

1. BACKGROUND AND PURPOSE

At Arizona Public Service Company (APS), our purpose goes beyond providing clean, reliable and affordable energy to our customers. As set forth in the [APS Promise](#), our purpose is to do what is right for the people and prosperity of Arizona. At APS, we believe it's the right thing to conduct our business ethically, and with respect for the dignity and fundamental human rights of all people.

We define "human rights" as the rights inherent to all human beings, including the right to liberty and life, freedom from slavery and torture, freedom of assembly, expression and more, regardless of race, color, religion, disability, age, national origin, gender, gender identity and expression, sexual orientation, marital status, protected veteran status, and/or any other classification or characteristic protected by federal, state or local law.

Pinnacle West Capital Corporation (PNW) and its subsidiaries and affiliates, including APS (collectively the Company), establish this Human Rights Policy (Policy) to outline our policies and practices in support of human rights, to reiterate our commitment to human rights, and to integrate this respect into our operations, business practices and supply chain.

This Policy is generally consistent with international principles of human rights, including:

- [United Nations Universal Declaration of Human Rights](#)
- [United Nations Guiding Principles on Business and Human Rights](#)
- [International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work](#)

2. GOVERNANCE

Respect for human rights starts with the PNW Board of Directors (the Board). The Board's Corporate Governance and Public Responsibility Committee (CGPRC) is responsible for reviewing significant environmental, social and governance (ESG) trends, including the Company's public and social responsibility policies, strategies and practices. The CGPRC also reviews and assesses the Company's Code of Ethical Conduct. In addition, the Human Resources Committee of the Board periodically reviews the Company's strategies and policies related to human capital management, including matters such as diversity, inclusion, pay equity, corporate culture, talent development and retention.

3. ENVIRONMENTAL STEWARDSHIP

APS is committed to protecting the environment and conducting business in an environmentally sustainable manner. We establish policies, processes and procedures for sustainable practices

and comply with all applicable environmental laws and regulations. By 2050, we aim to serve our customers with 100% clean, carbon-free electricity through our [Clean Energy Commitment](#).

4. CODE OF ETHICAL CONDUCT

APS's [Code of Ethical Conduct](#) serves as a guide for how we meet the expectations and standards of our customers and communities and demonstrate the actions and behaviors that will enhance ethical decision-making and strengthen Company culture. We use our Code to deliver on our APS Promise to our employees, our customers and our community. The Code of Ethical Conduct applies to employees and members of the Board.

Employee awareness of and dedication to compliance with our Code of Ethical Conduct is key to meeting our obligations to protect our employees and those who work on behalf of the Company. Concepts including ethical conduct consistent with our values, can be found in mandatory employee training, including our annual Code of Ethical Conduct training.

5. SUPPLIERS AND BUSINESS PARTNERS

We see suppliers as partners who contribute to the communities we serve. We have established high ethical standards of corporate responsibility and are committed to doing business ethically and fairly with our suppliers and business partners. Suppliers are expected to treat people with dignity and respect, encourage diversity and diverse opinions, promote equal opportunity for all and help create an inclusive and ethical culture.

We expect our suppliers and business partners to uphold the standards respecting human rights consistent with our Code of Ethical Conduct, [Supplier Code of Ethical Conduct](#) and applicable laws. We expect our suppliers and business partners to conduct their business in a manner that is free from human rights abuses. Suppliers are also expected to self-monitor and, if requested, demonstrate their compliance with APS's standards; failure to do so could result in termination as a supplier.

6. HARASSMENT, RETALIATION AND DISCRIMINATION

The Company does not tolerate harassment, retaliation or discrimination in any form. We are committed to providing a work environment in which individuals are treated with dignity and respect, and are free from discrimination, harassment and retaliation, without regard to race, color, religion, disability, age, national origin, gender, gender identity and expression, sexual orientation, marital status, protected veteran status, and/or any other classification or characteristic protected by law.

