instructions.
2.13	Did the company bank GHG reductions from Carbon Capture and Storage Projects?	Yes/No	No	No	No	
2.14	Does the company seek third party data verification for any environmental metrics?	Yes/No	No	No	No	

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

	METRIC	UNIT	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
Asset Diversification and Biodiversity						
2.15	Does the company participate in any efforts to expand the share of alternative/renewable energy sources in the company's portfolio? If yes, please provide links to ESG reports, webpages and other disclosures as support.	Yes/No	Yes	Yes	Yes	See Targa Sustainability Report posted at www.targaresources.com/sustainability .
2.16	Does the company have a biodiversity policy or commitment for new and existing assets?	Yes/No	Yes	Yes	Yes	
Social						
3.1	Total Recordable Incident Rate (TRIR) - employees	#	0.99	1.01	0.90	
3.2	Total Recordable Incident Rate (TRIR) for major growth projects - contractors	#	0.00	0.52	N/A	2019 not available. 2020 – \$200 million min threshold used to define major projects. 2021 – threshold lowered to \$40 million.
3.3	Days away, restricted or transferred (DART) - employees	#	0.53	0.52	0.60	
3.4	Days away, restricted or transferred (DART) for major growth projects - contractors	#	0.00	0.26	N/A	
3.5	Lost Time Incident Rate (LTIR) - employees	#	0.39	0.32	0.45	
3.6	Lost Time Incident Rate (LTIR) for major growth projects - contractors	#	0.00	0	N/A	
3.7	Fatalities - employees	#	0	0	0	
3.8	Fatalities - contractors	#	0	0	0	
3.9	Does the company have an indigenous engagement policy or commitment for new and existing assets?	Yes/No	Yes	Yes	Yes	
3.10	% workforce that is female	%	16	16	16	
3.11	% workforce from minority groups (EEOC defined)	%	30	29	29	
3.12	% workforce covered under collective bargaining agreements	%				
3.13	Does the company seek third party data verification for any social metrics?	Yes/No	No	No	No	
3.14	\$ invested in local communities per every \$100,000 of adjusted EBITDA	US \$	N/A	N/A	N/A	Not available.

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

	METRIC	UNIT	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
	Governance					
	Diversity					
4.1	% directors that are female	%	25	25	20	
4.2	% corporate officers (VP and up) that are female	%	14	16	20	
4.3	% directors from minority groups (EEOC defined)	%	17	8	0	
4.4	% corporate officers (VP and up) from minority groups (EEOC defined)	%	6	10	7	
4.5	Is any director under the age of 50?	Yes/No	Yes	Yes	No	
	Directors					
4.6	% independent directors	%	75	75	80	
4.7	How many directors received less than 80% votes cast in favor when running unopposed in last 5 years?	#	0	0	0	
4.7.1	Does the company have a formal ESG oversight structure with associated accountability?	Yes/No	Yes	No	No	
4.8	Does the company have directors with risk management experience?	Yes/No	Yes	Yes	Yes	
	Compensation					
4.9	Has the company received less than 70% support for Say On Pay in any of the last 5 years?	Yes/No	Yes	Yes	Yes	
4.10	What % of CEO target pay is performance-based?	%	90% at-risk	91% at-risk	90% at-risk	
4.11	What % of CEO target pay is equity-based?	%	73% of target	73% of target	68% of target	
4.12	Are there any shareholder return metrics (total return, return on invested capital, etc.) in any NEO equity compensation plan?	Yes/No	Yes - TSR	Yes - TSR	Yes - TSR	
4.13	Is at least 10% of Named Executive Officer (NEO) short-term incentive (STI) or long-term incentive (LTI) linked to E or S metrics?	Yes/No	Yes	Yes	Yes	
4.14	Does the company tie any amount of pay for management and/or employees to ESG objectives?	Yes/No	Yes	Yes	Yes	

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

	METRIC	UNIT	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
Share Ownership						
4.15	Have any corporate officers or directors made share purchases with personal funds in the last 5 years?	Yes/No	Yes	Yes	Yes	
Board Oversight						
4.16	Which of these data sets are collected and shared with board?					
4.16.1	Voluntary employee turnover company-wide and by at least one additional level (e.g. business unit, location, or division)	Yes/No	Yes	Yes	Yes	
4.16.2	% of employees who participate in company sponsored matching gift programs and/or volunteer for corporate sponsored charitable events	Yes/No	No	No	No	
4.16.3	Gender Pay Ratio	Yes/No	No	No	No	
4.16.4	Underlying data from an employee satisfaction survey that is anonymous and at least annual	Yes/No	No	No	No	
Supply Chain						
4.17	Does the company require suppliers to sign off on a code of conduct or equivalent codes?	Yes/No	Yes	Yes	Yes	MSA suppliers must sign; See Supplier Code of Conduct in Sustainability Report.
Cybersecurity						
4.18	Does the company undertake any of the following to manage cybersecurity risk?					
4.18.1	Mandatory employee training	Yes/No	Yes	Yes	Yes	
4.18.2	Adherence to industry cybersecurity standards	Yes/No	Yes	Yes	Yes	
4.18.3	Ongoing evaluation of the threat landscape	Yes/No	Yes	Yes	Yes	

