

Powering Arizona's Future

November Investor Meetings

PINNACLE WEST
CAPITAL CORPORATION



Forward Looking Statements

This presentation contains forward-looking statements based on current expectations, including statements regarding our earnings guidance and financial outlook and goals. 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 you 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: uncertainties associated with the current and future economic environment, including economic growth rates, labor market conditions, tariffs, inflation, supply chain delays, increased expenses, volatile capital markets, or other unpredictable effects; current and future economic conditions in Arizona, such as the housing market and overall business and regulatory environment; our ability to manage capital expenditures and operations and maintenance costs while maintaining reliability and customer service levels; our ability to meet current and anticipated future needs for generation and associated transmission facilities in our region; including due to unprecedented demand from high load factor customers; the direct or indirect effect on our facilities or business from cybersecurity threats or occurrences; 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 tax, 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; the ability of APS to meet renewable energy and energy efficiency mandates and recover related costs; the ability of APS to achieve its clean energy goal to be carbon-neutral by 2050 and, if this goal is 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; 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 our ability to access capital markets when required; environmental, economic, and other concerns surrounding coal-fired generation, including regulation of greenhouse gas emissions; volatile fuel and purchased power costs; the investment performance of the assets of our nuclear decommissioning trust, captive insurance cell, coal mine reclamation escrow, 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 facilities and system conditions and operating costs; the willingness or ability of 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 ACC orders. These and other factors are discussed in the most recent Pinnacle West/APS Form 10-K along with other public filings with the Securities and Exchange Commission, which you should review carefully before placing any reliance on our financial statements, disclosures or earnings outlook. Neither Pinnacle West nor APS assumes any obligation to update these statements, even if our internal estimates change, except as required by law.

In this presentation, references to net income and earnings per share (EPS) refer to amounts attributable to common shareholders.

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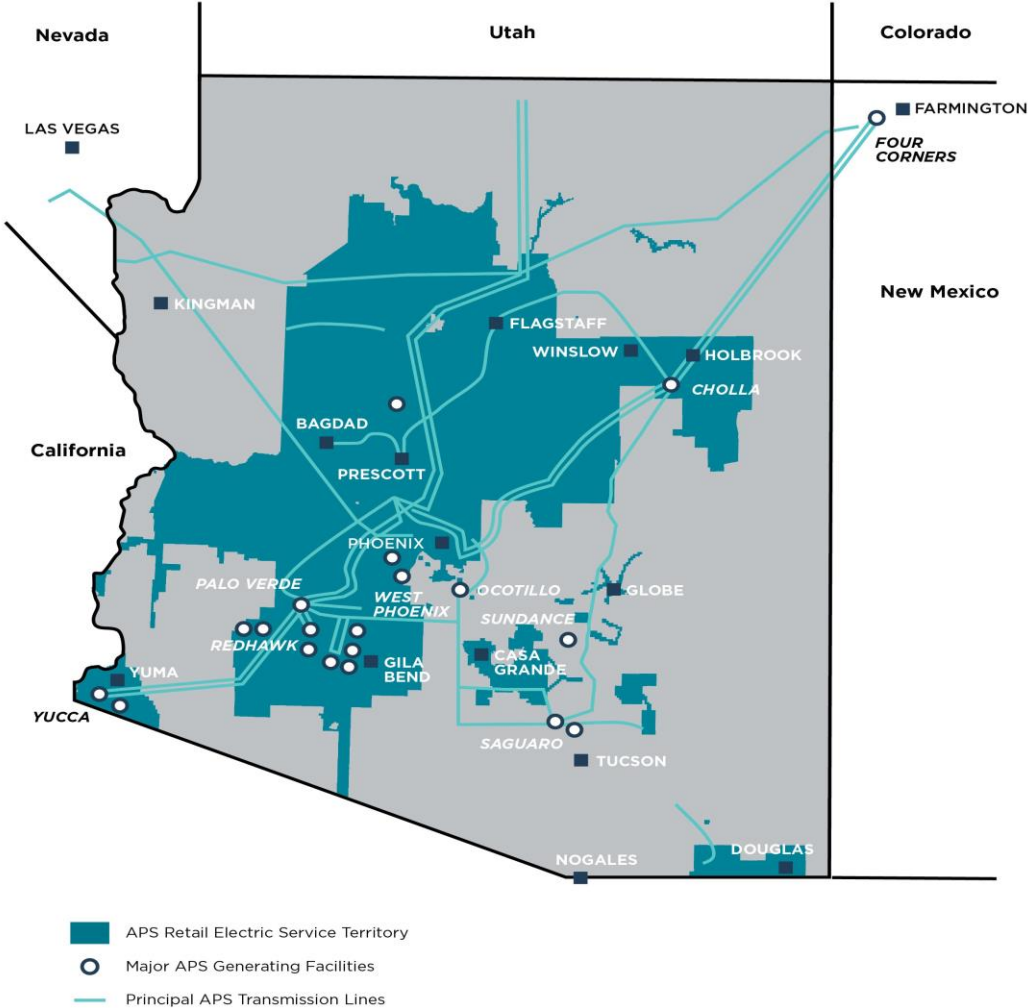


Company Profile

PINNACLE WEST
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Arizona's largest electric company

Service Territory



As of December 31, 2024.

Key facts as of Dec. 31, 2024

Consolidated assets	\$26B
Market cap	\$9.64B
Generating capacity owned or leased (year end)	6.5GW
Customers	1.4M
Current % from clean energy	54%
Retail sales mix (Residential/Non-Residential)	52%/48%



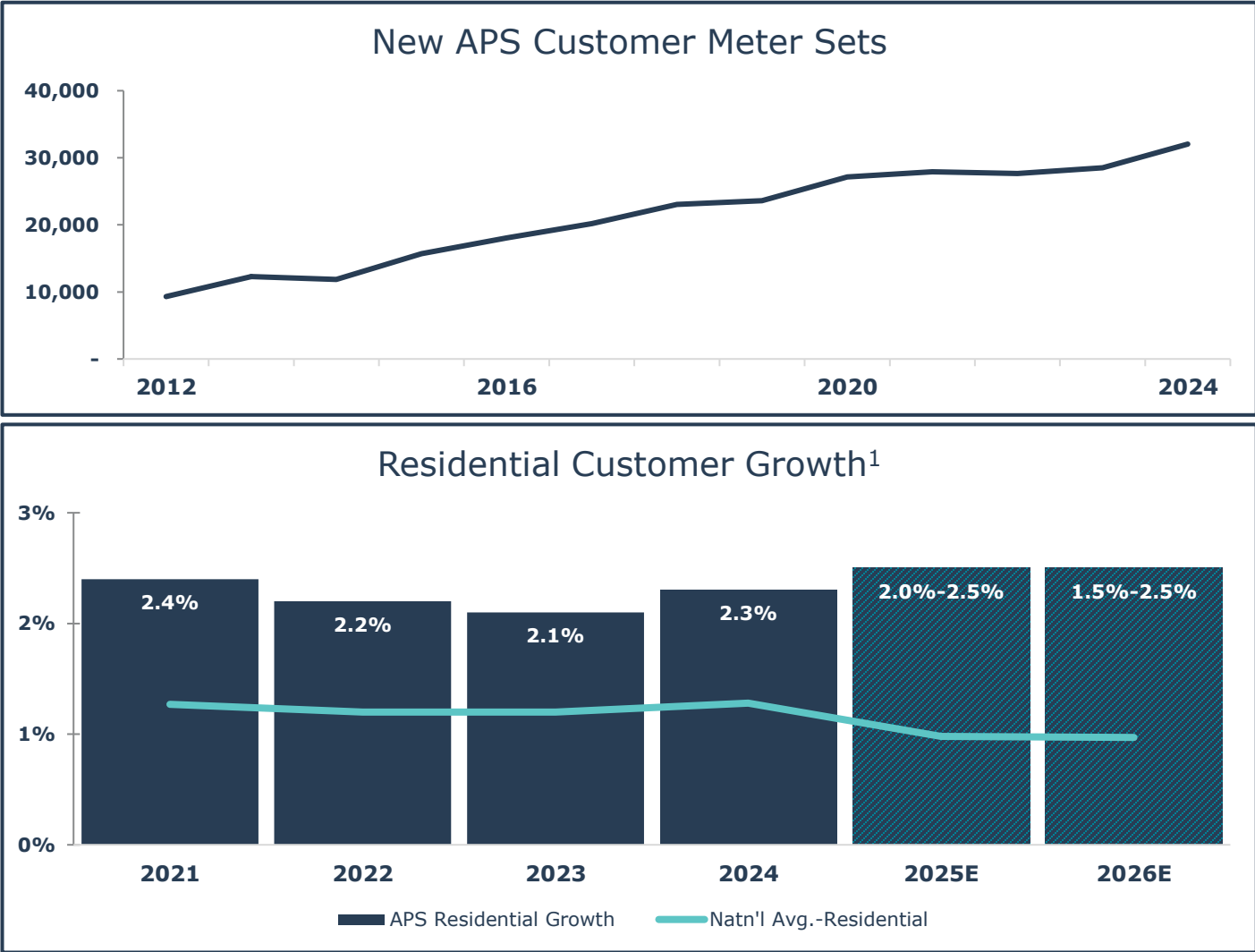
Growth Outlook & Energy Future

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Arizona continues to be an attractive service territory with strong customer growth

Arizona economy continues to be robust and attractive

- Phoenix housing is affordable compared to major cities in the region
- Maricopa County ranked top county for economic development in 2025 by Site Selection Magazine
- U.S. Census ranked Maricopa County third among U.S. counties for growth
- Phoenix is ranked #1 out of 15 top growth markets for manufacturing by Newmark Group, a global real estate firm
- Arizona State University ranked #1 in Innovation for 11th straight year by U.S. News and World Report
- Phoenix remains #1 as best positioned industrial real estate market by Commercial Café Report



¹ National average from 2025 Itron Annual Energy Survey Report.

