

STRICTLY CONFIDENTIAL

PUGET ENERGY, INC.
4.100% Senior Secured Notes due June 15, 2030
PRICING TERM SHEET
(To Preliminary Offering Memorandum dated May 14, 2020)

This Pricing Term Sheet is qualified in its entirety by reference to the Preliminary Offering Memorandum dated May 14, 2020 (the “Preliminary Offering Memorandum”). The information in this Pricing Term Sheet supplements the Preliminary Offering Memorandum and updates and supersedes the information in the Preliminary Offering Memorandum to the extent it is inconsistent with the information in the Preliminary Offering Memorandum. Terms used and not defined herein have the meanings assigned in the Preliminary Offering Memorandum.

The Notes have not been registered under the Securities Act of 1933, as amended, (the “Securities Act”) or the securities laws of any other jurisdiction. The Notes may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered only (1) to “qualified institutional buyers” as defined in Rule 144A under the Securities Act and (2) outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act.

Issuer:	Puget Energy, Inc. (the “Issuer”)
Legal Format:	Rule 144A and Regulation S with registration rights as set forth in the Preliminary Offering Memorandum
Title of Securities:	4.100% Senior Secured Notes due June 15, 2030 (the “Notes”)
Anticipated Ratings (Moody’s; S&P; Fitch)*:	Baa3 (stable)/BBB- (negative)/BBB (stable)
Trade Date:	May 14, 2020
Settlement Date:	May 19, 2020 (T+3)
Principal Amount:	\$650,000,000
Maturity Date:	June 15, 2030
Issue Price:	99.833% of the principal amount
Benchmark Treasury:	1.500% due February 15, 2030
Benchmark Treasury Price/Yield:	108-10/0.620%
Spread to Benchmark Treasury:	+350 bps
Yield to Maturity:	4.120%
Coupon:	4.100%
Interest Payment Dates:	Semi-annually on June 15 and December 15, beginning on December 15, 2020
Optional Redemption:	Make-whole call at any time prior to March 15, 2030 (the par call date) at 50 basis points spread over Treasury Rate (calculated to the

par call date)

Callable on or after March 15, 2030 at par

Change of Control: 101% plus accrued and unpaid interest upon a Change of Control Repurchase Event as set forth in the Preliminary Offering Memorandum

Joint Book-Running Managers: Barclays Capital Inc.
J.P. Morgan Securities LLC
Mizuho Securities USA LLC
BofA Securities, Inc.
Wells Fargo Securities, LLC

Co-Managers: RBC Capital Markets, LLC
TD Securities (USA) LLC

Denominations: \$2,000 and integral multiples of \$1,000 in excess thereof

CUSIP/ISIN (Rule 144A): 745310 AJ1/US745310AJ12

CUSIP/ISIN (Reg. S): U74592 AE3/USU74592AE30

***Note:** A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

This material is confidential and is for your information only and is not intended to be used by anyone other than you. This information does not purport to be a complete description of the Notes or the offering. Please refer to the Preliminary Offering Memorandum for a complete description.

This communication is being distributed in the United States solely to Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act and outside the United States solely to Non-U.S. persons as defined under Regulation S under the Securities Act.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

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