

Puget Energy, Inc. / Puget Sound Energy, Inc.
Code of Conduct

Code Summary

We are committed to a culture of ownership, accountability, honesty, integrity and trust. This commitment is demonstrated by holding ourselves to the highest ethical standards and living by our Code of Conduct (“the Code”). This Code outlines the honest and ethical manner in which all employees and board of directors at Puget Energy, Inc., Puget Sound Energy, Inc. and related subsidiaries (“the Company”) are expected to behave. Each employee has a duty to uphold the Code, which can be summarized with this simple statement: “Do what is right.”

Responsibilities

As part of our commitment to conduct business honestly, ethically and consistent with our core values, everyone at the Company is required to:

- Comply with all applicable laws, policies, rules and regulations (including: antitrust, anti-bribery, equal employment opportunity, privacy, data security, anti-harassment, environmental and safety)
- Avoid situations that may create conflicts of interest or the appearance of conflicts of interest
- Treat one another with mutual respect and dignity
- Maintain a safe and healthy workplace environment
- Be honest and fair in all business activities with customers, vendors, and competitors (remember that you always represent the Company)
- Maintain and protect company assets, confidential information, and intellectual property
- Ensure the reliability and integrity of financial information
- Report any illegal or unethical conduct to the appropriate personnel

Finance, Accounting and Securities – The Company must maintain accurate and complete business records, accounts, and financial statements. The Company’s books and accounting records must conform to applicable laws and regulations as well as the Company’s internal controls and policies. The Company’s external reporting documents must contain complete, fair, accurate, and understandable disclosures as required by law. If applicable, employees must cooperate with all internal and external audits or reviews with the same integrity expected on a daily basis.

Government Relations – The Company is committed to being a good corporate citizen and cooperating with the government. The Company and its employees and contractors must cooperate with appropriate local, state and federal government requests and investigations. In such cases you must always be honest, and never attempt to conceal, alter or destroy records that may be requested.

However, this commitment is not intended to undermine the Company’s rights with respect to confidential information. Any notice of government investigation or requests and any matters related to litigation, especially subpoenas, should be promptly referred to the appropriate

Company officer, director or Legal department employee to first assess the full nature of the Company's obligations with respect to the request, investigation or litigation.

This Code describes our general principles of expected conduct. More specific guidance on compliance and ethical behavior can be found in guidelines, policies, and procedures within our Corporate Policy Manual and Controller's Manual.

The Code applies to every employee and board member of the Company. Failure to read the standards of this Code does not exempt an employee or board member from his or her responsibility to comply with the Code, laws or regulations.

Reporting Resources

Every employee is responsible for reporting suspected violations of the law, the Code or company policies and procedures. If you believe there has been a violation you should promptly report it to your supervisor, the director or manager responsible for Ethics, or other responsible department within the Company (e.g., Human Resources, Legal, Compliance or Internal Audit). The Company also has an anonymous help line at 1-866-236-4PSE (4773) and a web based portal (pse.alertline.com).

Code Management and Discipline

Violations of the Code may result in disciplinary action, up to and including dismissal. Disciplinary action may also occur if any employee encourages or ignores violations of the Code, fails to detect a violation that should have been detected, or is aware of a violation and fails to report it in a timely fashion. No employee will be disciplined solely on the basis of a report that he or she made regarding suspected wrongdoing. However, the employee will be subject to disciplinary action if it is found after an investigation that he or she knowingly fabricated the situation to injure another employee or party.

Employees may be interviewed during the course of an investigation so the Company can understand all the facts. Refusing to participate or failing to respond truthfully during the course of an investigation may result in disciplinary action.

No Retaliation

Retaliation against any employee reporting in good faith an actual or suspected violation of the Code or the law will not be tolerated. This includes employees who report in good faith actual or suspected violations to the Company or a government agency, or who initiate, testify in or assist in any investigation or judicial or administrative action by a government agency. Any actual or threatened retaliation is a serious violation of the Code and will result disciplinary action, up to and including dismissal.

Conclusion

This Code is meant to reinforce our core values of honesty, responsibility and integrity. Compliance requires the commitment and dedication of every single employee to act responsibly on behalf of the Company and to perform work with honesty and integrity in any areas not specifically addressed by the Code. With your assistance, the Company will preserve a culture we can all be proud of and continue to grow as one of the Northwest's oldest and most respected corporations.