Best-in-class service territory supports high tech growth and economic development

Arizona is an attractive location for business growth

- **Infrastructure** — close proximity to major markets in the West with accessibility by rail or truck
- **Weather predictability** — low propensity for natural disasters and greatest solar irradiance in America
- **Workforce availability** — three major universities graduating a skilled labor force
- **Affordability** — business friendly policies and regulation

Large C&I customers as a growth driver

- Accounts for 4%-6% of the 5%-7% long-term weather normalized sales growth¹ guidance
- Amplifier effect for jobs and surrounding communities leading to residential growth
- Proposed rate design modifications including direct assignment of generation costs to ensure growth pays for growth

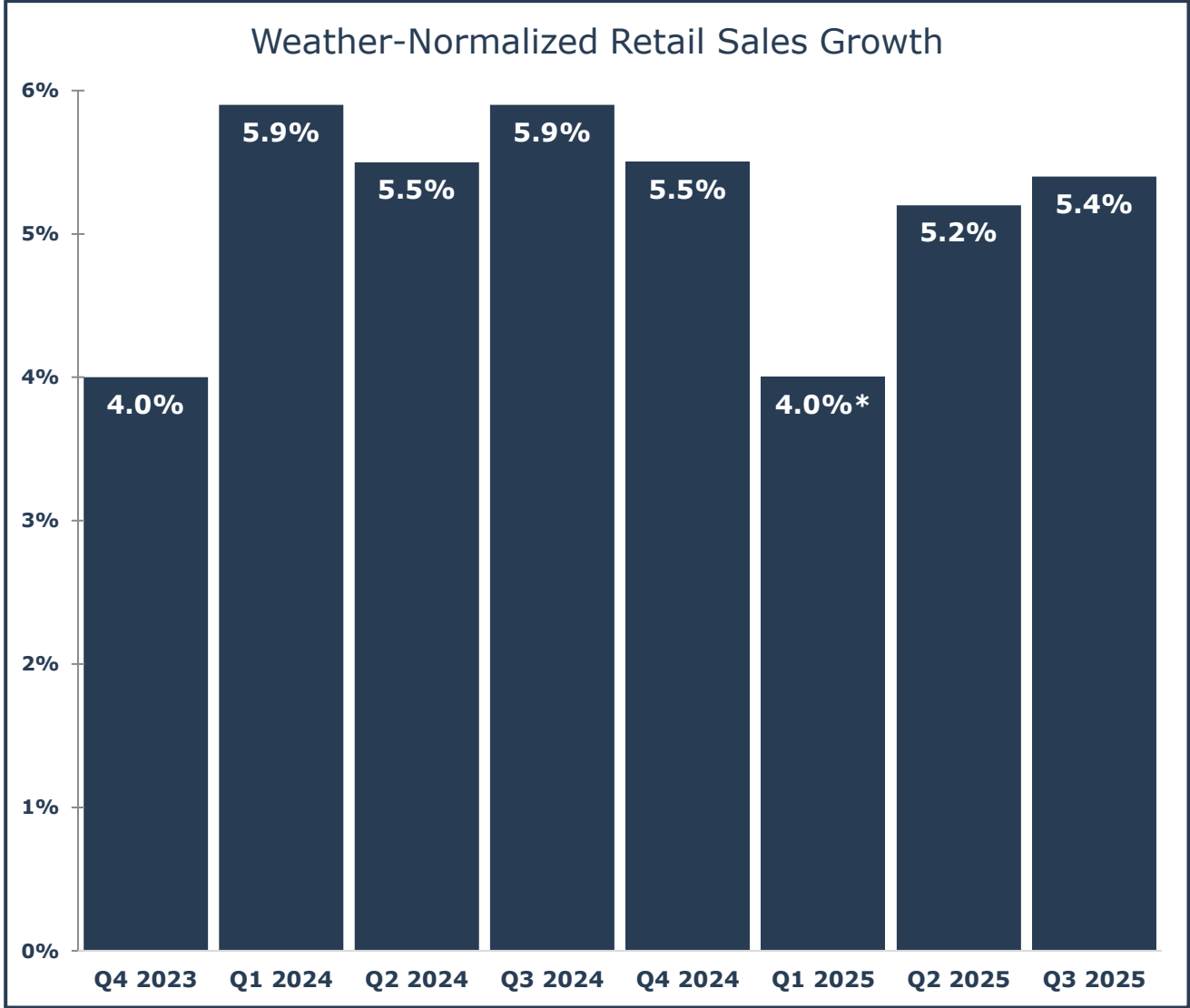
¹ Forecasted guidance range through 2030.



Arizona's commercial and industrial growth is diverse



Strong track record of consistently robust sales growth



* Excludes \$11M reduction to unbilled revenues in January 2025

Continued trend of robust sales growth

- 8 consecutive quarters of growth within the original long-term guidance range of 4%-6%
- Strong C&I sales growth as extra high load factor customers continue to ramp
- Residential sales showing strength in 2025
 - 4.3% Residential Sales Growth in Q3
 - 2.0% Residential Sales Growth YTD
- 2026 sales growth guidance of 4%-6%
- Long term sales growth increased to 5%-7% and extended through 2030



We have an improved regulatory environment



Improvements at the Arizona Corporation Commission

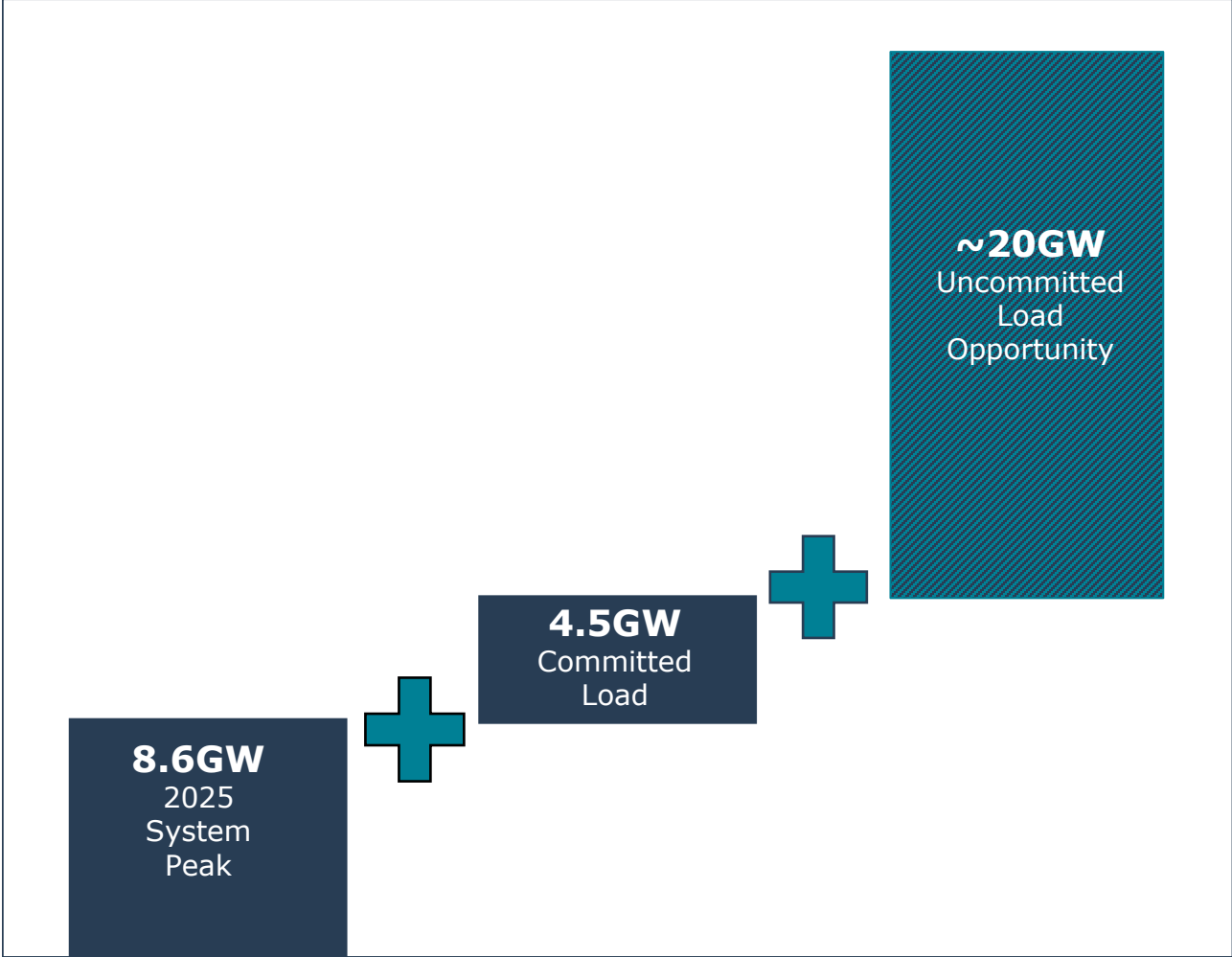
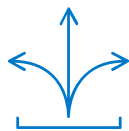
- Balanced, constructive and more consistent outcomes, including improved ROE to APS
- Approval of Formula Rate Policy Statement
- Reaffirmation of Rate Case Settlement Policy
- Continued support of adjustor mechanisms to improve cost recovery, including SRB

