Exhibit to Agenda Item #2

Accept the monitoring report for Strategic Direction SD-8, Employee Relations.

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, May 10, 2023, scheduled to begin at 6:00 p.m.
Auditorium, SMUD Headquarters Building
Strategic Direction 8 (SD-8) Employee Relations
2022 Board Monitoring Report

Developing and maintaining a high quality, diverse and inclusive workplace that engages and inspires employees to commit to SMUD’s purpose, vision and values is a core value of SMUD.

SMUD is committed to diversity and inclusion and will foster and support a workplace that values employees representing a variety of backgrounds, including but not limited to, race, ethnicity, gender, gender identification and/or expression, sexual orientation and identification, national origin, age, physical abilities, veteran status, socio-economic status, life experiences, talents, and thinking styles.

Therefore:

a) SMUD shall attract and retain a highly qualified and diverse workforce.
b) SMUD shall promote inclusion and diversity and engage its workforce in activities that demonstrate and support inclusion and diversity across the organization.
c) SMUD shall engage its workforce in personal and professional development.
d) SMUD’s percentage of engaged employees as measured through the Engagement Index shall exceed 80%.
e) SMUD shall use a broad mix of communication and outreach channels to ensure its recruitment activities reflect the diversity of the communities it serves.
f) SMUD shall maintain and communicate written policies that define procedures and expectations for staff and provide for effective handling of grievances.
g) Annually, and consistent with State and Federal law, the Board shall receive a report detailing the demographics and trends of the SMUD workforce, the available workforce, and the Sacramento region. The report shall also provide information on veterans as a part of SMUD’s workforce.
Attract & Retain a Highly Qualified Workforce

- **Career Ambassadors** invested 200 hours, reached 17,495 community members.
- **Education Outreach** engaged 13,870 students in energy industry learning.
- **Regional Workforce Development** partnered with 54 community organizations.
- **Talent Acquisition** processed 15,413 external candidate applications.
- **Total Rewards** negotiated medical renewal increase of 0.31% in 2022.
- **Employee turnover** decreased from 7.7% in 2021 to 7.0% in 2022 (below 10.1% industry benchmark).
Diversity, Equity & Inclusion
DEIB Council

**TRAINING**
- Council member onboarding
- DEIB Strategy education for Council

**STRUCTURE**
- Community agreements finalized
- Roberts Rules of Order adopted
- Council SharePoint site launched
- DEIB Win Spotlight established
- Leads and Subcommittees identified

**REPORTING**
- Metrics identified for DEIB activity

**CONSULTING**
- Diverse Workforce: Diverse Panel Project
- Community Impact: Shine Program Outreach Project

**STRUCTURE**
- DEIB process improvement underway

**Q2**
- June 2022

**Q3**
- July-Sept 2022

**Q4**
- Oct-Dec 2022

**Q1**
- Jan-March 2023
Diversity, Equity & Inclusion
Employee Resource Groups

ERGs hosted **45 events** supporting 2022 business initiatives including Safe Zone Advocacy Training, Golf Lessons, a Community Blood Drive, and ERG Learning@SMUD sessions

The **8 ERGs** at SMUD include:

- Black Employee Resource Group (BERG)
- Groups Reaching Across International Networks (GRAIN ERG)
- Latinos Unity Network for Action (LUNA)
- Military Employee Resource Group (MERG)
- People Reaffirming Inclusion Diversity and Equality (PRIDE)
- Women’s Employee Resource Group (WERG)
- Young Professionals Employee Resource Group (YP)
- Parents ERG
Workforce Personal & Professional Development

- Employees averaged 29 hours of enterprise, cross-functional and department-specific training.
- LinkedIn Learning utilization nearly doubled from 472 employees in 2021 to 799 in 2022.
- 102 employees utilized SMUD’s Education Assistance Program in 2022 (down 22% from 2021).
- 23 employees participated in local and regional development programs.
Employee Engagement Survey Response

Participation in SMUD’s 2021 Employee Engagement Survey: 91%

Of SMUD leaders developed and took action on engagement plans in 2022: 96%

2023 Enterprise Performance Goals for Culture

Goal #1
Understanding DEIB
- Define inclusive culture expectations
- Develop learning plan
- Train & support staff

Goal #2
Make employee growth & development a priority
- Increase non-mandatory training by 5% on existing platforms

Goal #3
Update SMUD’s core competencies
- Align competencies to 2030 Clean Energy Vision and DEIB Strategy

May 10, 2023
Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Diverse Outreach and Partnerships

