Investor Presentation

December 2024 | TARGA RESOURCES CORP.

Forward Looking Statements

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These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside the Company’s control, which could cause results to differ materially from those expected by management of the Company. Such risks and uncertainties include, but are not limited to, actions by the Organization of the Petroleum Exporting Countries (“OPEC”) and non-OPEC oil producing countries, 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 timing and success of our completion of capital projects and business development efforts, the expected growth of volumes on our systems, the impact of pandemics or any other public health crises, commodity price volatility due to ongoing or new global conflicts, the impact of disruptions in the bank and capital markets, including those resulting from lack of access to liquidity for banking and financial services firms, and other uncertainties.

These and other applicable uncertainties, factors and risks are described more fully in the Company’s filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K, and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company does not undertake an obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

We use any of the following to comply with our disclosure obligations under Regulation FD: press releases, SEC filings, public conference calls, or our website. We routinely post important information on our website at www.targaresources.com, including information that may be deemed to be material. We encourage investors and others interested in the company to monitor these distribution channels for material disclosures.

Targa's Value Proposition

Growing EBITDA, Growing Dividend, Reducing Share Count, Strong Balance Sheet

Premier Integrated Wellhead to Water Position

- Largest gatherer and processor in the Permian Basin
- Drives integrated returns through NGL pipeline transportation, fractionation and LPG exports

Leading EBITDA Growth + Investment Grade Balance Sheet

- Industry leading EBITDA growth
- 90% fee-based[(1)] with limited direct commodity price exposure

Accelerating Return of Capital to Shareholders

- Increasing return of capital
- +33% YoY common dividend increase in 2025[(2)]
- Active opportunistic common share repurchase program

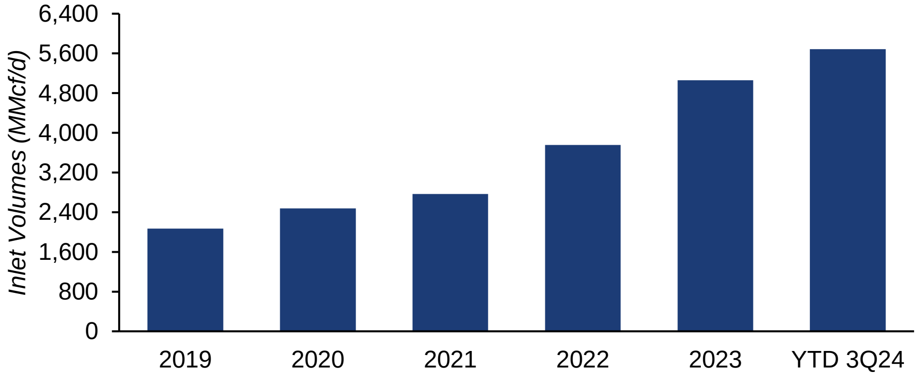
(1) Fee-based profile based on fully consolidated 2024E adjusted operating margin.
(2) Management expects to recommend to Targa's Board of Directors an increase to the 2025 quarterly cash common dividend to $4.00 per share annualized for the first quarter of 2025.

Track Record of Growth

Increasing volume trajectory through Targa's difficult to replicate integrated NGL infrastructure footprint

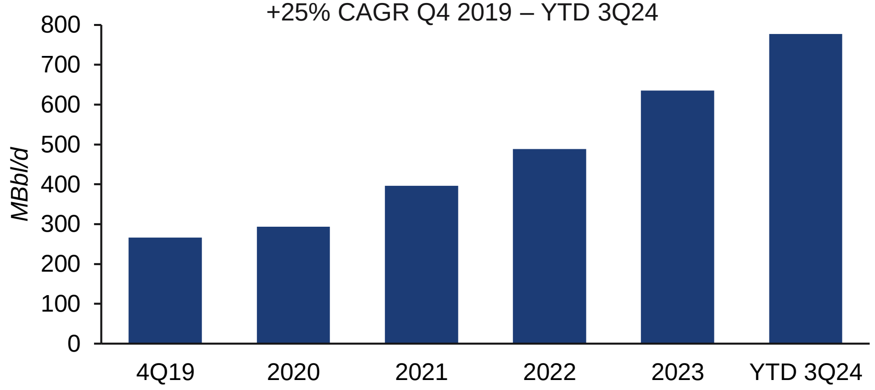
Permian Natural Gas Inlet Volumes(1)

+24% CAGR FY 2019 – YTD 3Q24



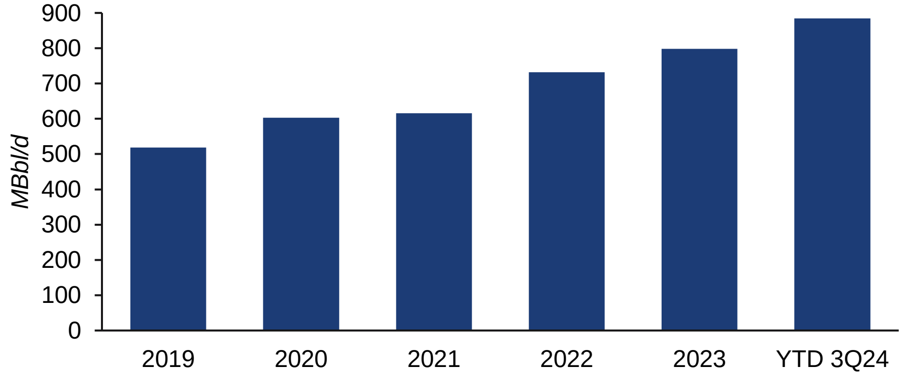
NGL Pipeline Transportation(1)(2)

+25% CAGR Q4 2019 – YTD 3Q24



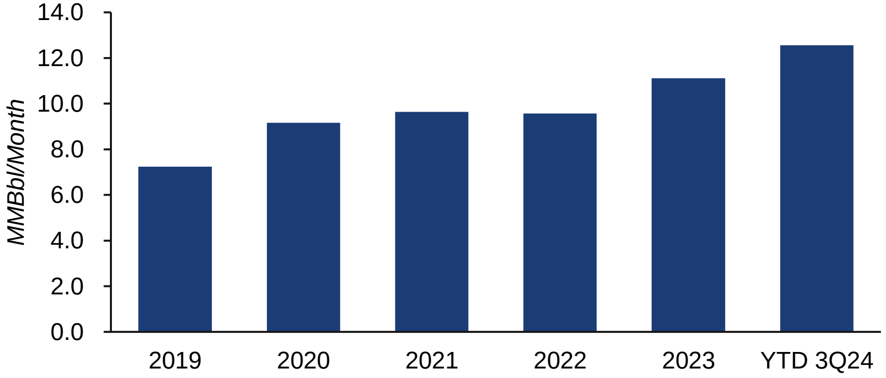
Fractionation Volumes(1)

+12% CAGR FY 2019 – YTD 3Q24



LPG Export Volumes(1)

+12% CAGR FY 2019 – YTD 3Q24



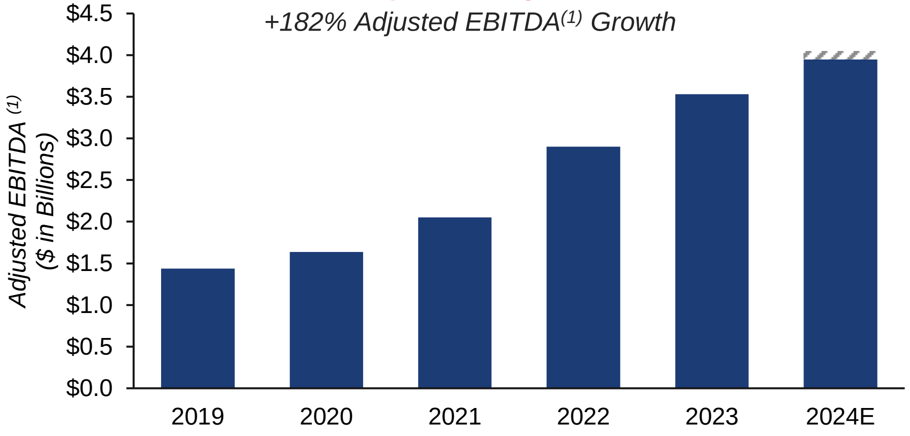
(1) Operational metrics represent average annual volumes.
(2) Targa's Grand Prix NGL Pipeline commenced full operations during 3Q19.

…Driving Increasing Return of Capital

Integrated NGL business and strong business fundamentals drive increasing cash flow outlook and return of capital

Industry Leading Growth

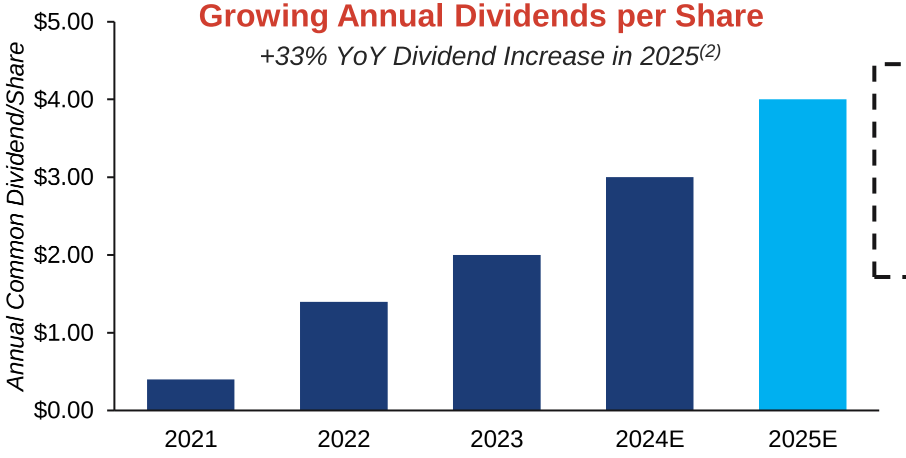
+182% Adjusted EBITDA[(1)] Growth



FY24 Adjusted EBITDA now expected above top-end of $3.95B – $4.05B range given year-to-date results