Commitments by the Company

- Sustain investment in customer experience improvements
- Continue to find alignment with regulators and work with stakeholders on common issues
- Advocate for reduced regulatory lag
- Focus on customer affordability

Significant investment opportunity to serve increased demand

There is significant additional load we need to be ready to serve



Which is requiring us to invest



New gas generation:

- Procured site with ability to build up to 2 GWs of new gas generation
- Anchor shipper on new gas pipeline, expected to be in service by late 2029



Palo Verde generating station:

- Approximately \$200 million incremental investment made during Q3 2025 on buyout option for nearly 100 MW of nuclear capacity previously under sale-leaseback
- Increased investment in Palo Verde capital program of approximately \$500M over the next 10 years



Strategic transmission:

- Several major transmission investments to support new resources and the overall system buildout
- Additional investment in large transmission projects to enable access to out of state generation and additional markets

SRB will expand our capacity to self-build generation to meet customer need with reduced lag



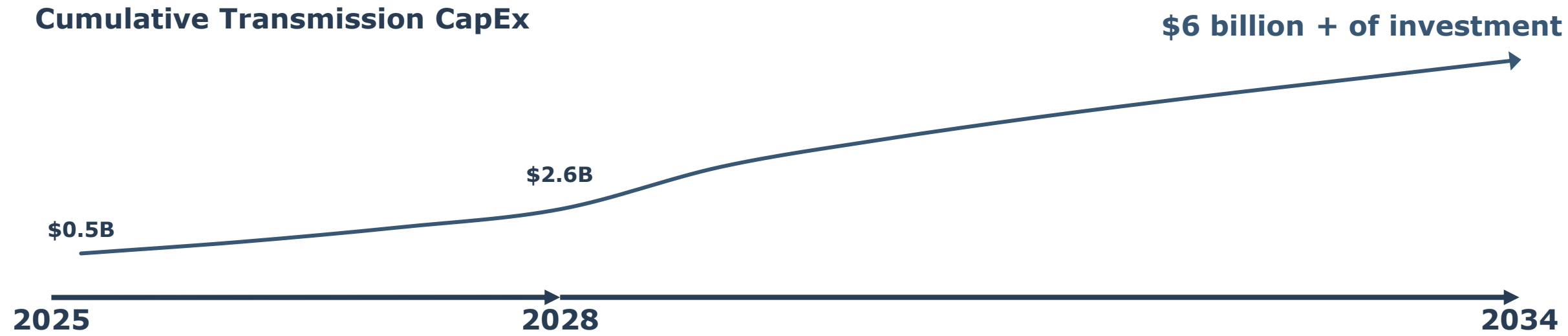
System Reliability Benefit Surcharge Key Features

- Projects that compete on cost and reliability from All-Source Request for Proposals
- Determines prudence of new generation between general rate cases
- Included in rates approximately 180 days after in service with Commission approval
- Recovery at prevailing WACC less 100bps until future rate case
- Traditional AFUDC treatment until in service

Continued Progress on Potential SRB Opportunities

<u>Proposed Project</u>	<u>MWs</u>	<u>Est. In-Service</u>	<u>Status</u>
Sundance Expansion	90	2026	In Construction
Ironwood Solar	168	2026	In Construction
Redhawk Expansion	397	2028	Contracted

Transmission expansion will drive significant capital investment



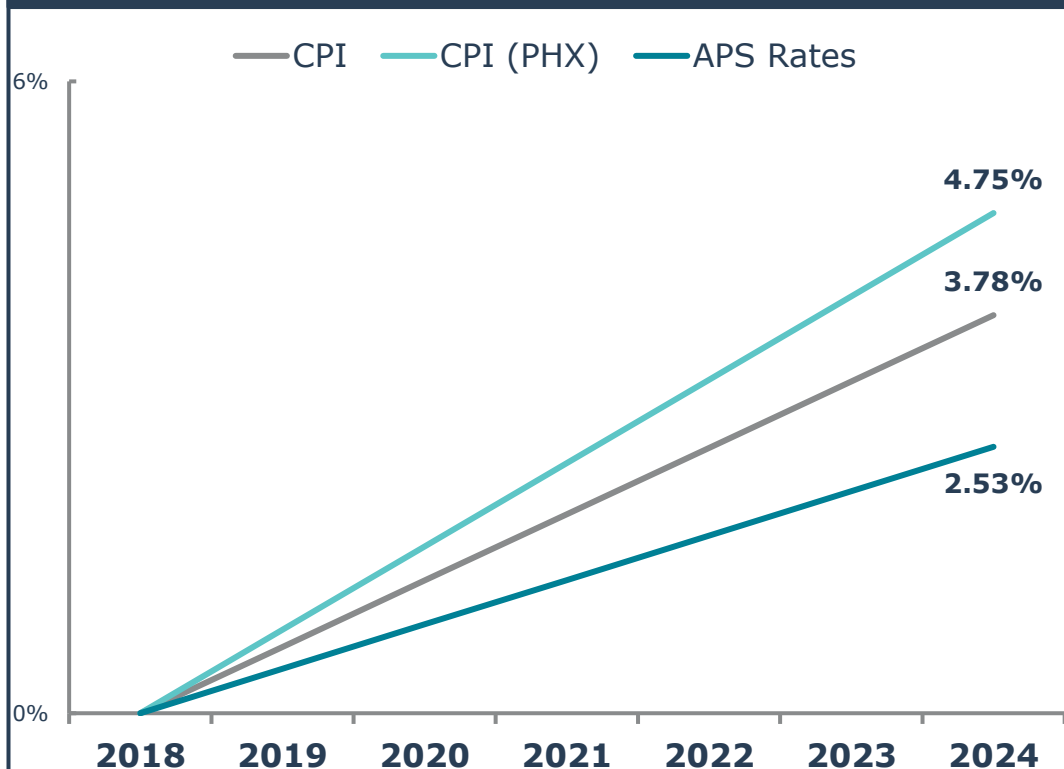
Major Transmission Projects in Development		
Project	Miles/kV	Est. in-service
Sundance to Milligan	~23 mi/230kV	2027
Pinnacle Peak to Ocotillo	~100 mi/230kV	2029
Cotton Transmission Corridor: Panda to Freedom	~40 mi/230kV	2030
Jojoba to Rudd	~28 mi/500kV	2032
Proposed Transmission for New Gas	TBD	2030

Transmission Investment Strategy
- Investments in Extra High Voltage (EHV) transmission to support reliability, resiliency, and integration of new resources - Over 600 miles of 345kV and above in planning period - Investments in large transmission projects to enable access to out of state generation and additional markets - Constructive and timely recovery through annual FERC Formula rate with wheeling revenue benefiting retail customers

Source: APS 2025-2034 Ten Year Transmission System Plan

We are focused on maintaining customer affordability

APS rates have remained well below the rate of inflation



Maintaining Affordability

- **Disciplined cost management:** Process improvements and preventative maintenance to reduce operating costs
- **Customer growth:** Long-term goal of declining O&M per MWh as service territory grows
- **Customer Programs:** Innovative customer programs to help customers save energy and money
- **Balanced long-term capital plan:** Infrastructure investments designed to maintain reliability and spread costs
- **Stakeholder engagement:** working with partners to ensure reliability, affordability, and recovery through appropriate rate design

