

2023 Sustainability Accounting Standards Board Mapping Report (August 2023)

This report contains forward-looking statements based on current expectations. These forward-looking statements are often identified by words such as "estimate," "predict," "may," "believe," "plan," "expect," "require," "intend," "assume," "project," "anticipate," "goal," "seek," "strategy," "likely," "should," "will," "could," and similar words. Because actual results may differ materially from expectations, we caution readers not to place undue reliance on these statements. A number of factors could cause future results to differ materially from historical results, or from outcomes currently expected or sought by pinnacle west or aps. These factors include, but are not limited to:

- the current economic environment and its effects, such as lower economic growth, a tight labor market, inflation, supply chain delays, increased expenses, volatile capital markets, or other unpredictable effects;
- our ability to manage capital expenditures and operations and maintenance costs while maintaining reliability and customer service levels;
- variations in demand for electricity, including those due to weather, seasonality (including large increases in ambient temperatures), the general economy or social conditions, customer, and sales growth (or decline), the effects of energy conservation measures and distributed generation, and technological advancements;
- the potential effects of climate change on our electric system, including as a result of weather extremes such as prolonged drought and high temperature variations in the area where aps conducts its business;
- power plant and transmission system performance and outages;
- competition in retail and wholesale power markets;
- regulatory and judicial decisions, developments, and proceedings;
- new legislation, ballot initiatives and regulation or interpretations of existing legislation or regulations, including those relating to environmental requirements, regulatory and energy policy, nuclear plant operations and potential deregulation of retail electric markets;
- fuel and water supply availability;
- our ability to achieve timely and adequate rate recovery of our costs through our rates and adjustor recovery mechanisms, including returns on and of debt and equity capital investment;
- our ability to meet renewable energy and energy efficiency mandates and recover related costs;
- the ability of aps to achieve its clean energy goals (including a goal by 2050 of 100% clean, carbon-free electricity) and, if these goals are achieved, the impact of such achievement on aps, its customers, and its business, financial condition, and results of operations;
- risks inherent in the operation of nuclear facilities, including spent fuel disposal uncertainty; current and future economic conditions in Arizona;
- the direct or indirect effect on our facilities or business from cybersecurity threats or intrusions, data security breaches, terrorist attack, physical attack, severe storms, or other catastrophic events, such as fires, explosions, pandemic health events or similar occurrences;
- the development of new technologies which may affect electric sales or delivery, including as a result of delays in the development and application of new technologies;
- the cost of debt, including increased cost as a result of rising interest rates, and equity capital and the ability to access capital markets when required;
- environmental, economic, and other concerns surrounding coal-fired generation, including regulation of GHG emissions;
- volatile fuel and purchased power costs;
- the investment performance of the assets of our nuclear decommissioning trust, pension, and other postretirement benefit plans and the resulting impact on future funding requirements;
- the liquidity of wholesale power markets and the use of derivative contracts in our business;
- potential shortfalls in insurance coverage;
- new accounting requirements or new interpretations of existing requirements;
- generation, transmission and distribution facility and system conditions and operating costs;
- the ability to meet the anticipated future need for additional generation and associated transmission facilities in our region;
- the willingness or ability of our counterparties, power plant participants and power plant landowners to meet contractual or other obligations or extend the rights for continued power plant operations; and
- restrictions on

dividends or other provisions in our credit agreements and Arizona Corporation Commission orders. These and other factors are discussed in risk factors described in part 1, item 1a of the pinnacle west/aps annual report on form 10-k for the fiscal year ended dec. 31, 2022, which readers should review carefully before placing any reliance on our financial statements or disclosures. Neither pinnacle west nor aps assumes any obligation to update these statements, even if our internal estimates change, except as required by law.

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Topic: Greenhouse Gas Emissions & Energy Resource Planning		
SASB Code	Accounting Metric	Response
IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	(1) 2023 CDP Climate C6.1 (p.62)
		(2) 15% by 2025 - Arizona Renewable Energy Standard - Arizona Administrative Code Article 18 (p.171)
		(3) 99% US Environmental Protection Agency - Greenhouse Gas Reporting Program (40 CFR, part 98, Subparts C and D)
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	2023 CDP Climate C6.1 (p.62)
IF-EU-110a.3	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	APS Clean Energy Commitment
		A 2050 goal to provide 100% clean, carbon-free electricity, an interim 2030 target of achieving a resource mix that is 65% clean energy with 45% of our generation portfolio coming from renewable energy, as well as a planned exit from coal-fired generation by 2031.
		APS 2020 Integrated Resource Plan contains APS's strategies to achieve its clean energy commitment
IF-EU-110a.4	(1) Number of customers served in markets subject to	(1) 2022 Pinnacle West Statistical Report - Retail Customers (p.5)