7. CULTURE OF SAFETY AND HEALTH

At the Company, the safety and health of our employees and contractors is engrained in our company culture. Individuals have a right to safe working conditions, and the Company is

committed to providing a safe and secure work environment. Employees and contractors are expected to perform their jobs in a manner that complies with all occupational safety and health laws and regulations. All employees are expected to maintain safe working conditions, comply with the safety standards and policies of their jobs, and promptly report actual or potential unsafe working conditions and work-related injuries or illnesses.

8. DIVERSITY, EQUITY AND INCLUSION

At APS, we are committed to diversity, equity and inclusion. When employees feel seen, heard and valued, they feel like they belong, and we can more effectively unite behind our APS Promise. Inclusion at the Company involves taking deliberate action to embrace the unique perspectives and insights of each employee. Our mix of unique identities, perspectives and experiences makes us stronger and more innovative.

Supplier diversity is an integral part of our commitment to diversity. A diverse roster of suppliers strengthens our business and our community. It also provides an opportunity to gain innovative ideas from suppliers that reflect our customer base.

9. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Maintaining strong, long-term relationships with our union members is important to our success in pursuit of our common goal of delivering clean, reliable and affordable energy to our customers. The Company respects freedom of association and the rights of employees. Where employees are represented by a labor union, the Company complies with collective bargaining obligations and agreements from properly certified labor unions.

10. EQUAL EMPLOYMENT OPPORTUNITY

We take pride in being an equal opportunity employer. We provide equal opportunity in all phases of the employment process and in compliance with applicable federal, state and local laws and regulations. We are committed to providing equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, disability, age, national origin, gender, gender identity and expression, sexual orientation, marital status, protected veteran status, and/or any other classification or characteristic protected by law. Giving equal consideration to all qualified candidates enables us to equitably grow and leverage our diverse and powerful workforce so we can create a high-performing work environment.

11. CHILD LABOR, FORCED LABOR AND HUMAN TRAFFICKING

We uphold individual human rights in all our operations. We have a zero-tolerance policy for the use of forced, bonded, child or indentured labor, involuntary prison labor, slavery, or trafficking of persons of any kind in our operations and supply chains. In addition, we comply with applicable laws prohibiting such exploitation.

12. HOURS, WAGES AND BENEFITS

The Company compensates employees equitably and competitively relative to the applicable industry and labor markets and in accordance with terms of applicable collective bargaining agreements. The Company is committed to complying with applicable minimum wage, wage payment, work hours, overtime and benefits laws. In addition, the Company establishes work shifts and schedules as appropriate to meet business needs and to comply with applicable laws and collective bargaining agreements. We also support a work-life balance for our employees and provide time-off programs that support personal needs coupled with workplace flexibility for eligible roles at the Company.

13. WORKPLACE SECURITY AND DATA PRIVACY

The Company is committed to a work environment free from violence and threats of violence. We protect each other and the public by preventing and stopping acts or threats of violence. Violence and threatening or abusive language or behavior in the workplace are prohibited. In addition to providing security safeguards, the Company will address such behavior promptly and appropriately.

The Company also recognizes the importance of having effective and meaningful privacy protections in place for certain types of data. These protections are necessary to ensure compliance with data privacy laws and to ensure the private information of contractors, employees and customers is protected in accordance with those laws.

14. REPORTING AND REMEDIATION

The Company encourages employees, contractors, subcontractors, customers and suppliers to report concerns anonymously and to seek guidance on ethical, safety or compliance matters. Our reporting system allows individuals to report their concerns without fear of retaliation and ensures appropriate follow-up.

Multiple avenues for resolving concerns are available. Employees may pursue resolution through their chain of leadership, Human Resources or the Ethics Office. In addition, the Ethics Office provides a third-party administered website, helpline and phone app for anonymous reporting of concerns by anyone. The Helpline (800-446-8441), Helpline mobile reporting app (pinnaclewestmobile.ethicspoint.com) and [Helpline website \(www.ethicspoint.com\)](https://www.ethicspoint.com) are available 24 hours a day, 7 days a week. Managed by a third-party firm, the Helpline allows concerns to be reported in an anonymous way. The concerns are then forwarded to the appropriate internal resources for investigation and remediation.

15. RELATED DOCUMENTS

- [Code of Ethical Conduct](#)
- [Supplier Code of Conduct](#)
- [Safety Policy](#)