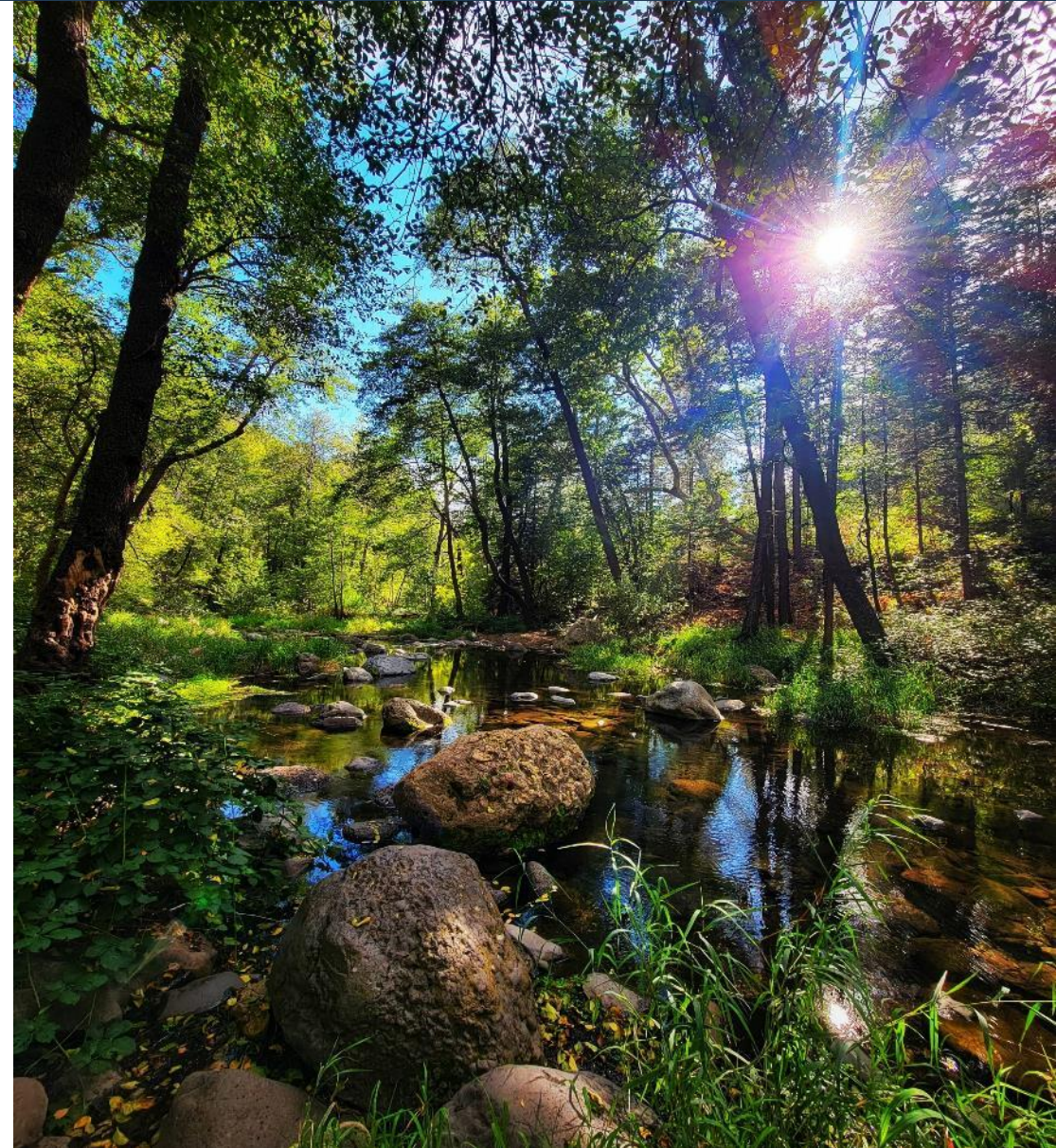


Future Financial Outlook

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Our investor goals going forward

1. Long-term EPS growth of 5%-7% off original 2024 midpoint, supporting competitive total shareholder return
2. Optimized capital plan to reliably serve growing service territory, driving strong rate base growth and supported by SRB
3. Managing a healthy capital structure with accretive equity to support investment
4. Declining O&M per MWh with focus on customer affordability
5. Competitive shareholder dividend
6. Solid balance sheet and credit ratings



Long-term outlook potential remains solid

EPS Growth off original 2024 midpoint¹

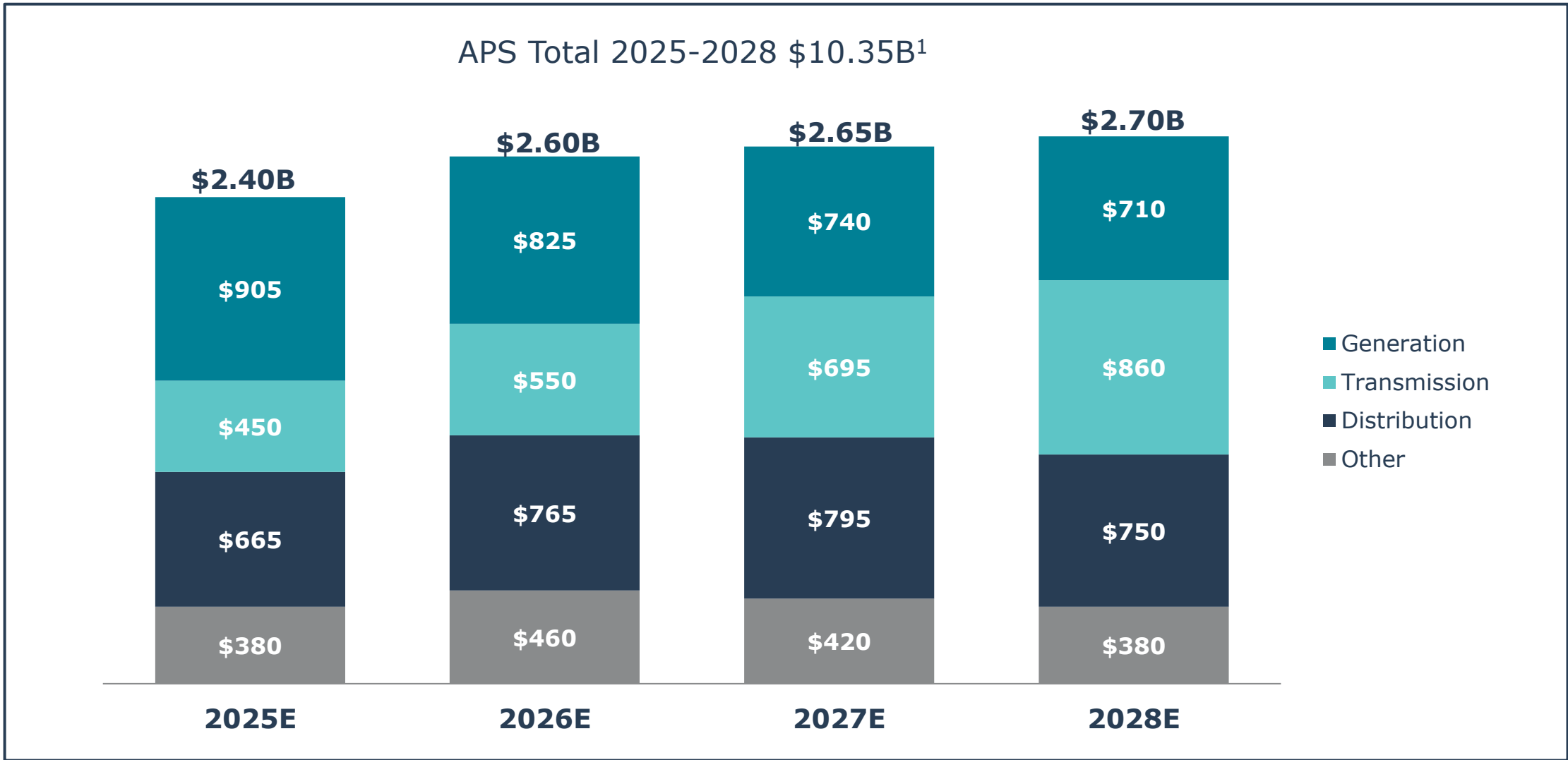


¹ Long-term EPS growth target based on the Company's current weather normalized compound annual growth rate projections from 2024-2028.