Growing Annual Dividends per Share

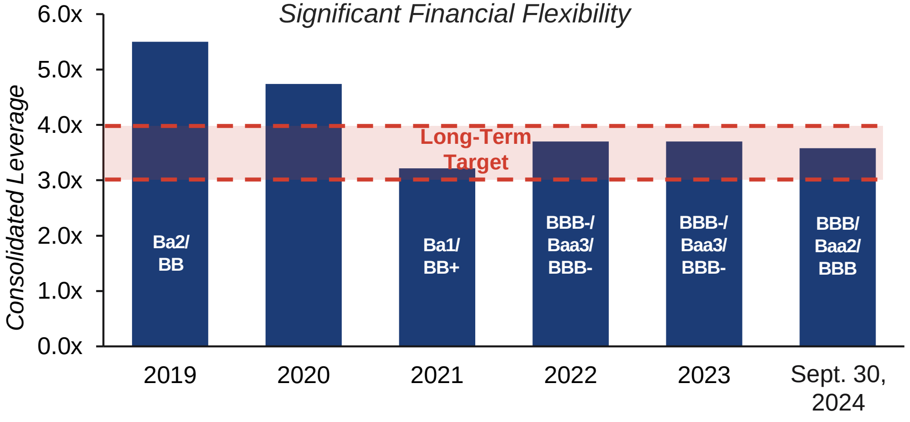
+33% YoY Dividend Increase in 2025[(2)]



Expect to be able to grow common dividends meaningfully beyond 2025

Strong Investment Grade Balance Sheet

Significant Financial Flexibility



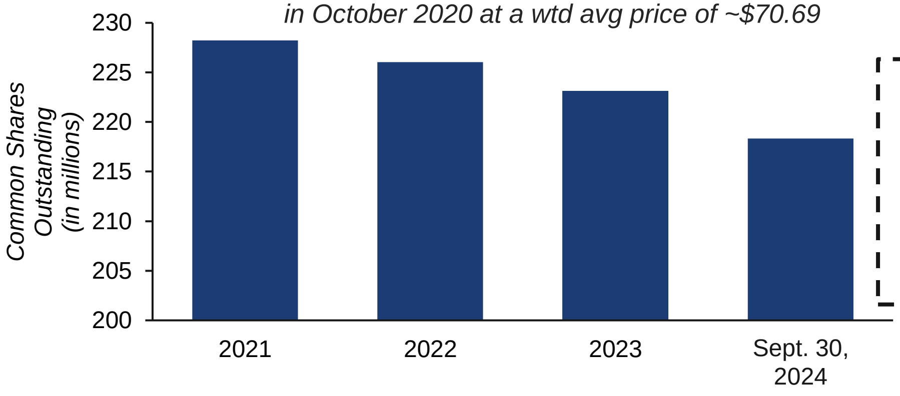
S&P upgraded to BBB in Feb'24

Fitch upgraded to BBB in Aug'24

Moody's upgraded to Baa2 in Oct'24

Reducing Share Count

Over 20.2 million shares repurchased since inception of Share Repurchase Program in October 2020 at a wtd avg price of ~$70.69



Continuing to reduce shares outstanding through successful opportunistic repurchases

Guidance Range

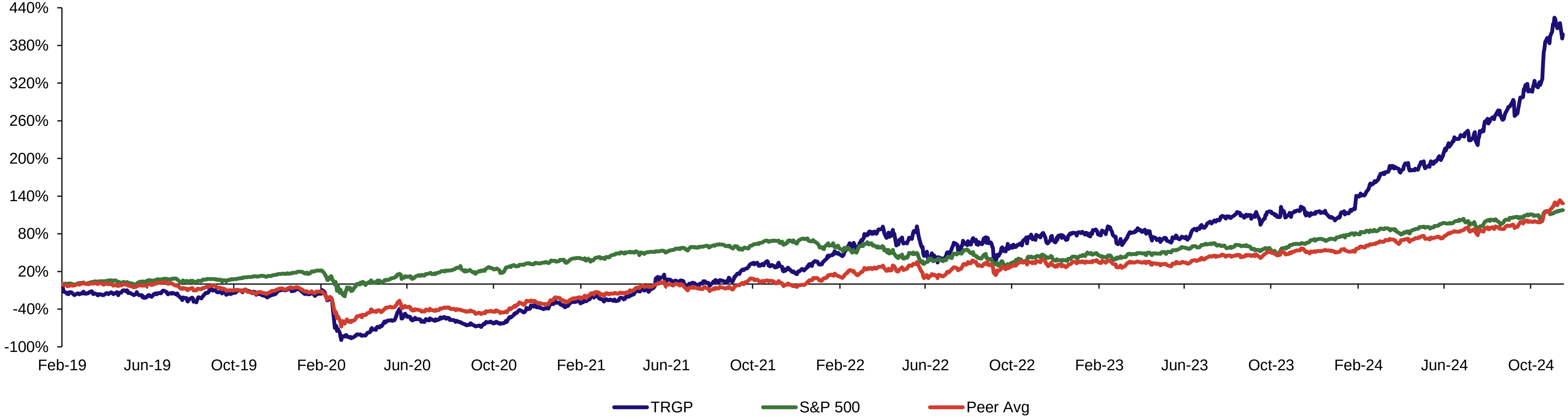
(1) Adjusted EBITDA is a non-GAAP measure. Please see the section of this presentation entitled "Non-GAAP Financial Measures" for a discussion of adjusted EBITDA and a reconciliation of such measure to its most directly comparable GAAP financial measure. Adjusted EBITDA growth based on midpoint of projected 2024E adjusted EBITDA range compared to 2019 adjusted EBITDA.

(2) Management expects to recommend to Targa's Board of Directors an increase to the 2025 quarterly cash common dividend to $4.00 per share annualized for the first quarter of 2025.

Targa Performance vs. Peers and the S&P 500

Investments across Permian integrated NGL business drive strong ROIC

$13.7B Net Investments (2019-24E)[(1)]	$2.8B EBITDA Growth (2019-24E)[(1)]	TRGP +398% Peers +128% S&P 500 +118%



(1) Total net investments for 2019 through estimated 2024 (Cumulative Capex + Acquisitions – Divestitures). 2024 growth capital expenditures include significant spending on large downstream projects including Targa's Daytona NGL Pipeline and Trains 9 and 10 which will provide full year EBITDA contributions in 2025 and beyond. Share price and index performance from 2/19/2019 through 12/3/2024. Midstream peer group includes EPD, ET, KMI, LNG, MPLX, OKE, PAA, WES, WMB.

Targa's Premier Permian Asset Footprint

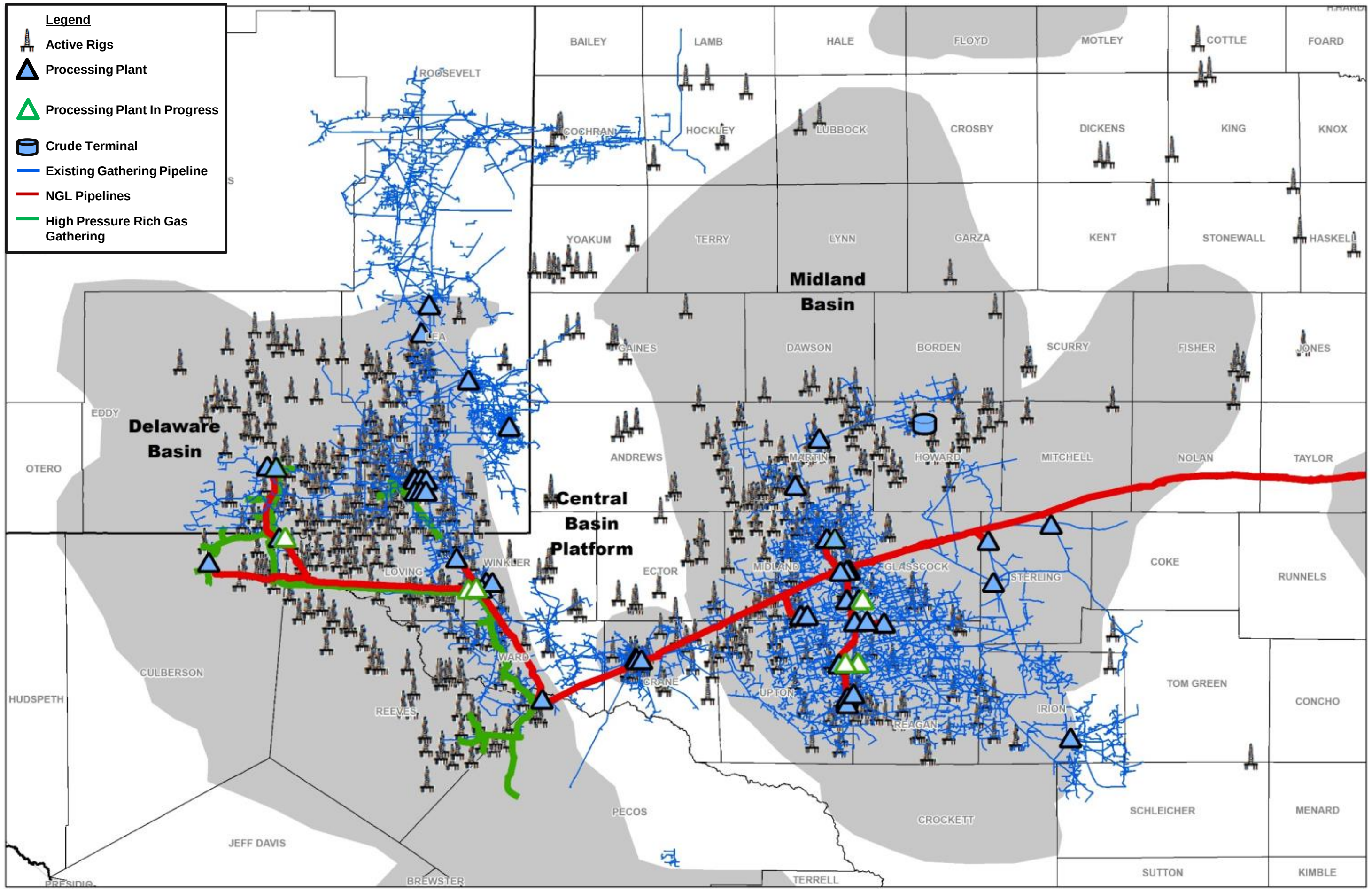
- Best-in-class producer customers
- Several million dedicated acres
- Decades of core drilling inventory
- Largest multi-plant, multi-system G&P footprint
- Integrated with Targa's NGL business