→ DATA AND DISCLOSURES CONTINUED

EIC Midstream Template V2.0 ¹

	METRIC	UNIT	2021	2020	2019	COMMENTS, LINKS, ADDITIONAL INFORMATION, AND NOTES
4.19	Does the company publish an annual Proxy Statement?	Yes/No	Yes	Yes	Yes	

1. Governmental bodies and investors are increasingly focused on companies' ESG practices and disclosures, and increasingly there are proposed and adopted regulations, legislation and investor expectations that can have a direct impact on companies seeking to comply through disclosure. While this template provides one approach to reporting on various ESG matters, it does not take all voluntary frameworks or standards into consideration, nor is it designed to address proposed or adopted regulations and legislation. For compliance with proposed or adopted regulations and legislation, companies should seek the advice of counsel.
2. In March 2022, the SEC proposed extensive climate change disclosure regulation, that, if adopted, would likely require companies to provide more detailed and complex environmental disclosures than contemplated by this template. For example, compliance with the "Emissions" section of this template would likely not be adequate for the purposes of compliance with the SEC's proposed regulation. The proposed regulation also contemplates significant expanded disclosures regarding companies' climate change-related governance, strategy, goals and metrics and risk analyses. For considerations regarding compliance with the proposed climate change disclosure regulations or other regulatory or legislative matters, companies should seek the advice of counsel.

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	Organizational Profile		
	102-1	Name of the organization	Targa Resources Corp
	102-2	Activities, brands, products, and services	Sustainability Report – subsection Foreword: About Targa
	102-3	Location of headquarters	Houston, TX
	102-4	Location of operations	2021 Annual Report on Form 10-K, page 5 Sustainability Report – subsection Foreword: About Targa
	102-5	Ownership and legal form	Publicly traded corporation (NYSE: TRGP)
	102-6	Markets served	2021 Annual Report on Form 10-K, Sustainability Report – subsection Foreword: About Targa
	102-7	Scale of the organization	2021 Annual Report on Form 10-K, Sustainability Report – subsection Foreword: About Targa
	102-8	Information on employees and other workers	Sustainability Report – subsections Social, Performance Data Tables, EIC Template V2.0
	102-9	Supply chain	Sustainability Report – subsection Social
	102-10	Significant changes to the organization and its supply chain	There were no significant changes to Targa operations or our supply chain in 2021.
	102-11	Precautionary principle or approach	Targa does not formally follow the precautionary principle. We assess environmental risks across our operations and have a comprehensive risk management plan in place through our Targa Integrity Management Plans.
	102-12	External initiatives	Targa aligns with the following voluntary initiatives: ONE Future Coalition (Member since 2021); U.S. EPA's Natural Gas STAR (Member since 2000); API Environmental Partnership (Member since 2021). For more information, see the Sustainability Report – subsection Environmental.
	102-13	Membership of associations	Sustainability Report – subsection Governance
Strategy			
	102-14	Statement from senior decision-maker	Sustainability Report – subsection Foreword: CEO Letter
Ethics and Integrity			
	102-16	Values, principles, standards, and norms of behavior	Sustainability Report – subsections Social and Governance
	102-17	Mechanisms for advice and concerns about ethics	Sustainability Report – subsections Social and Governance