Potential drivers for more consistent and timely cost recovery

- Reduction of regulatory lag including formula rates
- Rate case cadence and potential settlement of future rate cases
- Continued support of adjustor mechanisms
- Continued economic development driving sales and customer growth
- Continued cost management

Capital plan to support reliability and continued growth within our service territory

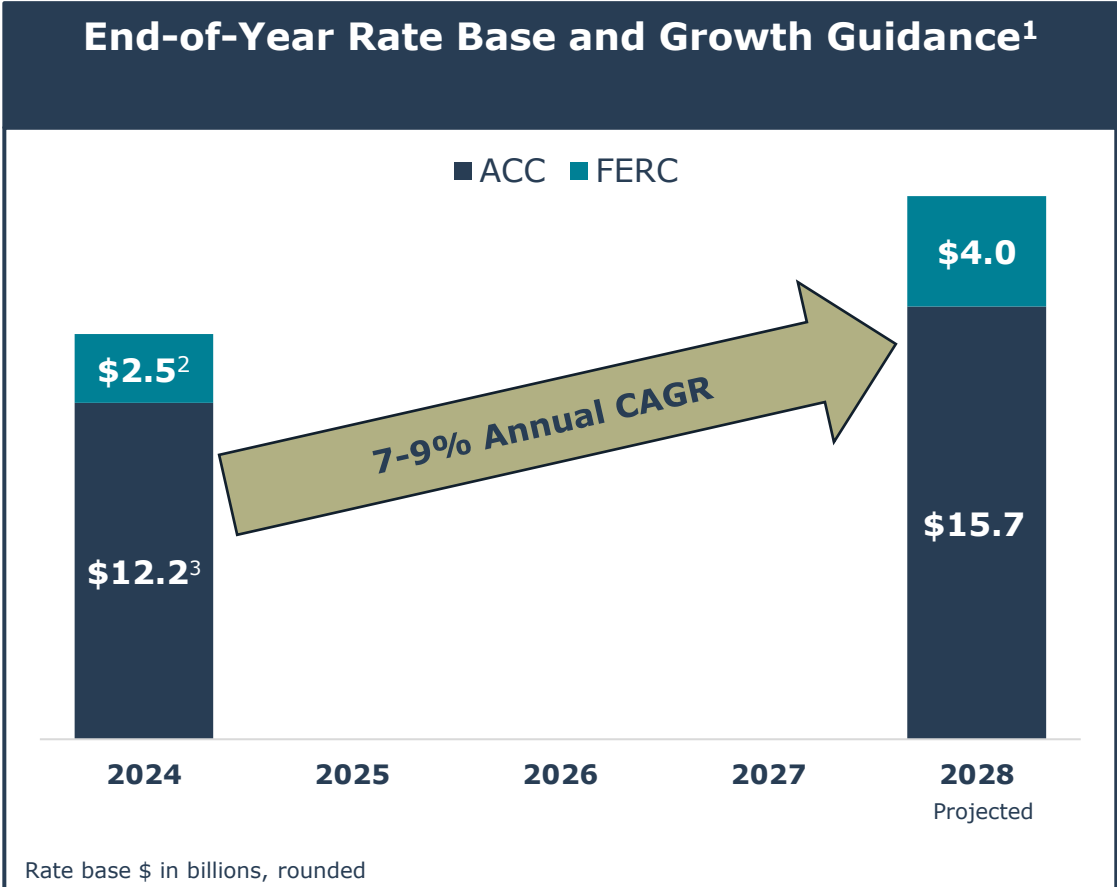


Source: 2025-2028 as disclosed in the Third Quarter 2025 Form 10-Q
¹ Excludes \$199M investment to buy out two of the three Palo Verde VIE lease agreements in September 2025.

Increased rate base growth within our service territory

Current Approved Rate Base and Test Year Detail		
	ACC	FERC
Rate Effective Date	03/08/2024	06/01/2025
Test Year Ended	6/30/2022 ¹	12/31/2024
Equity Layer	51.93%	52.28%
Allowed ROE	9.55%	10.75%
Rate Base	\$10.36B ²	\$2.47B

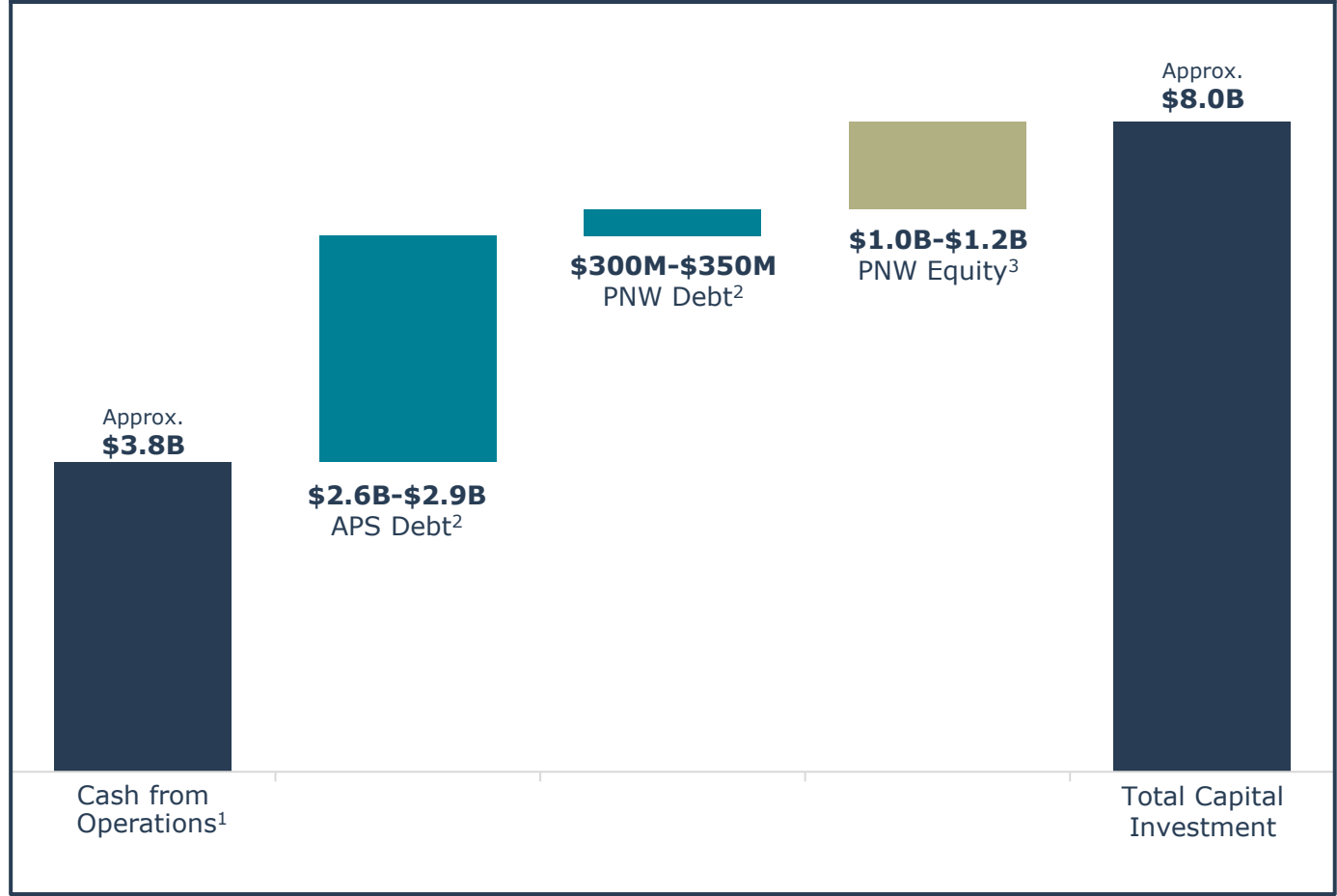
¹ Adjusted to include post-test year plant in service through 06/30/2023.
² Rate Base excludes \$215M approved through Joint Resolution in Case No. E-01345A-19-0236.



¹ Guidance excludes CWIP amounts of \$1.6B in 2024 and \$2.7B-\$3.2B in 2028.
² Derived from APS annual update of formula transmission service rates.
³ Represents unadjusted ACC jurisdictional rate base consistent with regulatory filings.

Optimized financing plan to support balanced capital structure

2026-2028 Financing Plan



¹ Cash from operations is net of shareholder dividends.
² APS and PNW debt issuance is net of maturities.
³ PNW equity is net of \$550M already priced.

Funding Strategy

- External equity to support balanced APS capital structure and expanded, accretive capital investment
- Financing plan consistent with balance sheet targets
- Approximately 85% of the 2026 equity need has been priced