8.8 Bcf/d(1)

43 plants
Midland capacity ~4.7 Bcf/d
Delaware capacity ~4.1 Bcf/d

G&P Growth Projects Underway – In-Service Date:

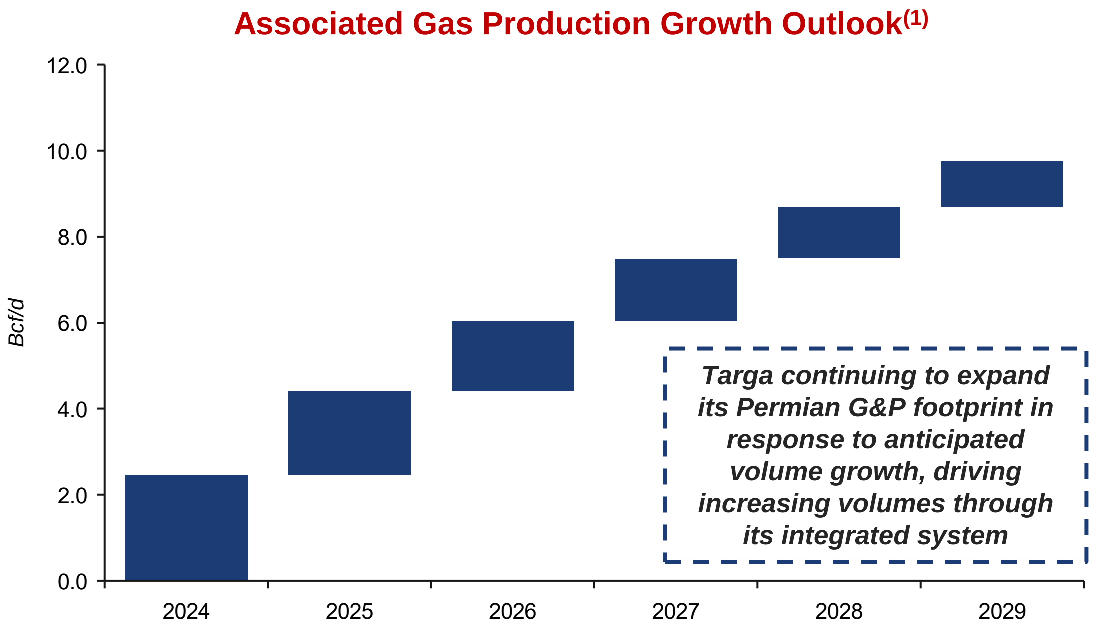
- Bull Moose – 1Q25
- Pembrook II – 4Q25
- Bull Moose II – 1Q26
- East Pembrook – 2Q26
- Falcon II – 2Q26
- East Driver – 3Q26

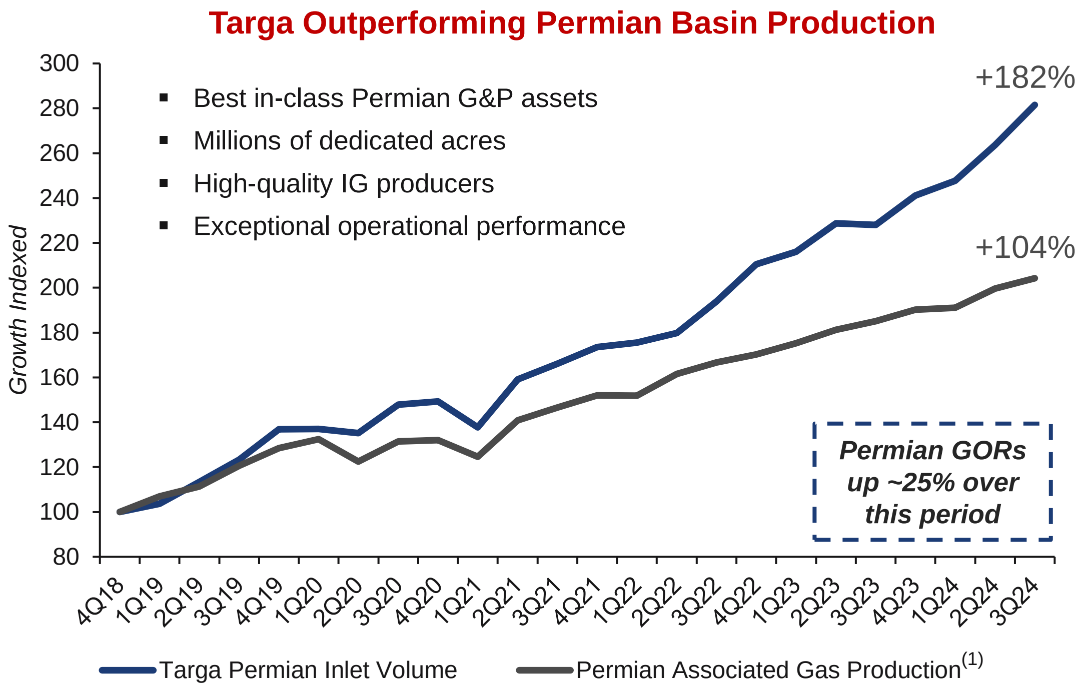


Source: Enverus; rigs as of 10/21/2024.
(1) Gross processing capacity; includes plants under construction.

Permian Basin Fundamentals

Permian Basin is poised for continued growth, driving increasing demand for Targa's midstream services





~60% of Lower 48 US shale rigs are in the Permian Basin[2]

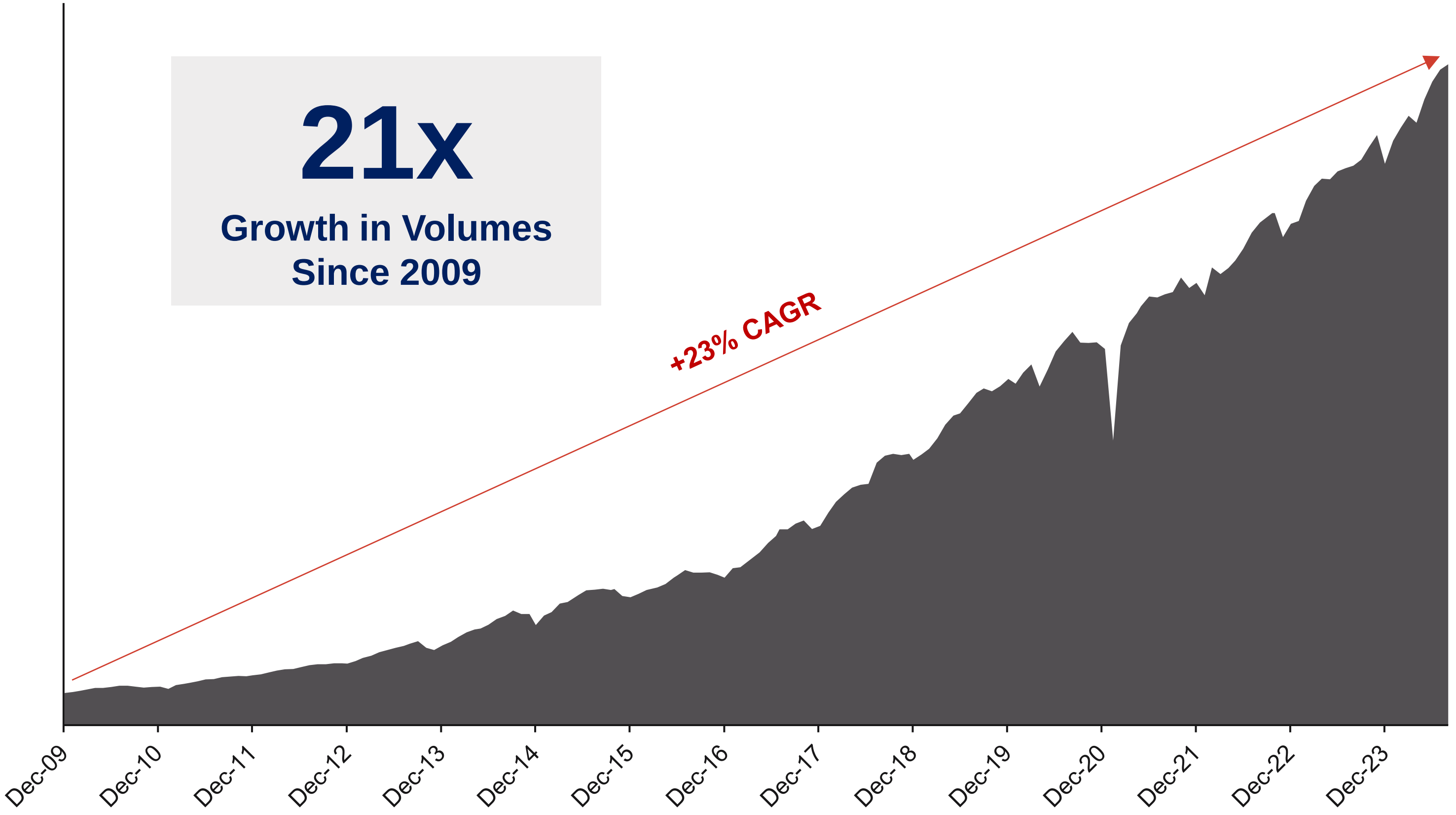
~80% of Targa's field natural gas inlet volumes sourced from the Permian

(1) Source: BTU Analytics – Upstream Outlook (October 2024).
(2) Source: Baker Hughes, as of 10/04/2024.