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	Governance		
	102-18	Governance structure	March 31, 2022 DEF 14A; Sustainability Report – subsection Governance
	102-19	Delegating authority	March 31, 2022 DEF 14A
	102-20	Executive-level responsibility for economic, environmental, and social topics	March 31, 2022 DEF 14A; Sustainability Report – subsection Foreword: About Targa
	102-21	Consulting stakeholders on economic, environmental, and social topics	March 31, 2022 DEF 14A; Sustainability Report – subsection Foreword: About Targa
	102-22	Composition of the highest governance body and its committees	March 31, 2022 DEF 14A
	102-23	Chair of the highest governance body	March 31, 2022 DEF 14A
	102-24	Nominating and selecting the highest governance body	March 31, 2022 DEF 14A
	102-25	Conflicts of interest	March 31, 2022 DEF 14A
	102-29	Identifying and managing economic, environmental, and social impacts	March 31, 2022 DEF 14A
	102-30	Effectiveness of risk management processes	March 31, 2022 DEF 14A
	102-31	Review of economic, environmental, and social topics	March 31, 2022 DEF 14A
	102-32	Highest governance body's role in sustainability reporting	March 31, 2022 DEF 14A; Sustainability Report – subsection Foreword: About Targa
	102-35	Remuneration policies	March 31, 2022 DEF 14A
	102-36	Process for determining remuneration	March 31, 2022 DEF 14A
	102-37	Stakeholders' involvement in remuneration	March 31, 2022 DEF 14A
	Stakeholder Engagement		
	102-40	List of stakeholder groups	Sustainability Report – subsections Foreword: CEO Letter, Stakeholder Engagement
	102-41	Collective bargaining agreements	Targa has no collective bargaining agreements.
	102-42	Identifying and selecting stakeholders	Sustainability Report – subsections Foreword: CEO Letter, Stakeholder Engagement
	102-43	Approach to stakeholder engagement	Sustainability Report – subsections Foreword: CEO Letter, Stakeholder Engagement, Social, Governance
	102-44	Key topics and concerns raised	Sustainability Report – subsections Foreword: CEO Letter, Stakeholder Engagement, About This Report, Social, Governance

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	Reporting Practices		
	102-45	Entities included in the consolidated financial statements	2021 Annual Report on Form 10-K
	102-46	Defining report content and topic boundaries	Sustainability Report – subsection Foreword: About This Report
	102-47	List of material topics	Sustainability Report – subsections Foreword: ESG Approach, Stakeholder Engagement, About This Report
	102-48	Restatements of information	Noted in Sustainability Report – Environmental, Performance Data Tables, or EIC Template V2.0 where GHG Emissions, non-GHG emissions may be revised due to agency guidance
	102-49	Changes in reporting	Enhanced disclosures from 2020 Sustainability Report to 2021 Sustainability Report
	102-50	Reporting period	January 1, 2021 through December 31, 2021
	102-51	Date of most recent report	Targa's 2020 Sustainability Report published in September 2021
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	For more information or to offer comments and suggestions about this report, contact InvestorRelations@targaresources.com
	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.
TOPIC SPECIFIC DISCLOSURES			
Economic Performance			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	2021 Annual Report on Form 10-K
	103-2	The management approach and its components	2021 Annual Report on Form 10-K
	103-3	Evaluation of the management approach	2021 Annual Report on Form 10-K
GRI 201: Management Approach 2016	201-1	Direct economic value generated and distributed	2021 Annual Report on Form 10-K
Anti-Corruption			
GRI 205: Management Approach 2016	205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report – subsections Social – Supply Chain, Governance – Ethics and Integrity

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
TOPIC SPECIFIC DISCLOSURES			
Risk Management			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Governance
	103-2	The management approach and its components	Sustainability Report – subsection Governance
	103-3	Evaluation of the management approach	Sustainability Report – subsection Governance
ENVIRONMENTAL TOPICS			
Water and Effluents			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management
	103-2	The management approach and its components	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management
	103-3	Evaluation of the management approach	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management, Performance Data Tables
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management, Performance Data Tables
	303-4	Water discharge	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management, Performance Data Tables
	303-5	Water consumption	Sustainability Report – subsection Environmental, subpages Environmental Management and Oversight, Water Management, Performance Data Tables
Biodiversity			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship, Performance Data Tables, EIC Template V2.0
	103-2	The management approach and its components	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship, Performance Data Tables, EIC Template V2.0
	103-3	Evaluation of the management approach	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship, Performance Data Tables, EIC Template V2.0
GRI 304: Biodiversity (2016)	304-1	Operational sites in or adjacent to protected areas and high biodiversity value areas	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship, Performance Data Tables
	304-2	Significant impacts of activities, products and services on biodiversity	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship
	304-3	Habitats protected or restored	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sustainability Report – subsection Environmental, subpages Biodiversity and Land Stewardship, Performance Data Tables