2026 Financing Plan

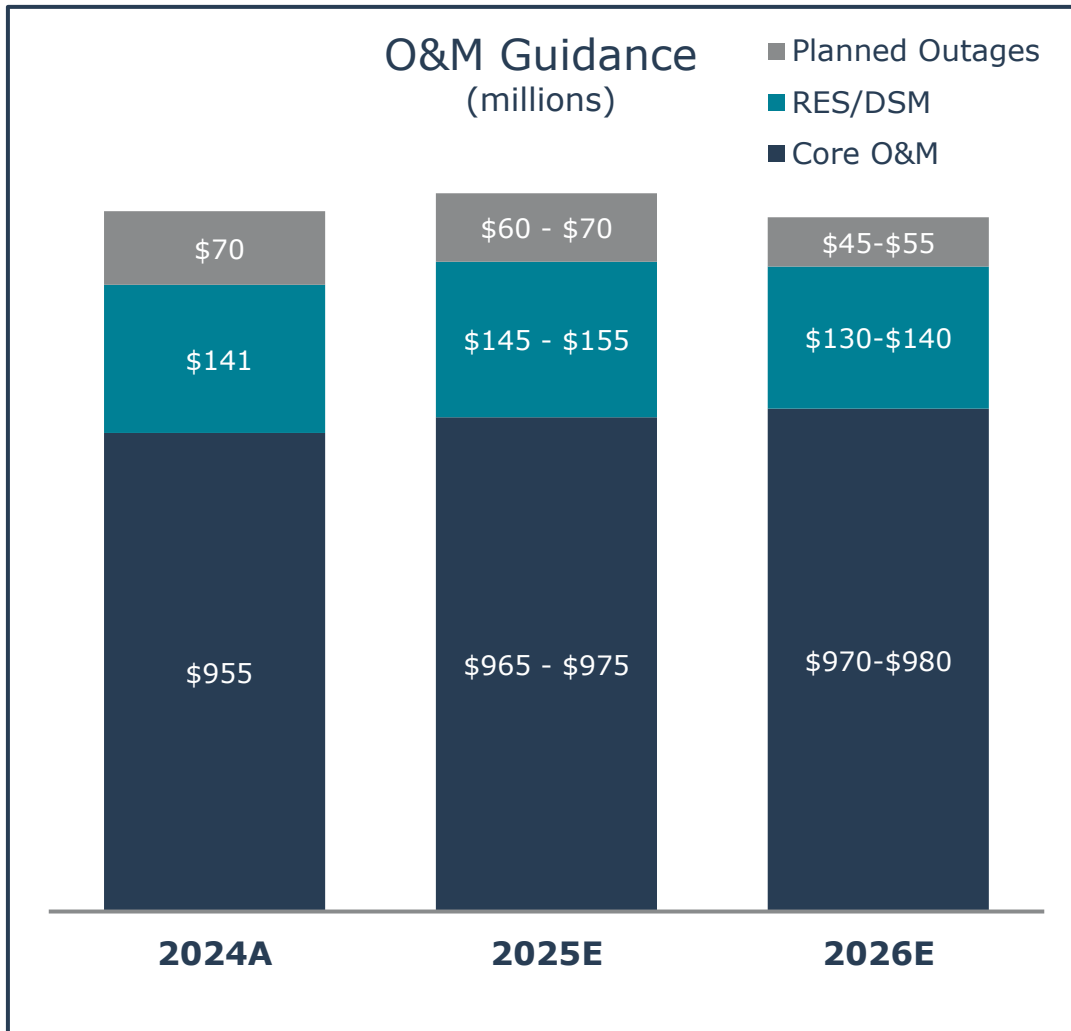
DEBT	Need ⁴	Maturities	Completed
APS	\$1.2B	\$250M	\$0
PNW ⁵	\$550M	\$350M	\$0
EQUITY	Need	Priced ⁶	Settled
PNW	\$650M	\$550M	\$0

⁴ Includes maturities.
⁵ Excludes refinancing of existing term loan.
⁶ As of September 30, 2025, amount represents \$350M priced under PNW’s Block Equity Forward in February 2024 and \$200M priced through the At-the-Market (ATM) program.

We are focused on cost control and customer affordability

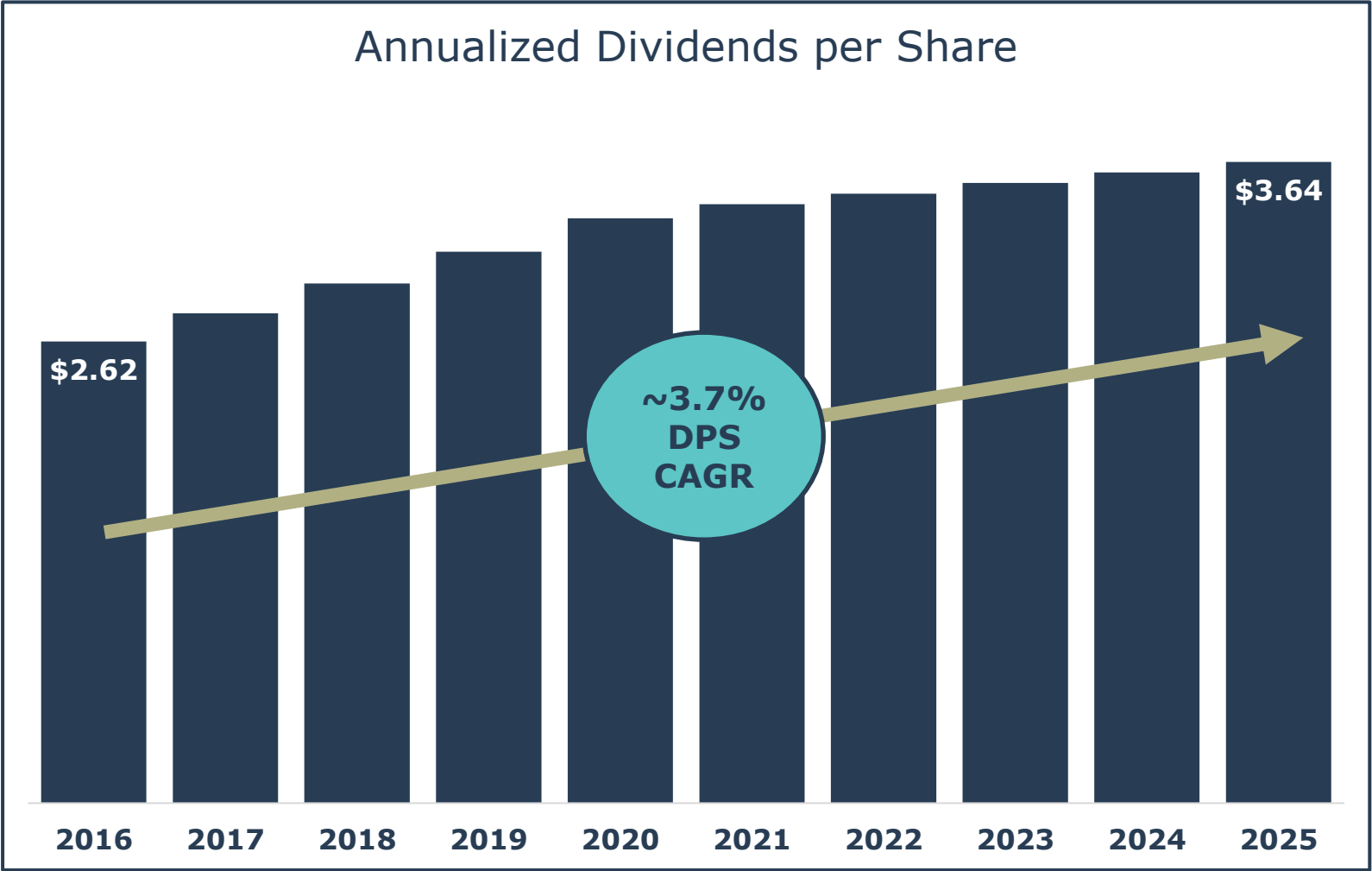
Operations & Maintenance Guidance

- Core O&M remains flat with rapidly growing customer base
- Lean culture and declining O&M per MWh goal
- Slight reduction of year-over-year O&M including planned outages



Numbers may not foot due to rounding.

We have a proven dividend growth track record¹



Dividend Targets

- Long-term dividend growth
- Attractive dividend yield
- Managing long-term dividend payout ratio into sustained 65-75%



¹ Future dividends are subject to declaration at Board of Directors' discretion.

We are focused on maintaining healthy credit ratings to support affordable growth¹

	Corporate Ratings	Senior Unsecured Ratings	Short-Term Ratings	Outlook
APS				
Moody's	Baa1	Baa1	P-2	Stable
S&P	BBB+	BBB+	A-2	Stable
Fitch	BBB+	A-	F2	Stable
Pinnacle West				
Moody's	Baa2	Baa2	P-2	Stable
S&P	BBB+	BBB	A-2	Stable
Fitch	BBB	BBB	F3	Stable