Targa's Differentiated Permian Position

- Targa's Midland Basin system exhibits best-in-class track record of growth in the United States
- Targa's Midland and Delaware Basin footprints are largely supported by low-pressure gathering
- This infrastructure is difficult to replicate and provides long-term security of supply
  - Millions of dedicated acres
  - Connected to thousands of receipt points to aggregate supply
  - Over 14,000 miles of natural gas gathering pipelines across the Permian
  - 2.8+ million horsepower of owned and leased compression across the Permian

Targa's Midland Basin Natural Gas Inlet Volumes[1]



(1) Represents Targa's WestTX system in Permian Midland (gross volumes in MMcf/d) through September 2024.

Targa's Integrated NGL Solution

Our assets and operations connect natural gas and NGLs to markets with growing demand for cleaner fuels and feedstocks

Largest Permian Natural Gas Processor

NGL Pipeline Transportation Connects Key Supply to NGL Market Hub in Mont Belvieu

Premier NGL Fractionation Footprint in Mont Belvieu

Connected to Domestic Petchem Market

Large Natural Gas Processing Presence in Other Key Basins

Significant Shipper of Natural Gas to Key End Markets

Operate One of the Largest Gulf Coast LPG Export Facilities

Targa's System is Integrated Across the Value Chain

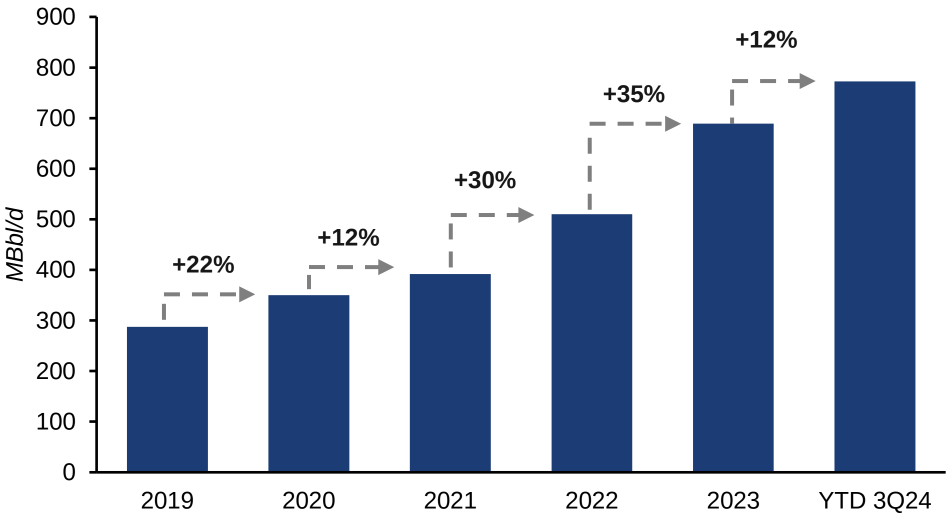
Targa's Assets are Positioned for Long-Term Success

- Growing Permian Basin Production
- Increasing U.S. Exports of Natural Gas and LPGs
- Investing in High-Return Projects Across Integrated System

NGL Production Feeds Logistics & Transportation Assets

Targa's wellhead to water NGL strategy adds significant barrels into its system that are available for export

Significant NGLs from Targa's Permian Plants



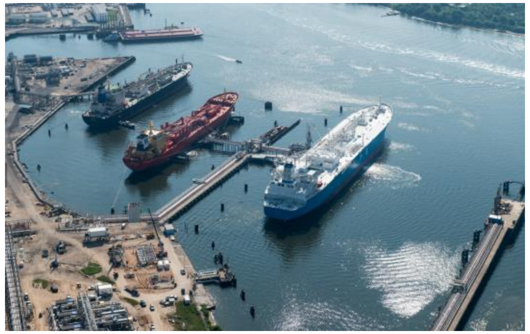
- Largest daily mover of NGLs in the Permian Basin
- Targa transports NGL production from its G&P plants and third parties to its fractionation complex in Mont Belvieu

Targa's NGL Transportation Pipelines

- Grand Prix and Daytona NGL pipelines connect supply to Targa Downstream assets in Mont Belvieu
- Positioned to benefit from growth in Permian supply

Targa's Premier Fractionation Position

- Mont Belvieu developed over decades of industry investment
- Superior connectivity to demand (U.S. petrochemical complex and exports)



Targa's LPG Export Business

- Critical source of cleaner fuels for developing nations
- Connected to fractionation, storage, supply/market interconnectivity

Illustrative Capital Spending Summary

Illustrative $1.7B of average annual capital spending at ~5.5x multiple drives ~$300MM+ of YoY increasing EBITDA

		Estimated Growth Capex to Maintain Current Volumes[1]	Estimated Growth Capex to Support Continued Permian Growth	
Gathering & Processing	Maintain Volumes	~$250MM	~$250MM	Gathering, compression, treating
	Field Growth & Other	–	~$450MM	Additional gathering, compression, treating
	Plant Growth	–	~$400MM	2 plants per year
Logistics & Transportation	Connects, etc.	~$50MM	~$50MM	NGL product connectivity
	NGL Transport, Frac & Exports	–	~$550MM	Average spend for incremental transport, frac, and export capacity and could be lumpy depending on timing of spend
Total		~$300MM	~$1,700MM	

Illustrative $1.7B of average annual capex assumes high single-digit percentage growth in Targa Permian natural gas volumes; spending would be higher, as would Adjusted EBITDA, in a higher growth environment

(1) Estimated growth capital spending to maintain current Targa Permian inlet gas volumes.

Strong Growth Supports Increasing Return of Capital

Completion of announced growth projects expected to drive meaningful ramp in adjusted FCF profile in 2025

Continued adjusted EBITDA[(1)] growth + meaningful step down in capex = Significant adjusted FCF[(1)]

Growing EBITDA

- Permian growth drives increasing system volumes, driving strong EBITDA growth outlook
- Increasing cash flow contributions from large capital projects underway

Lower Capital Spending

- Meaningful step down in 2025E growth capex attributable to completion of NGL transportation and fractionation expansions

Increasing Return of Capital

- Expect to be able to grow common dividends meaningfully beyond 2025, complemented with active opportunistic share repurchase program

Strong Balance Sheet

- Leverage ratio comfortably in the long-term leverage target ratio range of 3.0 – 4.0x

(1) Adjusted EBITDA and adjusted Free Cash Flow (FCF) are non-GAAP measures. Please see the section of this presentation entitled “Non-GAAP Financial Measures” for a discussion of adjusted EBITDA and adjusted free cash flow (FCF) and a reconciliation to their respective most directly comparable GAAP financial measure.

Targa's "All of the Above" Approach to Maximize Long-Term Shareholder Value

Balance sheet flexibility supports Targa's ability to invest in core projects while delivering meaningful shareholder returns

1. **Strong Investment Grade Balance Sheet Supported by Increasing Earnings Stability**

2. **Continue to Invest and Generate Strong Returns**

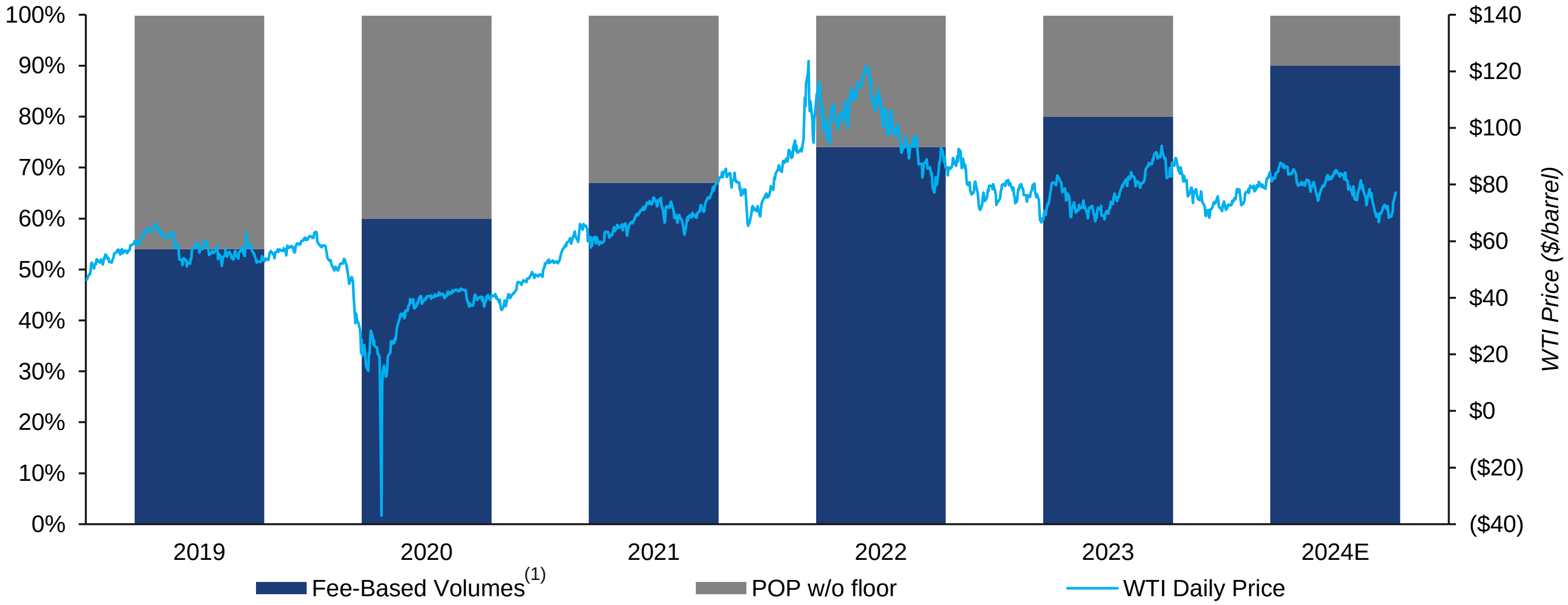
3. **Enhance Capital Return to Shareholders Through Meaningful Dividend Growth and Opportunistic Share Repurchases**

1.