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
ENVIRONMENTAL TOPICS			
Emissions			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Environmental
	103-2	The management approach and its components	Sustainability Report – subsection Environmental
	103-3	Evaluation of the management approach	Sustainability Report – subsection Environmental
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0
	305-2	Direct (Scope 2) GHG emissions	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0
	305-4	GHG emission intensity	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0
Spill Prevention Control and Emergency Response			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsections Environmental, subpage Spill Prevention and Response, Safety, subpage Emergency Preparedness and Response
	103-2	The management approach and its components	Sustainability Report – subsections Environmental, subpage Spill Prevention and Response, Safety, subpage Emergency Preparedness and Response
	103-3	Evaluation of the management approach	Sustainability Report – subsections Environmental, subpage Spill Prevention and Response, Safety, subpage Emergency Preparedness and Response
SOCIAL TOPICS			
Employment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Social
	103-2	The management approach and its components	Sustainability Report – subsection Social
	103-3	Evaluation of the management approach	Sustainability Report – subsections Social, Performance Data Tables, EIC Template V2.0
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Sustainability Report – subsections Social, Performance Data Tables, EIC Template V2.0
	401-2	Benefits	Sustainability Report – subsection Social, subpage Employee Benefits
	401-3	Parental Leave	Sustainability Report – subsections Social, subpage Employee Benefits

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
SOCIAL TOPICS			
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Safety, subpage Safety Management and Oversight
	103-2	The management approach and its components	Sustainability Report – subsection Safety, subpage Safety Management and Oversight
	103-3	Evaluation of the management approach	Sustainability Report – subsections Safety, subpage Safety Management and Oversight, Performance Data Tables, EIC Template V2.0
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Sustainability Report – subsection Safety, subpage Safety Management and Oversight
	403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report – subsection Safety, subpage Safety Training and Asset Integrity Management (hazard identification and risk assessments), Continuous Improvement (investigations)
	403-4	Workers representation in formal joint management-worker health and safety committees	Sustainability Report – subsection Safety, subpage Safety Objectives and Health (process safety management committees)
	403-5	Worker training on occupational health and safety	Sustainability Report – subsection Safety, subpage Safety Training
	403-6	Promotion of work health	Sustainability Report – subsection Safety
	403-8	Workers covered by an occupational health and safety management system	Sustainability Report – subsections Safety, subpage Contractor Management, Social, subpage, Supply Chain Management (all employees and contractors)
	403-9	Work-related injuries (partial)	Sustainability Report – subsections Safety, Performance Data Tables, EIC Template V2.0
Training and Education			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Social
	103-2	The management approach and its components	Sustainability Report – subsection Social
	103-3	Evaluation of the management approach	Sustainability Report – subsection Social
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Sustainability Report – subsections Safety, subpage Safety Training, Social, subpage Learning and Development
	404-3	Percentage of employees receiving regular performance reviews	Sustainability Report – subsection Social, subpage Recruitment and Retention
	404-4	Does the company have any internal policy/standard/control which addresses issues of workplace harassment, intimidation, freedom of speech, etc.?	Sustainability Report – subsections Safety, Social, Governance; Code of Conduct; Ethics and Compliance Hotline 1-833-TELLTRC

→ DATA AND DISCLOSURES CONTINUED

Global Reporting Initiative (GRI) Indicators

GRI STANDARD	DISCLOSURES	DESCRIPTION	LOCATION OR ANSWER
SOCIAL TOPICS			
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsections Social, Governance, Performance Data Tables, EIC Template V2.0
	103-2	The management approach and its components	Sustainability Report – subsections Social, Governance, Performance Data Tables, EIC Template V2.0
	103-3	Evaluation of the management approach	Sustainability Report – subsections Social, Governance, Performance Data Tables, EIC Template V2.0
GRI 405: Diversity and Inclusion 2016	405-1	Diversity of governance bodies and employees	Sustainability Report – subsections Social, Governance, Performance Data Tables, EIC Template V2.0
Community Relations			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Sustainability Report – subsection Social
	103-2	The management approach and its components	Sustainability Report – subsection Social
	103-3	Evaluation of the management approach	Sustainability Report – subsection Social
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Sustainability Report – subsection Social Targa Resources has had no violations involving the rights of indigenous peoples for the reporting period.

→ DATA AND DISCLOSURES CONTINUED

Sustainable Accounting Standards Board (SASB) Framework

The following table provides reference to key performance data that aligns with the SASB industry specific reporting disclosures and where the specific information can be found in this report.¹

