

# CEO Letter

Dear Stakeholders,

I am pleased to share the 2023 Sustainability Report (Report) for Targa Resources. Our annual report continues to reflect our progress and celebrate the hard work of our employees. 2023 marks a pivotal year for Targa, as we reached record-breaking volumes and achieved remarkable financial success. This milestone is a testament to our team's strategic vision, thoughtful decision-making, and pragmatic approach in navigating an increasingly complex business environment.

The global expansion of energy requires a multifaceted approach, and natural gas will continue to play a part in meeting growing energy demand. Our assets hold a unique position in the energy infrastructure value chain, and we are proud of our ability to provide reliable, affordable, and dependable energy to our customers, helping to provide critical access to the infrastructure, employment, clean water and food, education, and healthcare that all people deserve.

As we continue to build on our leading midstream operations, our dedicated team remains focused on safe operations, improving efficiencies, fostering industry collaboration, and adopting new technologies—all while growing our business responsibly.

## Our 2023 Progress

In 2023, we achieved record levels in Natural Gas Liquids (NGL) pipeline transportation, fractionation, and Liquefied Petroleum Gas (LPG) export volumes, with a 16% growth in equivalent product sales compared to 2022. This success stems from our strategy of investing in high-returning organic growth opportunities. Our integrated NGL business, coupled with strong business fundamentals, continues to drive our increasing cash flow outlook and positions Targa to deliver significant value to our shareholders over the long-term.

### Prioritizing Our People

Our progress would not have been possible without prioritizing the care of our people. While achieving record business growth, we have also developed a strong safety culture, reducing our total recordable incident rate (TRIR) by 25% since 2021. In 2023, we conducted 55,000 hours of Environment, Safety & Health (ES&H) training, and as we grow, we continue to invest in programs that safeguard our employees and communities.

### Expanding our Capabilities Responsibly

We commissioned four new gas plants, added additional compression, integrated the assets acquired in 2022, and still saw our methane emissions intensity decrease year over year. These achievements are attributed to our long-term strategy to optimize operational efficiency, early investment in electric compression, and continuous efforts

in limiting methane losses from our system. Particularly, some of the achievements we accomplished this year include:

### Performance Highlights

- Exported 5.6 billion gallons of LPGs in 2023 globally that can offset higher GHG-emitting fuels
- Conducted aerial methane surveys at all our gathering and processing assets
- Decreased Gathering & Boosting (G&B) Sector Methane Intensity by 19%
- Exceeded the original methane intensity goals established through the ONE Future participation

### Strategic Highlights

- Continued permitting for multiple carbon capture and storage facilities
- Installation of 140,600 horsepower (hp) of electric compression at new gas plants, and 28,000 hp in our gathering and boosting operations
- Launched a dedicated Methane Team to identify best practices across business units and piloted continuous methane monitoring

## CEO Letter Continued

As you will see in this report, Targa continues to focus on the prevention of methane loss in our systems to not only help us meet our methane intensity goals but also to support our customer's goals and reduce our exposure to any potential methane fees. Our Targa team is engaged in building knowledge, leveraging advanced technology, and applying solutions that are cost effective and applicable to our business.

Over the past year, we have also spoken to a number of our stakeholders to incorporate their feedback into our report, particularly on critical topics such as methane management plans and strategies for achieving meaningful emissions reductions. As a result, we have expanded our GHG emissions management disclosures to outline both our tangible achievements and forward strategies.

## Energy for Our Future

We believe that it is important to combat energy poverty and expand access to reliable, affordable power. As a company, we recognize our role in driving continuous improvements and efficiencies across our industry, operating responsibly, and caring for the communities and environments we touch.

We recognize the need for sustained investment in energy infrastructure to meet future energy demands, while always prioritizing safety and environmental stewardship.

While we have made significant strides, there is still much to be done. By maintaining a strategic focus and listening to our stakeholders and employees, we are confident that Targa is well-positioned to contribute meaningfully to addressing the world's evolving energy needs, while maximizing long-term value for our shareholders.

Thank you,

**Matt Meloy**  
Chief Executive Officer