Strong IG Balance Sheet Supported by Increasing G&P Fee Margin

Targa's G&P business has undergone a significant transformation in adding fees and fee floors to contracts

Total G&P Contract Mix (Based on Volume)



~90%

2024E Fee-Based Volumes in G&P

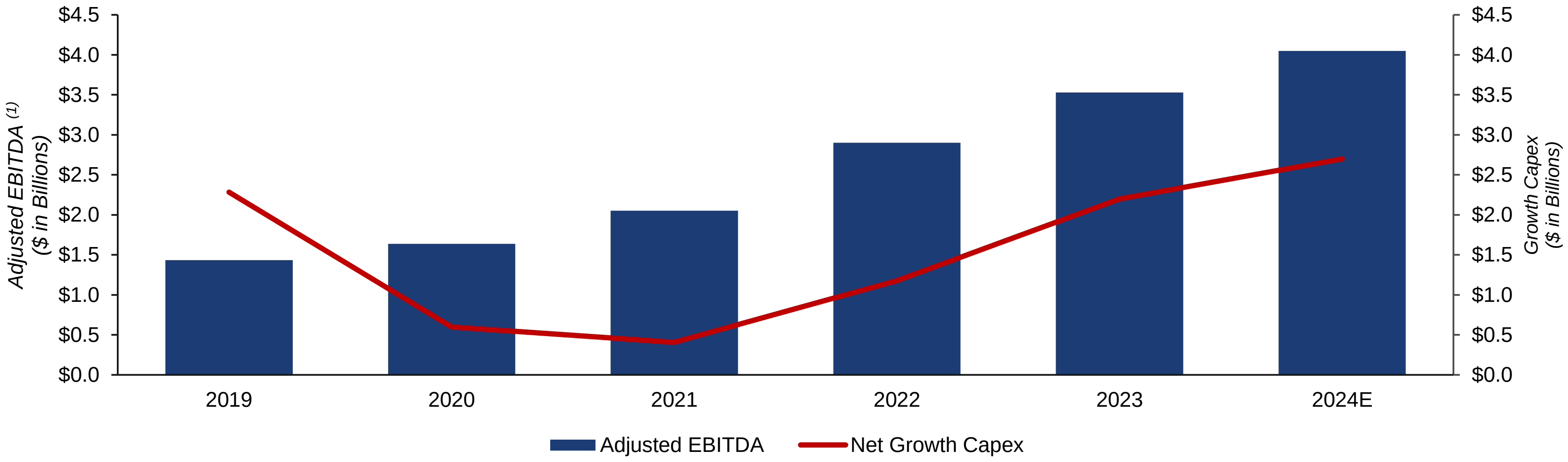
- Non-fee G&P margin hedged ~90% through 2026
- Successful contract restructurings have bolstered stability in G&P business
- New commercial wins and recent acquisitions underpinned with fee-based structures
- G&P and Permian G&P volumes are now 90%+ fee-based[1]
- New G&P investments backed with fee-based structures

(1) Fee-Based Volumes are inclusive of Percentage of Proceeds (PoP) contracts with fee-floors.

2. Attractive Growth Opportunities Drive Increasing EBITDA

Organic investments across Targa's integrated business expected to drive continued strong return on invested capital

Strong track-record of adjusted EBITDA growth through organic growth and M&A;
New organic growth projects coming online underpin expectations of 2024+ adjusted EBITDA growth



2019 – Projects In-Service
- 3 Permian Plants
- Badlands LM4 Plant
- Grand Prix NGL Pipeline
- Train 6 Frac

2020 – Projects In-Service
- 2 Permian Plants
- Trains 7 & 8 Fracs
- LPG Export Expansion

2021 – Projects In-Service
- 1 Permian Plant

2022 – Projects In-Service and M&A
- South Texas Acquisition
- Delaware Basin Acquisition
- 2 Permian Plants

2023 – Projects In-Service and M&A
- Grand Prix Acquisition (25% Interest)
- 4 Permian Plants
- LPG Export Expansion

2024E – Projects In-Service
- 2 Permian Plants
- Trains 9 & 10 Fracs
- GCF restart
- Daytona NGL Pipeline

2024+ EBITDA growth:

- ✓ Multiple new Permian G&P plants currently underway
- ✓ Prospective Permian G&P expansions
- ✓ Daytona NGL Pipeline ramp
- ✓ Train 11 (3Q26) fractionator
- ✓ Completed downstream expansions
- ✓ Prospective downstream expansions

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

3. Leading Return of Capital Outlook

Integrated NGL business and strong business fundamentals to drive increasing cash flow outlook and return of capital

40-50%

Adjusted Cash Flow from Operations expected to be returned across multi-year horizon[1]

Preserving financial flexibility to continue to invest in attractive integrated opportunities

+33%

YoY expected increase to quarterly cash dividend for 2025[2]

Growth outlook supports meaningful annual increases to common dividend beyond 2025

Share Repurchases

Opportunistic common share repurchase program

Repurchased $647 million YTD 3Q24
Repurchased $374 million in 2023

Strong Balance Sheet

Leverage comfortably in 3.0-4.0x long-term target range

(1) Adjusted cash flow from operations is a non-GAAP measure and is defined as adjusted EBITDA less cash interest expense on debt obligations and cash tax (expense) benefit. Please see the section of this presentation entitled "Non-GAAP Financial Measures".
(2) Management expects to recommend to Targa's Board of Directors an increase to the 2025 quarterly cash common dividend to $4.00 per share annualized for the first quarter of 2025.

Targa’s Infrastructure Supported by Strong Fundamental Outlook

A Leading Infrastructure Company

Bakken Assets

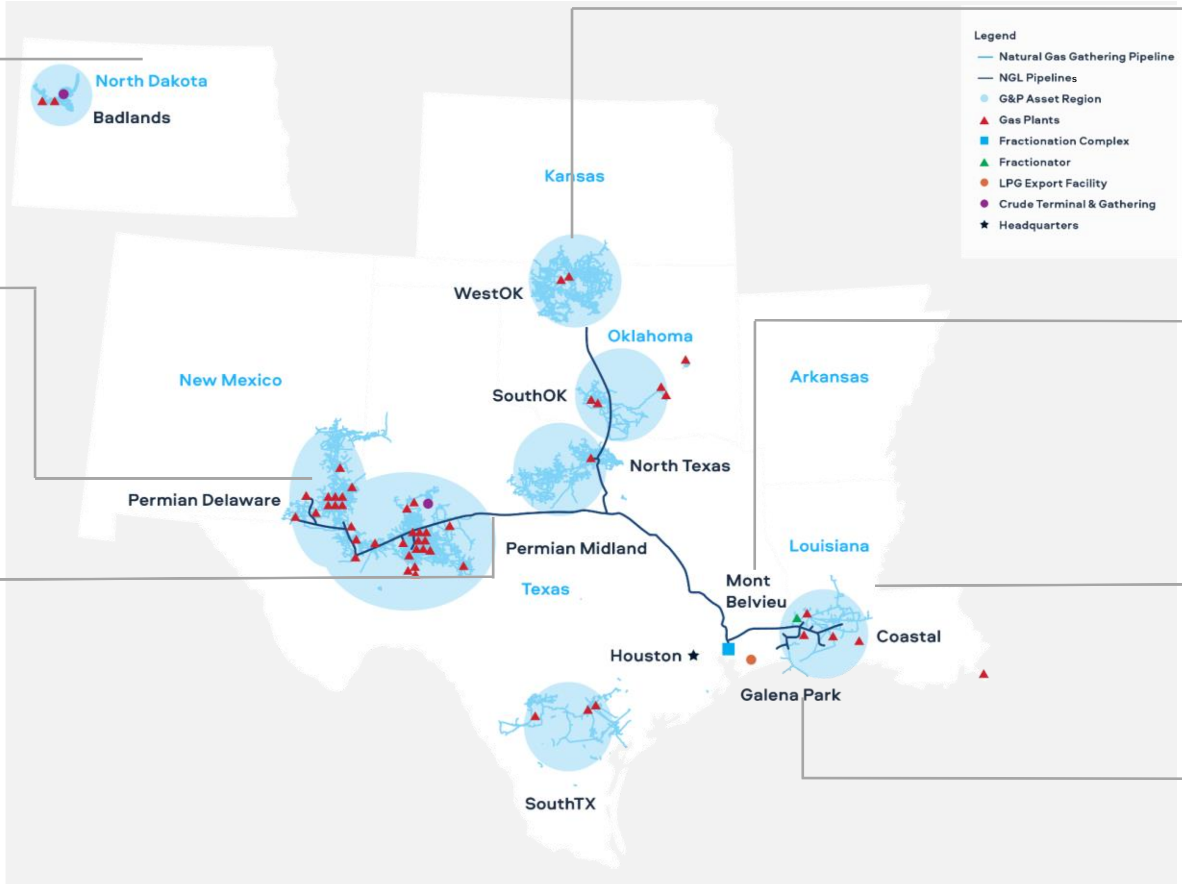
- *2 natural gas processing plants*
- *~290 MMcf/d gross processing capacity*
- *Crude oil gathering and storage*

Permian Basin Assets

- *Largest natural gas G&P position*
- *43 natural gas processing plants(1)*
- *~8.8 Bcf/d gross processing capacity(1)*

NGL Pipeline Transportation

- *Grand Prix NGL Pipeline connects Targa and third-party assets in the Permian and Midcon to Mont Belvieu*
- *Daytona NGL Pipeline expansion connects Permian to 30-inch diameter segment of Grand Prix in North Texas*



Central Region Assets

- *11 natural gas processing plants*
- *~2.0 Bcf/d gross processing capacity*

NGL Fractionation

- *One of the largest footprints in Mont Belvieu*
- *11 fractionation trains*
- *~1.3 MMBbl/d gross fractionation capacity(2)*

Coastal Region Assets

- *5 natural gas processing plants*
- *~2.0 Bcf/d gross processing capacity*

LPG Export Services

- *One of the largest U.S. exporters of LPG*
- *~13.5 MMBbl/month effective working capacity(3)*

(1) Includes announced Permian Midland and Permian Delaware plant additions currently underway.
(2) Includes 40 MBbl/d of back-end capacity, Train 11 scheduled to be completed in Q3 2026, and Targa's proportionate equity interest in GCF.
(3) Export facility has an effective working capacity of 13.5 MMBbl/month. This capability is dependent on the mix of propane and butane demand, vessel size and availability of supply, among other factors.