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	renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	(2) 2022 Renewable Energy Standard Compliance Report - 100% of Customers Are Subject to the RES (p.4)
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Topic: Air Quality

SASB Code	Accounting Metric	Response
IF-EU-120a.1	Air emission of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	(1) NOx - Corporate Responsibility Report 2023 - Environmental Performance Data - Ocotillo 1.68%, Yucca 1.98%, West Phoenix, 12.4%
		(2) SO2 - Corporate Responsibility Report 2023 - Environmental Performance Data - Ocotillo .09%, Yucca .05%, West Phoenix .23%
		(3) PM10 - Corporate Responsibility Report 2023 - Environmental Performance Data - Ocotillo 2.48%, Yucca 1.0%, West Phoenix 8.99%
		(4) Lead - Corporate Responsibility Report 2023 - Environmental Performance Data - Ocotillo 2.91%, Yucca .95%, West Phoenix 7.48%
		(5) Mercury - Corporate Responsibility Report 2023 - Environmental Performance Data - Ocotillo 2.47%, Yucca .99%, West Phoenix 7.4%

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Topic: Water Management

SASB Code	Accounting Metric	Response
IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	(1) 2023 CDP Water W1.2b (p.19)
		(2) 0%, 2023 CDP Water W1.2d (p.22)
IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	2023 CDP Water W2.2 (p.22)
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	2023 CDP Water Section W4 Risks and Opportunities (p.33)

Topic: Coal Ash Management

SASB Code	Accounting Metric	Response
IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated, percentage recycled	2023 Corporate Responsibility Report - Environmental Performance Data
IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Four Corners Power Plant CCR Compliance Data and Information
		Cholla Power Plant CCR Compliance Data and Information

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Topic: Energy Affordability

SASB Code	Accounting Metric	Response
IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	2022 Pinnacle West Capital Statistical Report
IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month.	(1) \$67.25
		(2) \$134.50
IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days.	16,957 residential customer disconnections in 2022 (p.8) . A disconnect moratorium is in place between June 1- October 15th. Reconnect data is not reported as it is not directly correlated to disconnections for non-payment.
IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory.	2022 Pinnacle West Annual Report Forward, Affordability and Economic Conditions (p.5)
		Our Clean Energy Commitment

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Topic: Workforce Health & Safety

SASB Code	Accounting Metric	Response
IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	(1), (2) and (3) 2023 Corporate Responsibility Report - Performance Data Safety

Topic: End-Use Efficiency & Demand

SASB Code	Accounting Metric	Response
IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	(1)N/A (2) 74%
IF-EU-420a.2	Percentage of electric load served by smart grid technology.	The percent of load served by smart grid technology is not available at this time. The 2023 Corporate Responsibility Report - Reliability and Grid Resiliency page contains information about APS's adoption and deployment of smart grid technologies.
IF-EU-420a.3	Customer electricity savings from efficiency measures, by market.	2022 DSM Annual Report (p.7)

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Topic: Nuclear Safety & Emergency Management

SASB Code	Accounting Metric	Response
IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column.	3 Units Palo Verde 1, 2 and 3
		NRC Action Matrix Region IV
IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness.	Code of Ethics and Business Practices
		Palo Verde Emergency Preparedness Guide
		Arizona Agriculture Nuclear Preparedness Booklet

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Topic: Grid Resiliency

SASB Code	Accounting Metric	Response
IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations.	Information not publicly available
IF-EU-550a.2	(1) System Average Interruption Durations Index (SAIDI), (2) System Average interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days.	(1) (2) (3) 2023 Corporate Responsibility Report - Performance Data Grid Reliability

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Topic: Grid Activity Metrics		
SASB Code	Activity Metric	Response
IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	(1), (2), and (3) 2022 Pinnacle West Statistical Report (p.5)
F-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	(1), (2), (3), (4) and (5) 2022 Pinnacle West Statistical Report (p.7)
IF-EU-000.C	Length of transmission and distribution lines	2023 Corporate Responsibility Report
F-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	2022 Pinnacle West Statistical Report (p.8)
IF-EU-000.E	Total wholesale electricity purchased	2022 Pinnacle West Statistical Report (p.8)