

Exhibit to Agenda Item #12

Approve proposed revisions to **Strategic Direction SD-7, Environmental Leadership.**

Board of Directors Meeting

Thursday, April 15, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Proposed Revisions

SD-7, Environmental Leadership

Environmental leadership is a core value of SMUD. ~~The Board is committed to environmental leadership through community engagement, continuous improvement in pollution prevention, carbon reduction, energy efficiency, and conservation.~~ In achieving this directive, SMUD will:

Therefore:

- a) ~~SMUD will~~ Conduct its business affairs and operations in a sustainable manner by continuously improving pollution prevention, that reduces adverse minimizing environmental impacts, conserving resources, and promoting equity within SMUD's diverse communities ~~reduces pollution, and enhances resource conservation and stewardship.~~

Proposed Revisions

SD-7, Environmental Leadership

- b) ~~SMUD will provide leadership and innovation to improve air quality and reduce greenhouse gas emissions in the reduction of the region's total emissions of greenhouse gases through proactive programs in all SMUD activities and development and support of national, State, and regional climate change policies and initiatives.~~
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- c) ~~SMUD will promote the efficient use of energy by its customers-owners.~~
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-owners.

Proposed Revisions

SD-7, Environmental Leadership

d) Advance the electrification of vehicles, buildings and equipment.

de) Attract and build partnerships with customers, communities, policy makers, the private sector and other stakeholders~~SMUD will proactively engage its customer-owners and other stakeholders in meeting this directive.~~