Targa vs. S&P 500

Targa is uniquely positioned across the S&P 500 given balance sheet strength, return of capital, EBITDA growth and performance

	S&P 500 Companies	TRGP Metrics	S&P 500 Median
Investment Grade[(1)]	398	**Fitch / Moody's / S&P:** BBB / Baa2 / BBB	---
2024E Dividend Yield >1.8%	197	1.9%[(2)]	1.8%
2024E – 2026E EBITDA CAGR >9.0%[(3)]	47	9.6%	6.8%
2024E – 2026E Dividend CAGR >10.0%[(3)]	5	23.7%	5.4%
Proven Market Outperformance[(4)]	TARGA	139%	85%

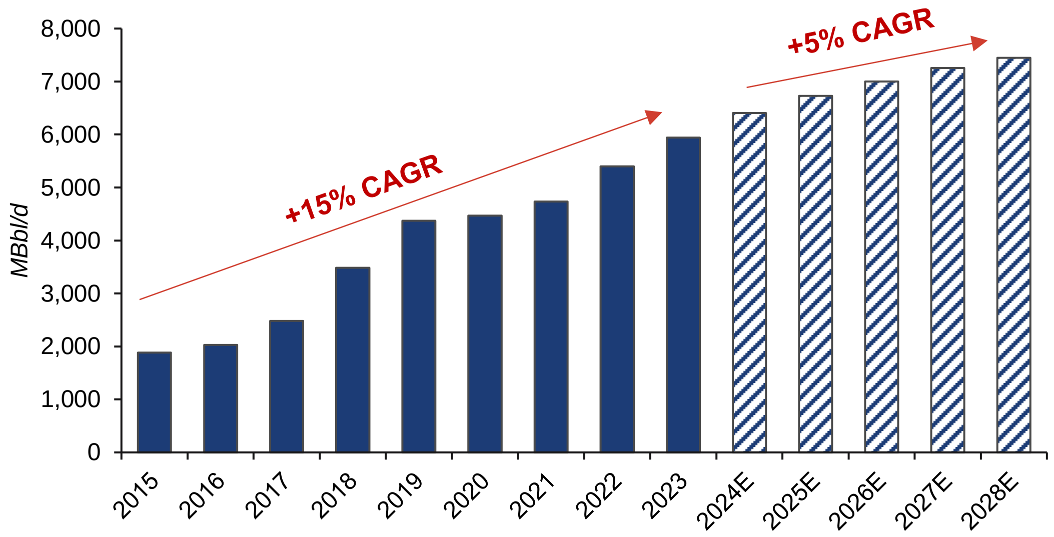
Source: FactSet, Bloomberg, and Company filings. Market Data as of 10/21/2024.

(1) Companies ranked with investment grade ratings with at least two of the agencies, BBB- or higher by Fitch, Baa3 or higher by Moody's and BBB- or higher by S&P.
(2) TRGP 2024E dividend yield based on $3.00/share annual dividend and closing price as of 10/21/2024.
(3) 2024E – 2026E EBITDA and Dividend CAGR based on consensus estimates.
(4) Last 24 months share price performance > 100% as of 10/21/2024.

Permian Oil and Gas Volumes: Positioned for Continued Growth

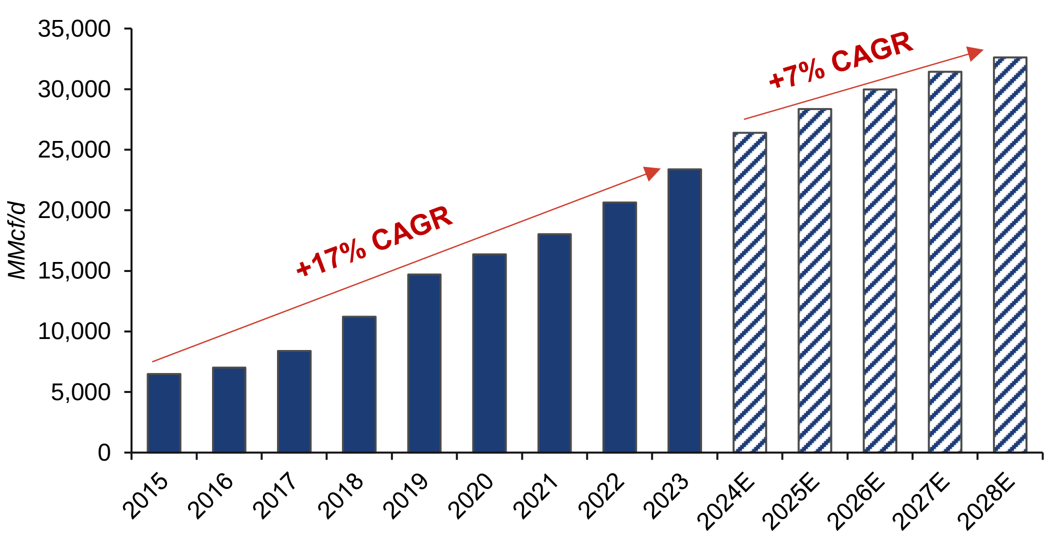
Permian Basin is a world-class resource and one of the most economic producing basins in the world

Permian Crude Oil Production



- Permian oil production has increased 15% CAGR since 2015
- ~60% of US shale rig activity is focused in the Permian Basin
- Production growth outlook backed by attractive producer inventory and depth of inventory

Permian Gross Natural Gas Production



- Permian gross gas production has increased 17% CAGR since 2015
- Robust GOR (gas-to-oil ratio) trend signals attractive associated gas production growth outlook

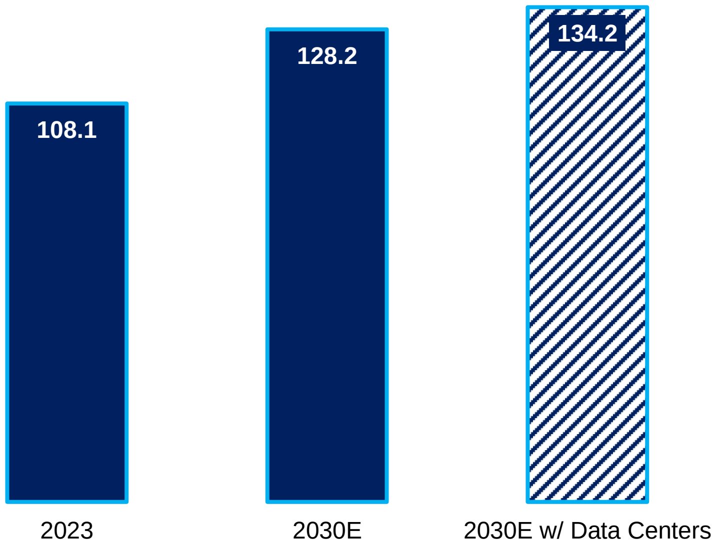
Source: EIA for historical data and BTU Analytics – Upstream Outlook (October 2024 for forecasted production).

Natural Gas Demand Growth Outlook

Incremental production from the Permian and other shale basins will be needed to support increasing natural gas demand

- Lower 48 natural gas demand is expected to grow by ~20% through 2030 (~25% including projected data center demand)
- Natural gas to play a significant role in the supply stack going forward
  - Increasing global demand for LNG
  - Onshoring of U.S. manufacturing
  - Electrification of oil and gas operations
  - Growing electricity demand from data centers and crypto mining
  - Natural gas baseload generation supports and enhances grid stability
- Demand growth supports continued investment in natural gas infrastructure

Total Lower 48 Natural Gas Demand (Bcf/d)



~~+20~~ Bcf/d
+26 Bcf/d
of growth driven by

+13 Bcf/d LNG feed gas
+6 Bcf/d data centers
+3 Bcf/d exports to Mexico
+2 Bcf/d industrial

Source: Wood Mackenzie (April and September 2024) and Targa Fundamentals. Data center demand projections are a composite of outlooks from McKinsey, Boston Consulting Group, Wells Fargo, Wood Mackenzie, Citi, and Morgan Stanley.
Note: LNG feed gas includes an assumed 9% increase to account for LNG plant fuel which would otherwise be included in the industrial category.