Talent Acquisition
- 78 Career Ambassador events in 2022
- 15,413 external applications (up from 12,717 in 2021)
- More online examinations
- Diverse and targeted marketing: email, job boards, LinkedIn, social media, schools, SMUD Corp Comm
- DEIB consultations with hiring managers
- Equal Pay Pledge

Regional Workforce Development Program
- 54 community partners
- 3,345 youth & adults received career education
- 508 adults received training in new skills
- 241 trainees placed into careers

Internship Programs
High School Internships
- 80 applicants
- 17 high school interns hired
College Internships
- 1,659 applicants
- 55 college interns hired

Scholarship Programs
Powering Futures
- 21 scholarships awarded from $1,750 to $4,000
Hornet Leadership Program
- $25,000 sponsorship funding
- 3 students and 1 facilitator
- Hosted April 2022 leadership seminar linked to SMUD career success factors

May 10, 2023
Policies for Effective Handling of Grievances

2018-2022 Grievances

- Security
- Unrepresented
- IBEW
- OSE

<table>
<thead>
<tr>
<th>Year</th>
<th>Security</th>
<th>Unrepresented</th>
<th>IBEW</th>
<th>OSE</th>
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<tr>
<td>2020</td>
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<td>1</td>
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**Workforce Demographics Reporting**

**SMUD Workforce, Available Workforce & Sac Region Demographics**

### Regional Demographics

<table>
<thead>
<tr>
<th></th>
<th>Available Workforce Sacramento, El Dorado &amp; Placer Co.*</th>
<th>Available Workforce Sacramento Co.**</th>
<th>Total Population Sacramento Co.**</th>
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<tr>
<td>Caucasian</td>
<td>55%</td>
<td>48%</td>
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<tr>
<td>African American</td>
<td>7%</td>
<td>9%</td>
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<td>48%</td>
<td>48%</td>
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*Percentages may not add up to 100% due to rounding.

*2018 American Community Survey, 5-Year Estimates EEO
**2020 United States Census (April 1, 2020)*

### SMUD Workforce Demographics

<table>
<thead>
<tr>
<th>Year</th>
<th>Caucasian</th>
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<th>Hispanic</th>
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<td>7%</td>
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<td>3%</td>
<td>67%</td>
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<td>2017*</td>
<td>61%</td>
<td>7%</td>
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<td>4%</td>
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<td>2019</td>
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<td>2020</td>
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<td>67%</td>
<td>33%</td>
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</table>

### What are we doing?

- Diversity, Equity, Inclusion & Belonging consultations with hiring managers
- Equal Pay Pledge commitment
- Targeted job advertisements
- 54 community partnerships in 2022 to improve job readiness and access

*May 10, 2023*
### Workforce Demographics Reporting

#### SMUD Demographics by Employee Level

<table>
<thead>
<tr>
<th>Employee Level</th>
<th>Male</th>
<th>Female</th>
<th>Caucasian</th>
<th>African American</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Native American</th>
<th>2 or more Races</th>
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<td>40%</td>
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<tr>
<td>Directors*</td>
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<td>41%</td>
<td>69%</td>
<td>9%</td>
<td>6%</td>
<td>9%</td>
<td>0%</td>
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<td>Managers*</td>
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<td>38%</td>
<td>69%</td>
<td>3%</td>
<td>7%</td>
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<td>1%</td>
<td>6%</td>
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<tr>
<td>Supervisors</td>
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<td>62%</td>
<td>7%</td>
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<td>Staff*</td>
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<td>33%</td>
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<td>7%</td>
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<td>SMUD wide</td>
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<td>15%</td>
<td>1%</td>
<td>5%</td>
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</tbody>
</table>

* Percentages may not add up to 100% due to rounding.

Reporting reflects ethnicity self-reported at hiring.
Workforce Demographics Reporting
SMUD Separation History Demographics

SMUD Separation History

* Percentages may not add up to 100% due to rounding.

Reporting reflects separation of full-time employees.

<table>
<thead>
<tr>
<th>Year</th>
<th>Caucasian</th>
<th>African American</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Native American</th>
<th>2 or more Races</th>
<th>Male</th>
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<td>2017*</td>
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<td>2018*</td>
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<td>11%</td>
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<tr>
<td>2019*</td>
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Workforce Demographics Reporting
SMUD Veteran Demographics

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Recommendation

SMUD is in full compliance with Strategic Direction 8. We recommend acceptance of the SD-8 monitoring report.