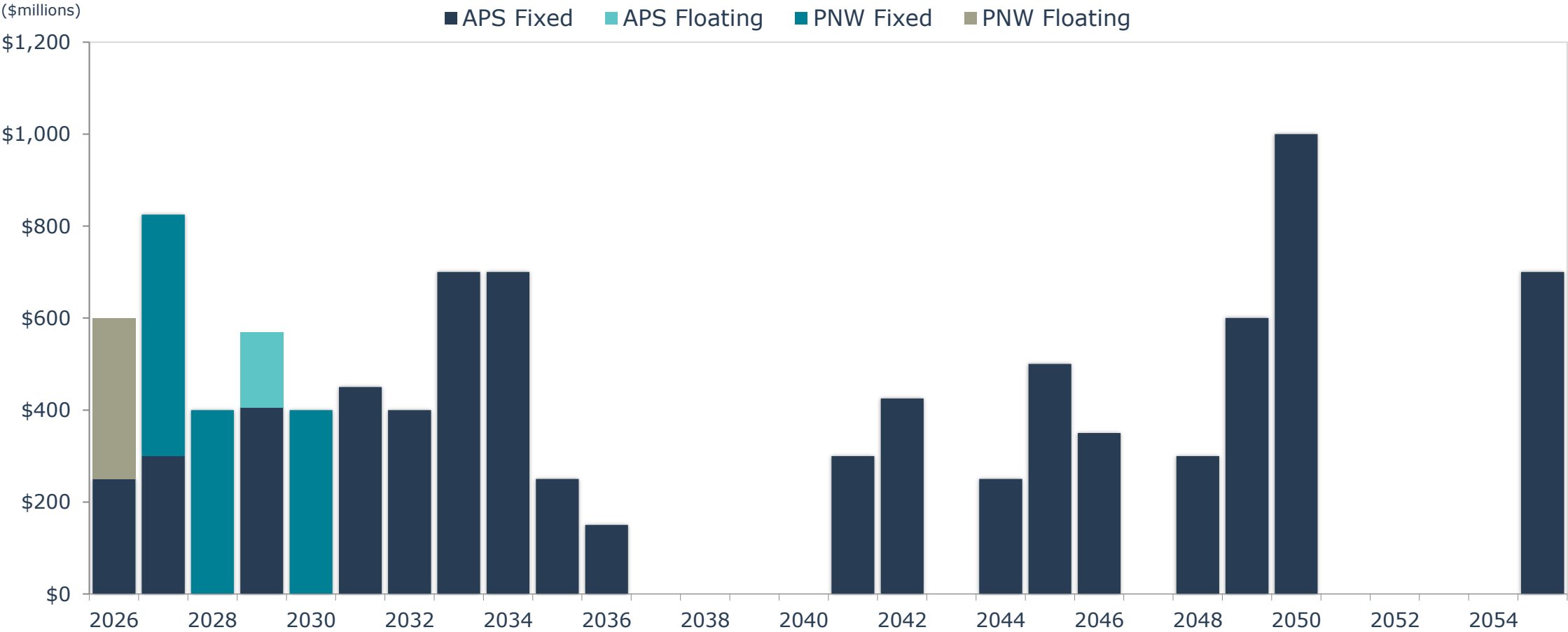
Balance Sheet Targets

- Solid investment-grade credit ratings
- APS equity layer >50%
- PNW FFO/Debt range of 14%-16%



¹ We are disclosing credit ratings to enhance understanding of our sources of liquidity and the effects of our ratings on our costs of funds. Ratings are as of October 30, 2025.

Debt maturity profile shows well managed and stable financing plan



As of September 30, 2025

We have a stable foundation with solid execution going forward

- Service territory is one of the fastest growing in the nation with a diverse customer base
- Improved regulatory environment with focus on reducing regulatory lag
- Strong customer centric strategy focused on reliability and customer experience
- Proven track record of efficient O&M practices and focus on customer affordability
- Solid balance sheet and well managed financing plan
- Attractive financial growth profile building off original 2024 midpoint





2025 Rate Case

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2025 APS rate case application

Overview of rate request (\$ in millions) key components

Rate Base Growth	\$208
12 months Post-test Year Plant	\$82
Fair Value Increment	\$101
WACC (7.63%)	\$129
Other (Base fuel, depreciation study, etc.)	<u>\$143</u>
Total Revenue Requirement	\$662
Adjustor Transfers	<u>\$(82)</u>
Net Revenue Increase	\$580
Customer Net Revenue Impact on Day 1	13.99%

Additional details

- APS has requested rates become effective in the second half of 2026
- Docket number: E-01345A-25-0105
- Additional details, including filing, can be found at <http://www.pinnaclewest.com/investors>

Numbers may not foot due to rounding.

2025 APS rate case application

Overview of rate request (\$ in millions) key components	
Test Year Ended December 31, 2024	
Total Rate Base - Adjusted	\$15.3B
ACC Rate Base - Adjusted	\$12.5B
Embedded Long-Term Cost of Debt	4.26%
Allowed Return on Equity	10.70%
ROE Band for Formula Rate	+/- 20bps
Capital Structure	
Long-Term Debt	47.65%
Common Equity	52.35%
Base Fuel Rate (¢/kWh)	4.3881¢/kWh
Post-Test Year Plant period	12 months
Proposed rate design modifications	
• Direct assignment of generation costs to ensure extra high load factor customers pay for the resources they require • Align rates with costs to move classes closer to their cost of service which supports small and medium sized businesses • Ensure growth pays for growth and offers significant customer protections	

2025 APS rate case application

Formula Rate Adjustment Mechanism (FRAM) proposal

- Historic test year, with authorized ROE and capital structure approved in most recent rate case
- Inclusion of 12 months projected plant
- System Reliability Benefit costs transferred into each formula reset
- No rate adjustment if actual ROE falls within +/- 20 bps of authorized ROE
- Revenue surplus/deficiency allocated based on ACC jurisdictional cost of service results

FRAM proposed schedule

ACC filing of Annual Update	On or before July 31
Last day for data requests and to submit informal challenge(s)	August 12
Last day for Company responses to informal challenge(s)	August 26
Informal challenge(s) resolution deadline	August 31
Rate effective date	First September billing cycle
Last day for data requests and to submit formal challenge(s)	September 22
Last day for Company responses to formal challenge(s)	October 6
Staff Report (if no hearing)	October 31
Commission Decision	December 1



Appendix

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2025 Key Regulatory Dates

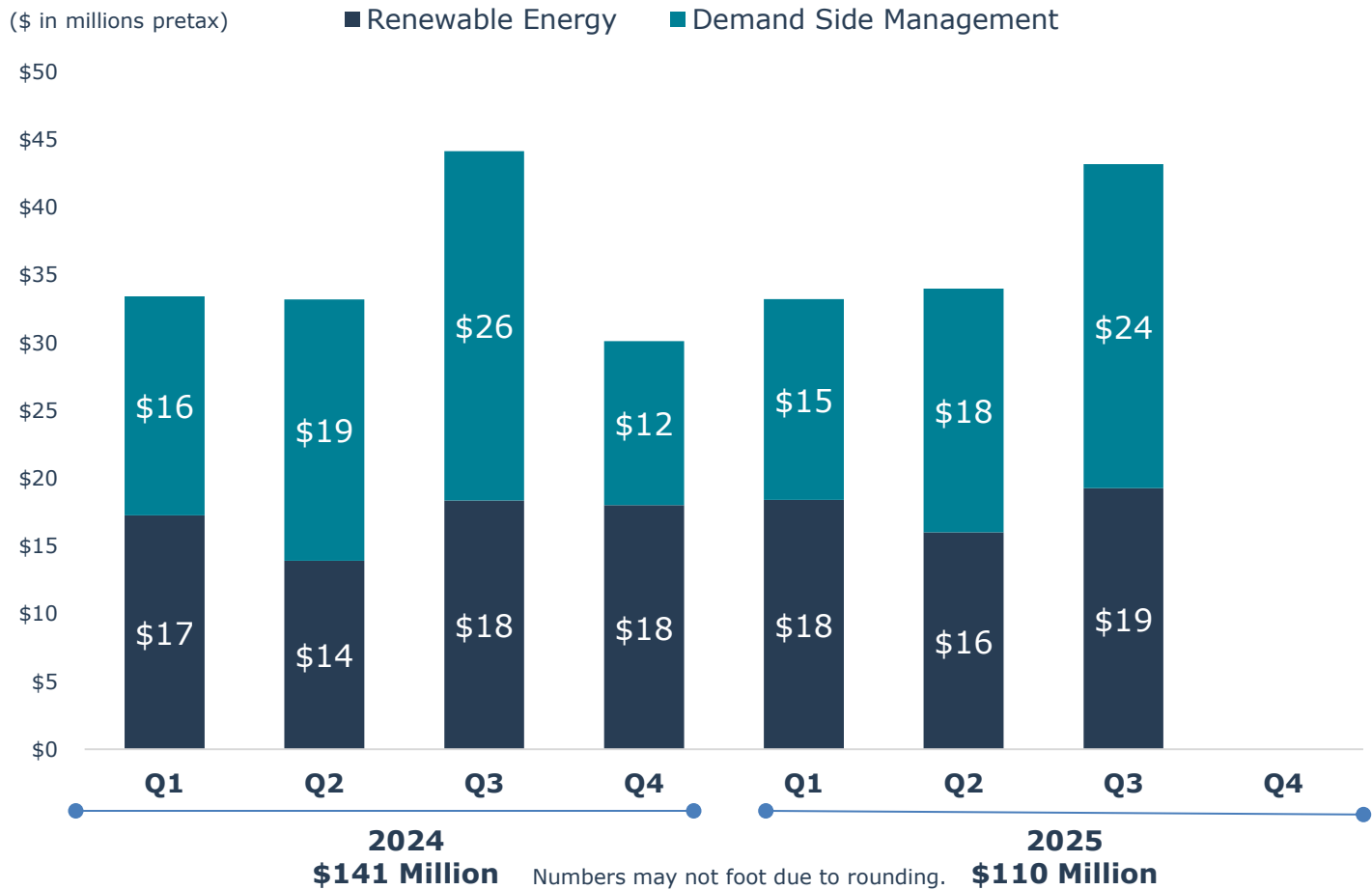
Case/Docket #	Q1	Q2	Q3	Q4
2025 Rate Case E-01345A-25-0105:		Notice of Intent filed May 15 Application filed June 13	ACC Letter of Sufficiency filed July 14	
Power Supply Adjustor (PSA) E-01345A-22-0144:	2025 PSA rate reset effective March 1			PSA reset to be filed Nov. 26
Transmission Cost Adjustor E-01345A-22-0144:		Filed May 15; effective June 1		
Lost Fixed Cost Recovery E-01345A-25-0155:			2025 LFCR filed July 31	2025 LFCR effective Dec. 2025/Jan. 2026 (if approved)
ACC Inquiry Into Nuclear Issues E-00000A-25-0026:		ACC Nuclear Issues Workshop held May 21		
Resource Comparison Proxy E-01345A-25-0093:		Updated RCP calculation filed May 1	RCP Update effective Sep. 1	
Test Year Rules (Regulatory Lag) AU-00000A-23-0012:	ACC adopted Formula Rates Policy Statement Dec. 13, 2024			
2026 RES Implementation Plan E-01345A-25-0140:			2026 RES plan filed July 1	
2026 DSM Implementation Plan E-01345A-25-0106:		2026 DSM Plan 120-day extension request granted		2026 DSM Implementation Plan to be filed (TBD)
ACC Inquiry Into Natural Gas Infrastructure G-00000A-25-0029:			ACC Natural Gas Workshop held August 26	