Investing in Attractive Projects Driven by Permian Volume Growth

Organic investments across Targa's integrated NGL business expected to drive strong return on invested capital

Gathering & Processing

- Currently adding +2.2 Bcf/d of gas processing capacity in the Permian in response to increasing production and to meet the infrastructure needs of producers

Expansion Project	Gross Capacity	Forecasted In-Service
Permian Midland		
Greenwood II plant	275 MMcf/d	4Q24[1]
Pembrook II plant	275 MMcf/d	4Q25
East Pembrook plant	275 MMcf/d	2Q26
East Driver plant	275 MMcf/d	3Q26
Permian Delaware		
Roadrunner II plant	230 MMcf/d	2Q24[1]
Bull Moose plant	275 MMcf/d	1Q25
Bull Moose II plant	275 MMcf/d	1Q26
Falcon II plant	275 MMcf/d	2Q26

Logistics & Transportation

- Expanding NGL takeaway from the Permian and fractionation capacity to support growth in NGLs from Targa's Permian G&P position and third parties

Expansion Project	Gross Capacity	Forecasted In-Service
Daytona NGL Pipeline	400 MBbl/d	3Q24[1]
Train 9 Fractionator	120 MBbl/d	2Q24[1]
Train 10 Fractionator	120 MBbl/d	4Q24[1]
GCF Fractionator	135 MBbl/d	4Q24
Train 11 Fractionator	150 MBbl/d	3Q26
Galena Park Expansion	650 MBbl/month	2H25

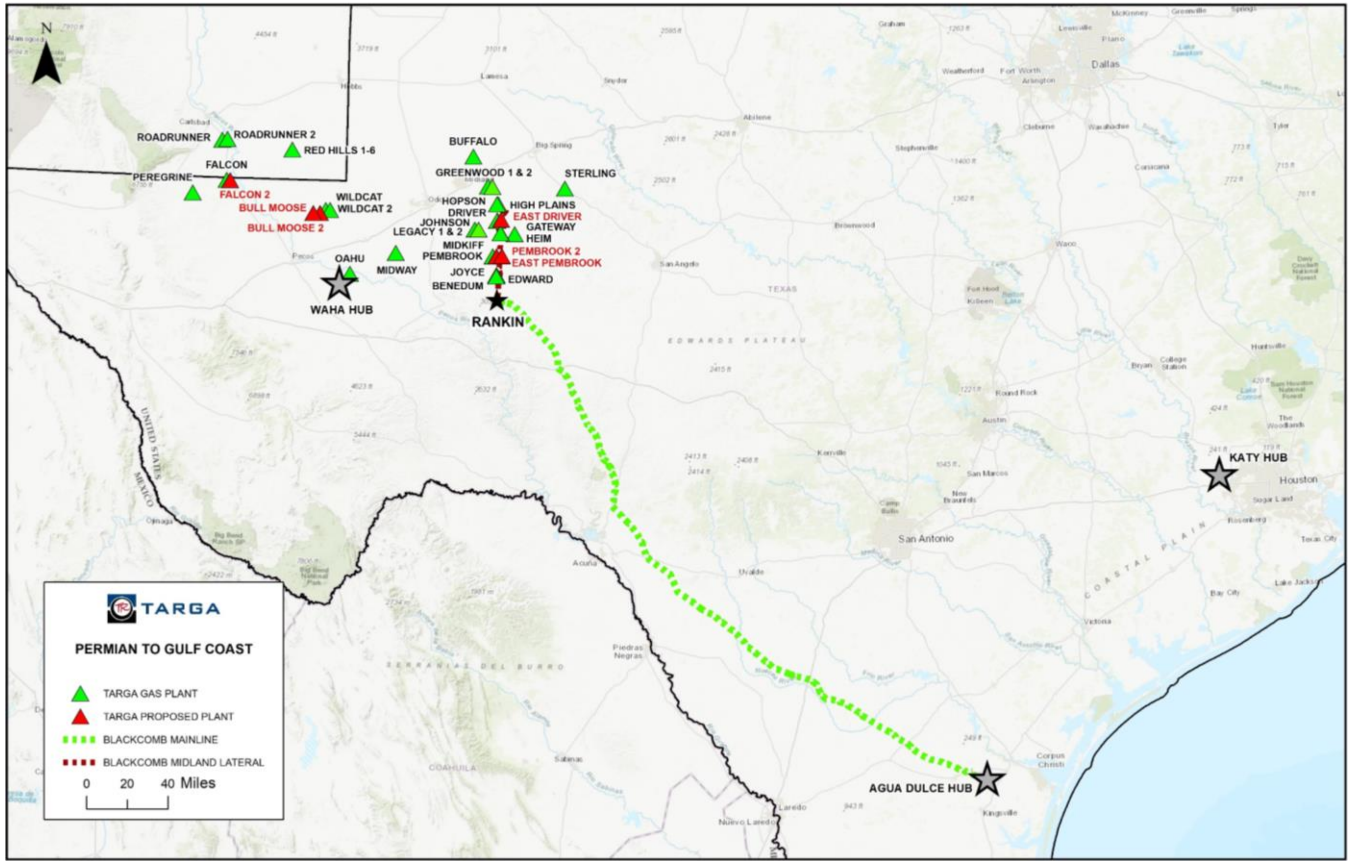
Ability to collect fees at multiple points as molecules move through Targa's system

(1) Currently in-service.

Blackcomb Pipeline

Blackcomb Pipeline reaches FID to transport growing natural gas production from the Permian Basin to the Gulf Coast region

- **Strategic Merits**
  - Provides much needed incremental natural gas takeaway capacity to support continued Permian Basin natural gas production growth
  - Targa to support the project through volume commitment and a 17.5% equity interest, which is expected to be project financed
- **Project Scope**
  - Designed to transport up to 2.5 Bcf/d of gas through ~365 miles of 42-inch pipeline from the Permian Basin to the Agua Dulce area in South Texas
  - Expected in-service 2H26, pending receipt of customary regulatory and other approvals.
  - Supply will be sourced from multiple upstream connections in the Permian, including direct connections to gas processing facilities in the Midland Basin and the Agua Blanca Pipeline in the Delaware Basin
- **Ownership**
  - 70% WPC Joint Venture (“WPC”), 17.5% Targa, 12.5% MPLX; WPC is owned by WhiteWater (50.6%), MPLX LP (30.4%), and Enbridge Inc. (19.0%)

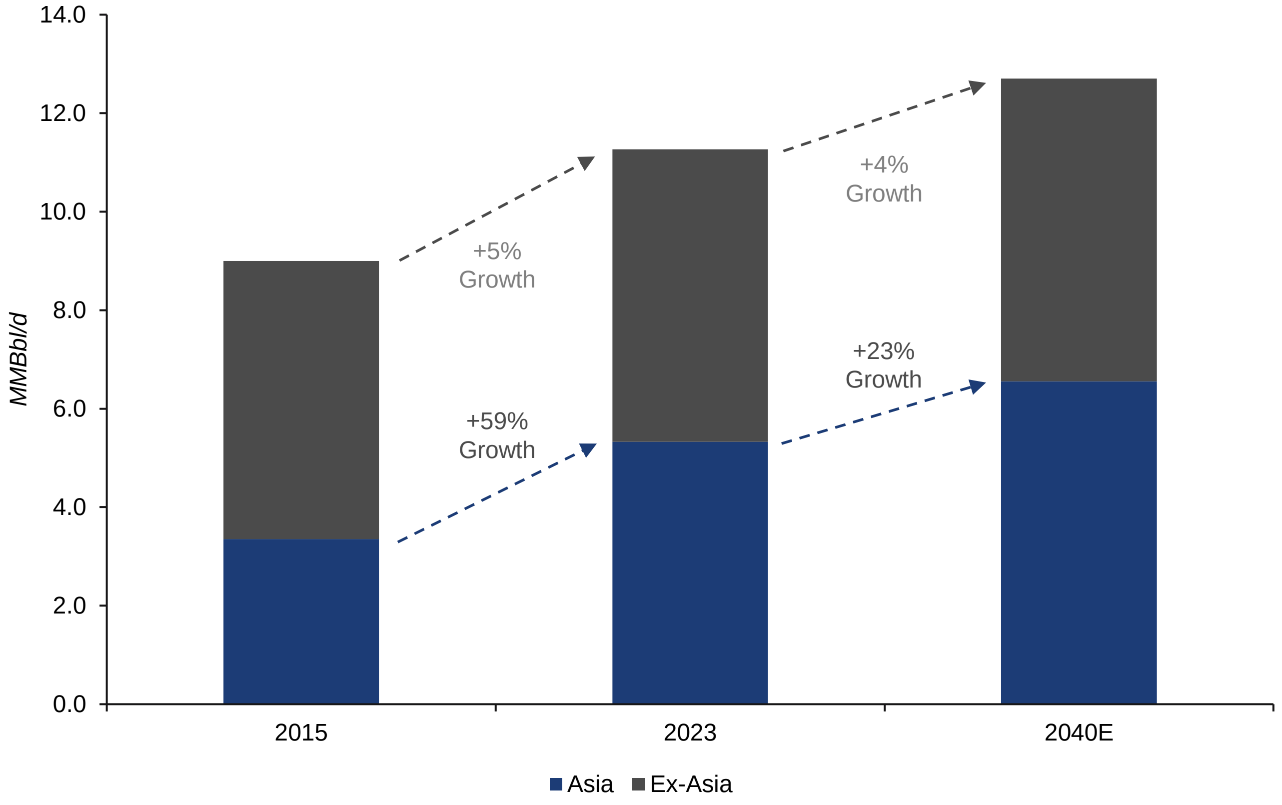


Strong LPG Fundamentals Supportive of Increased Exports

Targa's wellhead to water NGL strategy adds significant barrels into its system that are available for export

- Increasing global demand for propane and butane driven by broad application for residential and commercial use, in addition to a significant increase in base chemical cracking and PDH demand, notably in Asia
- Historically, >50% of total U.S. LPG exports were shipped to Asia Pacific countries
- The U.S. is the incremental supplier and exporter of NGLs to support growing global demand

Global LPG Demand



Source: S&P Global (September 2024).