SASB TOPIC	SASB CODE (A)	ACCOUNTING METRIC	DISCLOSURE LEVEL	LOCATION OR DIRECT ANSWER
Greenhouse Gas Emissions	EM-MD-110a.1 ^{2,3}	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Disclosed	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0. Percent methane only for current and previous reporting year. 99% of our operations covered by the EPA GHG reporting rule. 0% covered under emissions-limiting regulations.
	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 – subsections Environmental, Performance Data Tables, EIC Template V2.0
Air Quality	EM-MD-120a.1 ³	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM ₁₀)	Disclosed	Sustainability Report – subsections Environmental, Performance Data Tables, EIC Template V2.0
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	Disclosed	Sustainability Report – subsection Environmental
	EM-MD-160a.2	Percentage of land owned, leased, and/or operated within areas of protected conservation status or endangered species habitat	Disclosed	Sustainability Report – subsections Environmental, Performance Data Tables
	EM-MD-160a.3	Terrestrial acreage disturbed, percentage of impacted area restored	Not Disclosed	Not tracked
	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	Partial	Sustainability Report – subsections Performance Data Tables, EIC Template V2.0. Targa does not have operations in the Arctic. Targa attempts to recover 100% of spilled volumes; however, does not currently track exact totals.
Competitive Behavior	EM-MD-520a.1	Amount of legal and regulatory fines and settlements from Federal pipeline and storage, rate, access, and pricing regulations	Not Disclosed	Not tracked
Operational Safety, Emergency Preparedness, and Response	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	Partial	Sustainability Report – subsection Performance Data Tables
	EM-MD-540a.2	Percentage of natural gas and hazardous liquids pipelines inspected	Disclosed	Sustainability Report – subsection Performance Data Tables
	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 – subsections Environmental, Safety and Social
Activity Metric	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 – subsection Performance Data Tables, Website Sustainability Page

1. SASB Extractives & Minerals Processing Sector Oil & Gas Midstream standard EM-MD, Version 2018-10, Table 1 and Table 2.

2. Beginning in 2020, Targa completed an inventory estimating emissions from all facilities including those outside of the EPA Mandatory Greenhouse Gas Reporting Rule boundary. The emission calculation methodology matches that found in the Mandatory Greenhouse Gas Reporting Rule.

3. As reported to state and federal agencies.

→ 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. You can typically identify forward-looking statements by the use of words such as "may," "could," "project," "believe," "anticipate," "expect," "estimate," "potential," "plan," "forecast" and other similar words. All statements, other than statements of historical facts, included in this report that address activities, events or developments that Targa expects, believes or anticipates will or may occur in the future, are forward-looking statements. In particular, this Sustainability Report contains forward-looking statements pertaining to, but not limited to, information with respect to the following: Targa's strategic plan, priorities, outlook and expected performance; environmental, social and governance (ESG) goals, strategies, priorities and initiatives, including, among others, those related to greenhouse gas (GHG) emissions reduction, diversity, equity and inclusion and safety; our plans to achieve our ESG goals and to monitor and report our progress thereon; ESG engagement, commitments and disclosure; low carbon and new energies opportunities and strategy; and other related items.

The actual conduct of our activities, including the development, implementation or continuation of any goals, strategies, priorities and initiatives 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 Targa's control, which could cause results to differ materially from those expected by management. 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, commodity price volatility due to the ongoing conflict in Ukraine, 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 completion of the Lucid Acquisition, which may not be completed on a timely basis or at all, expected benefits relating to the Lucid Acquisition and their impact on Targa's results of operations, Targa'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, Targa'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 Targa's policies and procedures and legal requirements, and other uncertainties. These and other applicable uncertainties, factors and risks are described more fully in Targa'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. Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on Targa, 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. Targa 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.

While this report describes potential future events and matters that may be significant, and with respect to which we may even use the word "material" or "materiality", the potential significance of these events and matters should not be read as equating to "materiality" as the concept is used in connection with Targa's required disclosures made in response to SEC and exchange rules and regulations.

Moreover, while we have provided information on several ESG topics, there are inherent uncertainties in providing such information, due to the complexity and novelty of many methodologies established for collecting, measuring, and analyzing ESG data. While we anticipate continuing to monitor and report on certain ESG information, we cannot guarantee that such data will be consistent year-to-year, as methodologies and expectations continue to evolve. Moreover, we hereby expressly disclaim any obligation or duty not otherwise required by legal, contractual, and other regulatory requirements to update, correct, provide additional details regarding, supplement, or continue providing such data, in any form, in future. This information may be modified, updated, changed, deleted or supplemented from time to time without notice and we reserve the right to make any such modifications in our sole discretion. In some cases, the information is prepared, or based on information prepared, by third-party vendors and consultants and is not independently verified by Targa. This data should not be interpreted as any form of guaranty or assurance of future results or trends. Unless otherwise provided, the information contained in this report is expressly not incorporated by reference into any filing of Targa made with the United States Securities and Exchange Commission, or any other filing, report, application, or statement made by Targa to any federal, state, tribal, or local governmental authority.