2026 Key Regulatory Dates

Case/Docket #	Q1	Q2	Q3	Q4
2025 Rate Case E-01345A-25-0105:	Staff and Intervenor Direct Testimony due March 2 and March 18	APS Rebuttal Testimony due April 3 Rate Case hearing to begin May 18		Final Decision scheduled for Q4 2026
Power Supply Adjustor (PSA) E-01345A-22-0144:	2026 PSA rate reset effective March 1			PSA reset to be filed in Nov.
Transmission Cost Adjustor E-01345A-22-0144:		To be filed May 15 for a June 1 effective date		
Lost Fixed Cost Recovery E-01345A-26-XXXX:			2026 LFCR to be filed July 31	2026 LFCR effective Nov. 1 (if approved)
Resource Comparison Proxy E-01345A-26-XXXX:		Updated RCP calculation filed May 1	RCP Update effective Sep. 1	
2027 RES Implementation Plan E-01345A-26-XXXX:			2027 RES Implementation Plan to be filed July 1	
2026 DSM Implementation Plan E-01345A-25-0140:	2026 DSM Implementation Plan to be filed (TBD)			
ACC Inquiry Into Natural Gas Infrastructure G-00000A-25-0029:				
ACC Inquiry Into Nuclear Issues E-00000A-25-0026:		ACC second Nuclear Issues workshop to be held (TBD)		
ACC Inquiry Into Data Center Rate Classifications E-00000A-25-0069				

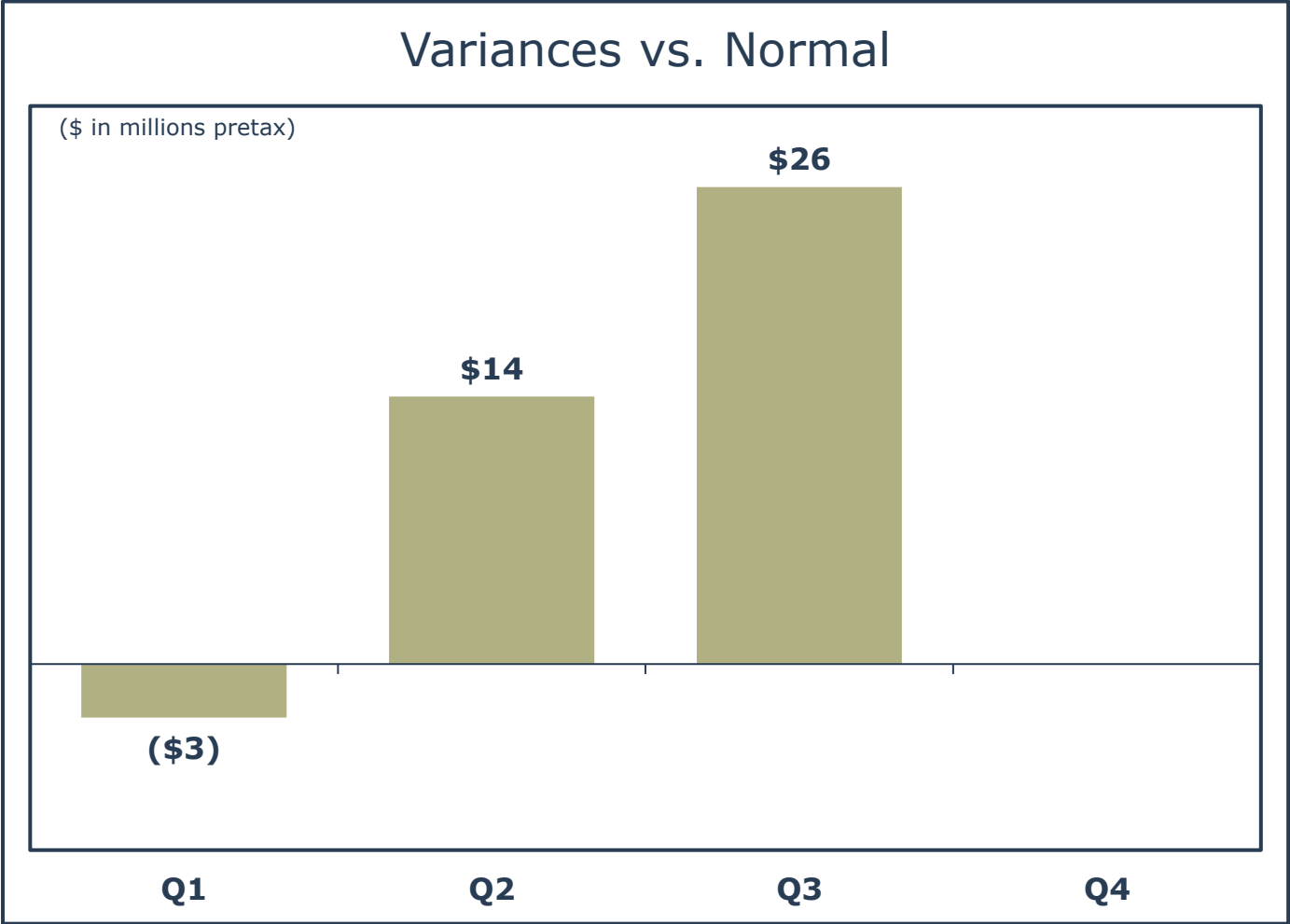
Dates are tentative and subject to change.

Renewable Energy & Demand Side Management expenses¹



¹ Renewable Energy and Demand Side Management expenses are substantially offset by adjustment mechanisms.

2025 gross margin effects of weather



2025 Total Weather Impact: \$37 Million

All periods recalculated to current 10-year rolling average (2014 – 2023). Numbers may not foot due to rounding.

Wildfire Mitigation

Our current practices are comprehensive and multi-faceted:

 Vegetation management • Comprehensive right-of-way clearance on maintained cycles • Defensible space around poles (DSAP) • Hazard tree program	 Grid hardening investments • Ongoing distribution system upgrades • Mesh pole wrapping • Expulsion limiting fuses • Steel poles (if truck accessible)	 Asset inspection • Enhanced line patrols • Technology deployments • Drone use • Infra-red scans	 Monitoring and awareness • Dedicated team of meteorologists • Advanced fire modeling software • Cameras and weather stations • Federal & state agency partnerships	 Operational mitigations • Non-reclosing strategy • Public outreach program • Red Flag Alert protocols • Public Safety Power Shutoff (PSPS)
 Internal: 20-person fire mitigation department engages across entire APS organization to plan and implement initiatives External: Member of 19 fire mitigation industry associations			 Independent third-party reviews of APS wildfire mitigation plan	

2025 Planned Outage Schedule

Coal, Nuclear and Large Gas Planned Outages

Q1

Plant	Unit	Actual Duration in Days
Redhawk	CC2	60
Four Corners	4	72

Q2

Plant	Unit	Actual Duration in Days
Palo Verde ¹	1	42
Four Corners	4	12

¹ Outage began at end of Q1

Q4

Plant	Unit	Estimated Duration in Days
Palo Verde	3	36



2026 Planned Outage Schedule

Coal, Nuclear and Large Gas Planned Outages

Q2

Plant	Unit	Estimated Duration in Days
Palo Verde ¹	2	36

¹ Outage begins at end of Q1

Q4

Plant	Unit	Estimated Duration in Days
Palo Verde	1	46