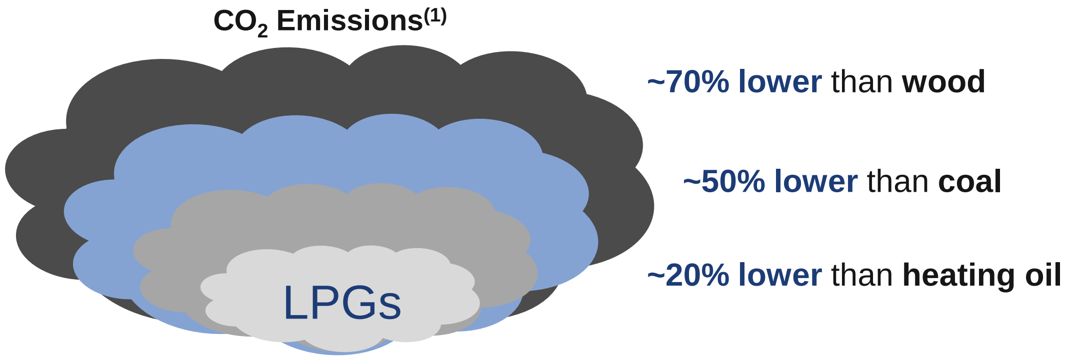
Targa is Well-Positioned to Support Global Energy Needs

LPG exports provide critical source of cleaner fuels for developing nations and help reduce global CO2 emissions

5.6 Billion

gallons of LPGs from Targa's facilities exported globally in 2023

Use of LPGs Provides Emission Reductions



- LPGs are replacing biomass in many rural communities, and LPG demand is growing in China, India, Indonesia, Bangladesh and across many countries in Africa
  - Where electricity is not available, the use of LPGs have a positive impact on the health and prosperity for local people in these nations by offering a cleaner energy cooking solution
  - LPGs are a reliable energy source that is easily transported and stored with significantly lower emissions
- LPG use supports and enables inclusive economic growth, promotes gender equality, protects the environment, and saves lives

(1) Source: World LPG Association (WLPGA) - Based on difference in CO_2 emissions from average of propane and butane versus wood, coal, and kerosene.

Sustainability Approach

Sustainability responsibilities are integrated across all levels of our business structure, guided by a well-defined framework of roles and responsibilities

- Environmental Stewardship
- Safety Leadership
- Social Responsibility
- Corporate Governance

Board of Directors

- Board of Directors is responsible for the oversight of our approach to sustainability and our Enterprise Risk Management (ERM) process
  - Hold the Executive team accountable for implementing our sustainability objectives

Board Committees

- The Sustainability Committee assists the Board in overseeing sustainability matters
- The Audit Committee reviews Targa's efforts around risk management, including cybersecurity
- The Compensation Committee oversees Sustainability-linked compensation and helps assess Targa's sustainability performance

CEO and Executive Management

- Oversee the development, implementation, and reporting on sustainability-related efforts
- Facilitate our ERM process, actively supporting the development of our program and approach to risk management

Management and Business Leaders

- Responsible for developing and supporting our sustainability objectives and initiatives
- Support the integration of sustainability considerations into our daily operations

Employees

- Targa employees are our greatest sustainability ambassadors. They are responsible for executing our sustainability objectives and initiatives. They connect with stakeholders as well as implement more efficient and effective initiatives across our business

Compelling Investment Proposition

Growing EBITDA, Growing Dividend, Reducing Share Count, Strong Balance Sheet

Accretive Growth

Anticipate significant EBITDA growth underpinned by system volume growth

Strategic Position

Investing in attractive high-returning integrated opportunities in response to Permian volume growth

Shareholder Returns

Returning increasing capital to shareholders

Strong Balance Sheet

Preserving financial flexibility to execute through cycles

Appendix and Reconciliations

Hedge Disclosures

Hedges provide cash flow stability and reduce exposure to commodity prices on non-fee-based G&P contract exposure; Non-fee G&P margin is hedged ~90% through 2026

FIXED PRICE SWAPS	Volumes Hedged	Wtd. Avg. Hedge Price	Volumes Hedged	Wtd. Avg. Hedge Price
	Oct – Dec 2024[2]		2025[2]	
Natural Gas ***(MMBtu/d; $/MMBtu)***	87,760	$3.09	79,198	$3.26
Wtd Avg NGL ***(Bbl/d; $/Gal)***[1]	26,131	$0.66	25,813	$0.61
WTI Crude Oil ***(Bbl/d; $/Bbl)***	7,097	$75.59	7,437	$71.54

(1) Targa's composite NGL barrel comprises 44% ethane, 32% propane,11% normal butane, 4% isobutane and 9% natural gasoline as of December 31, 2023.
(2) Inclusive of hedges executed through September 30, 2024.

Non-GAAP Financial Measures

This presentation includes the Company’s non-GAAP financial measures: adjusted EBITDA, adjusted cash flow from operations, and adjusted free cash flow. The following tables provide reconciliations of these non-GAAP financial measures to their most directly comparable GAAP measures.

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

Adjusted EBITDA

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

Adjusted Cash Flow from Operations and Adjusted Free Cash Flow

The Company defines adjusted cash flow from operations as adjusted EBITDA less cash interest expense on debt obligations and cash tax (expense) benefit. The Company defines adjusted free cash flow as adjusted cash flow from operations less maintenance capital expenditures (net of any reimbursements of project costs) and growth capital expenditures (net of contributions from noncontrolling interest and contributions to investments in unconsolidated affiliates). Adjusted cash flow from operations and adjusted free cash flow are performance measures used by the Company and by external users of the Company’s financial statements, such as investors, commercial banks and research analysts, to assess the Company’s ability to generate cash earnings (after servicing the Company’s debt and funding capital expenditures) to be used for corporate purposes, such as payment of dividends, retirement of debt or redemption of other financing arrangements.

Non-GAAP Measures Reconciliation

	Year Ended December 31,				
	2023	2022	2021	2020	2019
			(In millions)		
Reconciliation of Net income (loss) attributable to Targa Resources Corp. to Adjusted EBITDA					
Net income (loss) attributable to Targa Resources Corp.	$ 1,345.9	$ 1,195.5	$ 71.2	$ (1,553.9)	$ (209.2)
Income attributable to TRP preferred limited partners	—	—	—	15.1	11.3
Interest (income) expense, net [1]	687.8	446.1	387.9	391.3	337.8
Income tax expense (benefit)	363.2	131.8	14.8	(248.1)	(87.9)
Depreciation and amortization expense	1,329.6	1,096.0	870.6	865.1	971.6
Impairment of long-lived assets	—	—	452.3	2,442.8	225.3
(Gain) loss on sale or disposition of business and assets	(5.3)	(9.6)	2.0	58.4	71.1
Write-down of assets	6.9	9.8	10.3	55.6	17.9
(Gain) loss from financing activities [2]	2.1	49.6	16.6	(45.6)	1.4
(Gain) loss from sale of equity-method investment	—	(435.9)	—	—	(69.3)
Transaction costs related to business acquisition [3]	—	23.9	—	—	—
Equity (earnings) loss	(9.0)	(9.1)	23.9	(72.6)	(39.0)
Distributions from unconsolidated affiliates	18.6	27.2	116.5	108.6	61.2
Change in contingent considerations	—	—	0.1	(0.3)	8.7
Compensation on equity grants	62.4	57.5	59.2	66.2	60.3
Risk management activities [4]	(275.4)	302.5	116.0	(228.2)	112.8
Severance and related benefits [5]	—	—	—	6.5	—
Noncontrolling interests adjustments [6]	(3.7)	15.8	(89.4)	(224.3)	(38.5)
Litigation expense [7]	6.9	—	—	—	—
Adjusted EBITDA [8]	**$ 3,530.0**	**$ 2,901.1**	**$ 2,052.0**	**$ 1,636.6**	**$ 1,435.5**

(1) Includes the change in estimated redemption value of the mandatorily redeemable preferred interests.
(2) Gains or losses on debt repurchases or early debt extinguishments.
(3) Includes financial advisory, legal and other professional fees, and other one-time transaction costs.
(4) Risk management activities related to derivative instruments including the cash impact of hedges acquired in the 2015 mergers with Atlas Energy L.P. and Atlas Pipeline Partners L.P. The cash impact of the acquired hedges ended in December 2017.
(5) Represents one-time severance and related benefit expense related to the Company's cost reduction measures.
(6) Noncontrolling interest portion of depreciation and amortization expense (including the effects of the impairment of long-lived assets on non-controlling interests).
(7) Charges related to litigation resulting from winter storm in February 2021 unreflective of our ongoing core operations.
(8) Beginning in the second quarter of 2019, we revised our reconciliation of Net Income (Loss) attributable to TRC to Adjusted EBITDA to exclude the Splitter Agreement adjustment previously included in the comparative periods presented herein. For all comparative periods presented, our Adjusted EBITDA measure previously included the Splitter Agreement adjustment, which represented the recognition of the annual cash payment received under the condensate splitter agreement ratably over four quarters. The effect of these revisions reduced TRC's Adjusted EBITDA by $75.2 million and $43.0 million for 2018 and 2017.

Non-GAAP Measures Reconciliation

	Full Year 2024E (in millions)	
Reconciliation of Estimated Net Income attributable to Targa Resources Corp. to Estimated Adjusted EBITDA		
Net income attributable to Targa Resources Corp.	**$**	**1,370.0**
Interest expense, net[1]		765.0
Income tax expense		375.0
Depreciation and amortization expense		1,370.0
Equity earnings		(5.0)
Distributions from unconsolidated affiliates		20.0
Compensation on equity grants		65.0
Risk management and other		90.0
Noncontrolling interests adjustments[2]		-
Estimated Adjusted EBITDA	**$**	**4,050.0**

(1) Includes $55.8 million of interest expense associated with the Splitter Agreement ruling.
(2) Noncontrolling interest portion of depreciation and amortization expense.

Targa is a leading provider of midstream services and is one of the largest independent midstream infrastructure companies in North America. Our operations are critical to the efficient, safe, and reliable delivery of energy across the United States and increasingly to the world. Our assets connect natural gas and natural gas liquids (NGLs) to domestic and international markets with growing demand for cleaner fuels and feedstocks.

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