Exhibit to Agenda Item #2

Provide the Board external presentations on Nature-based Carbon Solutions and Biodiversity and update the Board on SMUD's related efforts.

Board Strategic Development Committee and Special SMUD Board of Directors Meeting

Tuesday, November 10, 2026, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

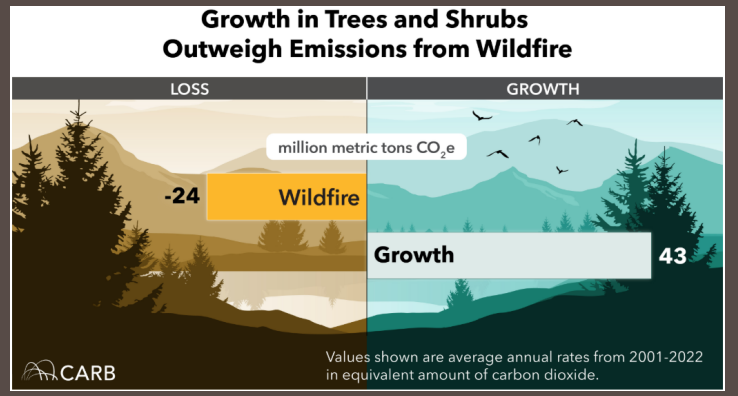
Project Update:
SMUD Nature-Based Carbon Solutions & Biodiversity Feasibility Study

Introduction	Kathleen Ave, Sr. Strategic Planner SMUD Project Development & Renewable Generation
Study Overview + Project Concepts	Dr. Jennifer Burt, Senior Restoration Ecologist GEI Consultants, Inc.
Inventory Findings	Hannah Kornfield, AICP, Carbon Inventory Lead Ascent Environmental

California Nature-Based Carbon Solutions Policy Background



Plan for nature-based solutions climate **targets** for 2030, 2038, and 2045



2015 Brown Administration Climate Strategy

2020 Executive Order N-82-20

2022 AB 1727 Cristina Garcia and CARB Scoping Plan Update

2024 Nature Based Solutions Climate Targets Published

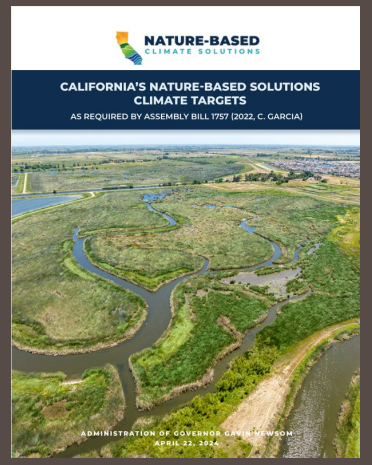
2025 CARB Updated Natural & Working Lands Inventory Methodology

2026 CARB Statewide Inventory Update Published

Established California's 30X30 goal and climate plan for natural and working lands



Scoping Plan began integrating natural & working lands

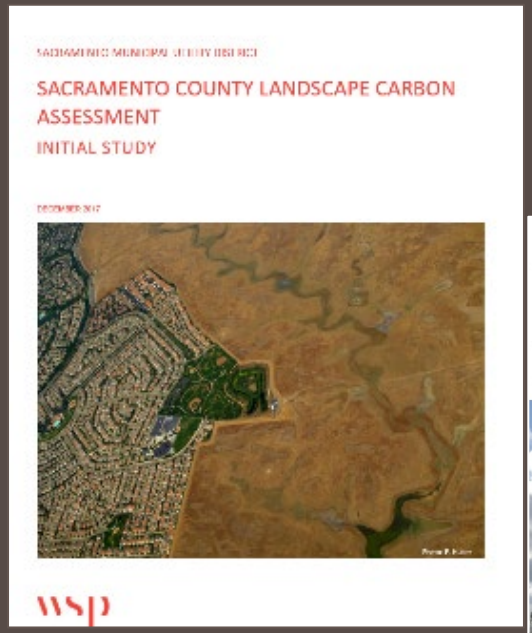


Finding CA's natural and working lands absorbed more carbon than they released since 2001, helping counterbalance emissions from catastrophic fires.

SMUD®

SMUD Nature-Based Carbon Solutions Analysis & Projects

2026 Rancho Seco soil testing revealed a 9% increase in carbon matter and soil organic carbon since baseline testing two years ago, exceeding near-term expectations



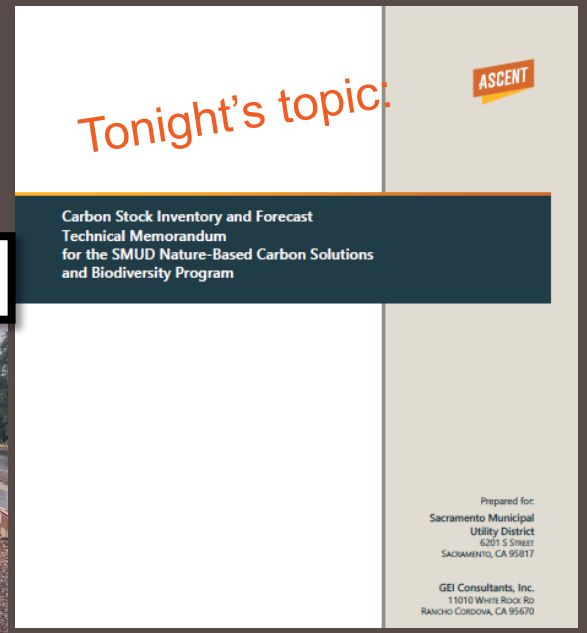












★ Board Discussions

- 2017 Sacramento County Landscape Carbon Assessment
- 2020 Carbon Farming Conceptual Plan & Project Proposal
- ★ 2021 Rancho Seco Carbon Farming & Pollinator Project Begins
- 2023 Orangevale Substation Pollinator Garden Begins
- ★ 2024 Baseline Soil Testing Began at Rancho Seco & Orangevale
- ★ 2025-26 SMUD Nature-Based Carbon & Biodiversity Feasibility Study ★

Dr. Jennifer Burt, Sr. Restoration Ecologist
GEI Consultants, Inc.

Hannah Kornfield, Carbon Inventory Lead
Ascent Environmental