Exhibit to Agenda Item #1

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

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, May 8, 2024, scheduled to begin at 6:00 p.m.
SMUD Headquarters Building, Auditorium
Strategic Direction 8 (SD-8) Employee Relations 2023 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.
Creating Awareness of SMUD & Energy Careers
Requirements A, B, E

Education Outreach
• Engaged 13,200+ students in SMUD’s Zero Carbon effort and related energy careers
• 2023 partners included:
  — Sacramento Employment and Training Agency (SETA)
  — Girl Scouts
  — People Working Together
  — Sac State & Los Rios Community Colleges
  — Aerospace Museum

Career Ambassador Program
• Reached 11,370+ people at 128 Ambassador outreach events
• Total events increased by 64%
• 2023 partners included:
  — Employment Development Department
  — Greater Sacramento Urban League
  — La Familia
  — WEAVE
  — Schools from districts representing all SMUD wards
Developing Entry-level Pipeline
Requirements A, B, E

Regional Workforce Development
• Partnered with 48 orgs to develop & train our community
• Reached 1,900+ youths and adults
• Trained 750+ in work readiness & technical skills
• Placed 850+ trainees into new careers

Sacramento Power Academy Programs
• Lineworker Training Scholarship: Received 680+ applications, awarded 35 scholarships, 25 graduates
• Powering Careers: Received 200+ applicants, 16 program graduates

Internships
• Received 3,140+ college intern applications, hired 58 students
• Received 300+ high school intern applications, hired 11 students
Attracting Qualified, Diverse Talent
Requirements A, B, E

Hiring Activity
- Managed 800+ internal & external hiring requisitions
- Most diverse applicant pool ever! Marked increase in communities of color & females
- Screened nearly 30,000 applications
  - External apps more than doubled! 25,000 in 2023 vs. 12,500 in 2022
Developing Qualified, Diverse Talent
Requirements A, B, C, D

Skilled Trades Apprenticeship Programs
• Managed training for **75** apprentices in 2023

Corporate Learning & Development Curriculum
• Employees averaged **70** hours of training with a marked increase in non-mandatory learning

Internal & External Leadership Programs
• **24** graduates from **9** different local and regional development programs

Education Assistance Tuition Reimbursement
• **136** employee participants, up from **102** in 2022
Retaining Qualified, Diverse Talent
Requirements A, B

Social, Mental, Physical, Financial Wellness
- Mental Health First Aid for leaders
- Reopening of on-site fitness centers
- One SMUD Stroll
- Wellness-themed Employee Resource Group activity
- Vanpool relaunch

Health Assessment Program
- Participation increase of 4%

Hybrid Workforce
- Policy update to support a culture of flexibility, in-person collaboration, and relationship building

In-person Benefits support
- Open Enrollment & Pre-retirement seminars

Medical Renewal
- Cost-saving renewal under 5%
Workforce Culture
Requirements A, B, C, D

Employee Resource Groups
• ERG Handbook and guidelines update
• Hosted 72 events, up from 45 events in 2022

Employee Engagement
• Engagement Action Planning for all SMUD leaders
• Next survey scheduled for Fall 2024

Inclusive Culture Implementation Plan
• Updated SMUD’s core competencies
• Exceeded enterprise goal of increasing non-mandatory training by 5%
  - Learning@SMUD (32% increase)
  - LinkedIn Learning (18% increase)
  - Mentoring Program (81% increase)
  - Field employee learning (46% increase)
Conduct & Grievances
Requirement F

2019-2023 Grievances

- Security
- Unrepresented
- IBEW
- OSE

Year: 2019 - 2023

- 2019:
  - Security: 3
  - Unrepresented: 1
  - IBEW: 4
  - OSE: 4

- 2020:
  - Security: 1
  - Unrepresented: 1
  - IBEW: 4
  - OSE: 1

- 2021:
  - Security: 1
  - Unrepresented: 1
  - IBEW: 5
  - OSE: 1

- 2022:
  - Security: 1
  - Unrepresented: 1
  - IBEW: 4
  - OSE: 5

- 2023:
  - Security: 1
  - Unrepresented: 1
  - IBEW: 5
  - OSE: 1

May 8, 2024

Board Policy Committee and Special SMUD Board of Directors Meeting
Workforce Demographics
Requirement G

Regional Demographics

Notable Shifts
- +0.6% Hispanic employees
- +0.4% Asian employees

Percentage shifts may not add up to 100% due to rounding

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Sacramento, El Dorado & Placer Co. (Civilian) *  | Sacramento Co. (Civilian) * | Sacramento Co. (Total Population)**
Caucasian | 55% | 48% | 41% |
African American | 7%  | 9%  | 9%  |
Hispanic | 20% | 22% | 24% |
Asian | 14% | 17% | 19% |
Native American | 0%  | 0%  | 0%  |
2 or more Races | 4%  | 4%  | 7%  |
Male | 52% | 52% | 49% |
Female | 48% | 48% | 51% |

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

May 8, 2024
Board Policy Committee and Special SMUD Board of Directors Meeting
### Workforce Demographics

#### Requirement G

**May 8, 2024 11 Board Policy Committee and Special SMUD Board of Directors Meeting**

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**Notable shifts in Employee Level include increases in:**
- Female directors, supervisors, and staff
- African American executives, directors, managers, and supervisors
- Hispanic directors, managers, and supervisors
- Asian directors and supervisors
- Directors and supervisors of two or more races
Veteran Outreach & Hiring

- Attended 11 vet-specific events
- Reached 563 vet orgs
- Sent 6,000+ job email announcements
- Saw 20% increase in vet applicants
- Hired 12 vets in 2023
- SMUD vet population increased to 5.2%
Workforce Demographics

Requirement G

Turnover
- SMUD turnover decreased to 6.4% (from 7.0% in 2022)
- SMUD retirements decreased to 63 (from 78 in 2022)

Separations
- +3% Caucasian employees
- +4% Hispanic employees
- -5% Asian employees
- -2% employees of 2 or more races

Exit Interviews
- Less than 50% were dissatisfied with some part of their job
- 90% would consider returning
- 94% would recommend SMUD
A Day in the Life
Human Resources Professional
Recommendation

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