

Exhibit to Agenda Item #3

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

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, June 11, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Strategic Direction 8 (SD-8) Employee Relations

2024 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 **23,000+** students in SMUD's Zero Carbon effort and related energy careers
- 2024 partners included:
 - K-12 schools
 - Community colleges
 - 4-year universities
 - Education non-profits



Career Ambassador Program

- Reached **12,000+** people at **151** Ambassador outreach events
- Return to pre-COVID event request totals (**133** in-person!)
- 2024 partners included:
 - K-12 schools
 - Community colleges
 - 4-year universities
 - Education non-profits
 - Workforce training programs

Developing Entry-level Pipeline

Requirements A, B, E



Internships

- Received **5,700+** intern applications, hired **89** students
- Intern apps increased by **66%**, hires increased by **30%**
- 2024 Cohort Contributions
 - Sacramento Power Academy website
 - SAP software Artificial Intelligence integration research
 - Compliance oversight dashboard
 - Field Arborist and Land Planner observations
 - Material inspections

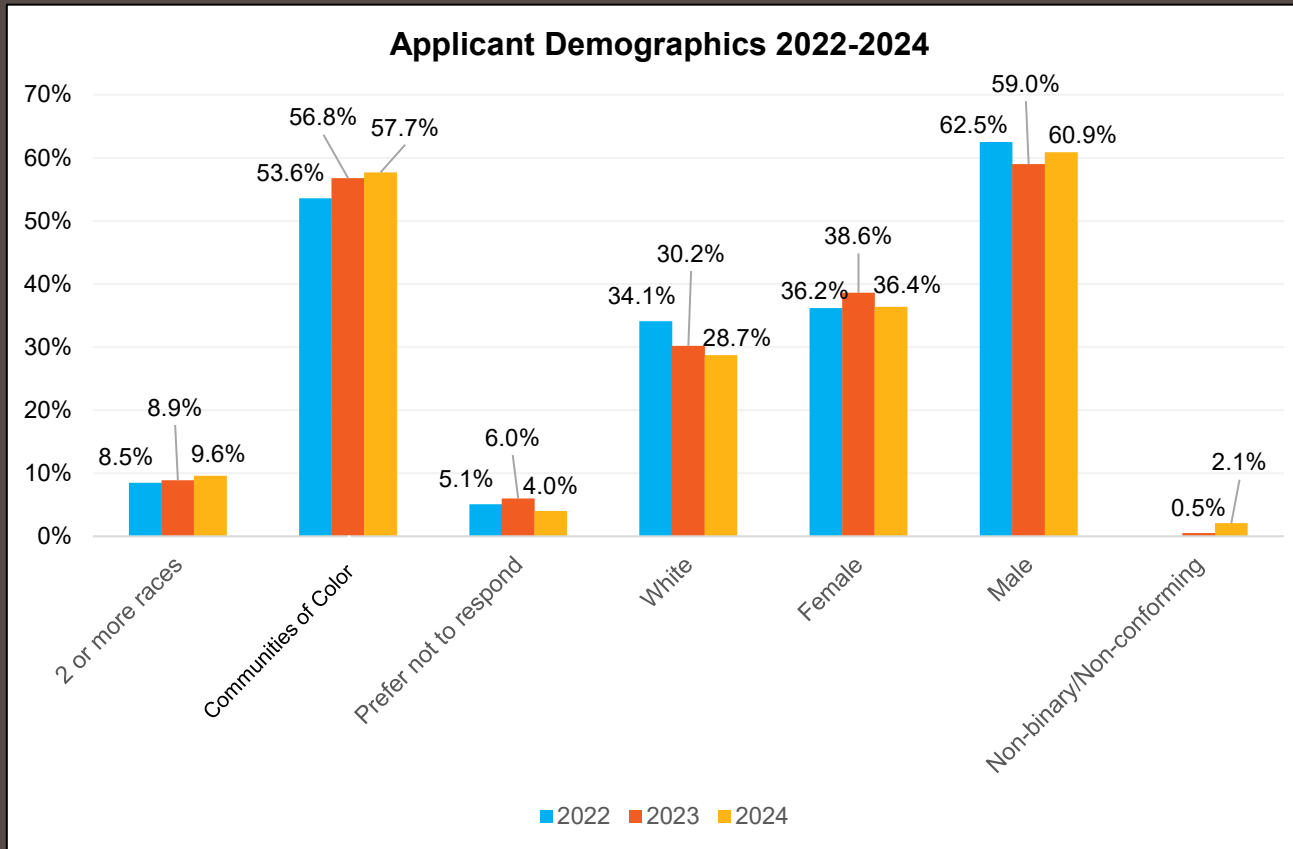


Regional Workforce Development

- Partnered with **49** orgs to develop & train our community
- Reached **9,000+** youths and adults
- Trained **4,000+** in work readiness & technical skills
- Placed **980+** trainees into new careers
- Hosted 2nd Annual **Regional Workforce Development Summit**

Attracting Qualified, Diverse Talent

Requirements A, B, E



Hiring Activity

- Managed **680+** internal & external hiring requisitions
- Screened **28,000+** applications
 - Received approx. 500 more external apps totaling **25,000+** in 2024



Developing Qualified, Diverse Talent Requirements A, B, C, D

Skilled Trades Apprenticeships

- Trained **110** apprentices, up from 75 in 2023

Corporate Learning & Development Curriculum

- Employees averaged **76** hours of training with a marked increase in non-mandatory learning

Internal & External Leadership Programs

- **25** graduates from **10** different local and regional development programs

Education Assistance Tuition Reimbursement

- **99** employee participants, down from 136 in 2023



Retaining Qualified, Diverse Talent

Requirements A, B



Decreased Employee Turnover

- SMUD turnover decreased for third consecutive year
 - **5.1%** in 2024
 - **6.4%** in 2023
 - **7.0%** in 2022
- Turnover continues to rank below industry benchmark of **8.8%** in 2024



Employee Exit Interviews

- **Less than 50%** were dissatisfied with some part of their job
- **89%** would consider returning
- **94%** would recommend SMUD



Focus on Holistic Employee Well-being

- More dynamic Health Assessment Program including more and varied activities
- Expansion of on-site fitness center offerings
- One SMUD Strolls and wellness-themed Employee Resource Group activity
- Mental health education, leadership



Impactful Policy Updates in 2024

- **Paid Family Leave**
Short-term Disability Plan
Long-term Disability Plan
- Salary replacement so employees can care for themselves and others
- No requirement for employees to exhaust leave balances
- Lauded by employees as “life changing” update

Workforce Culture Requirements A, B, C, D



Employee Engagement

- Achieved **91%** participation for the second time in a row, an all-time high for SMUD
- Survey reflected an overall engagement score of **87%**, up 3 points from the 2021 survey
- SMUD's engagement score is **9% higher** than global and utility benchmarks
- High employee participation in SMUD Cares ❤️

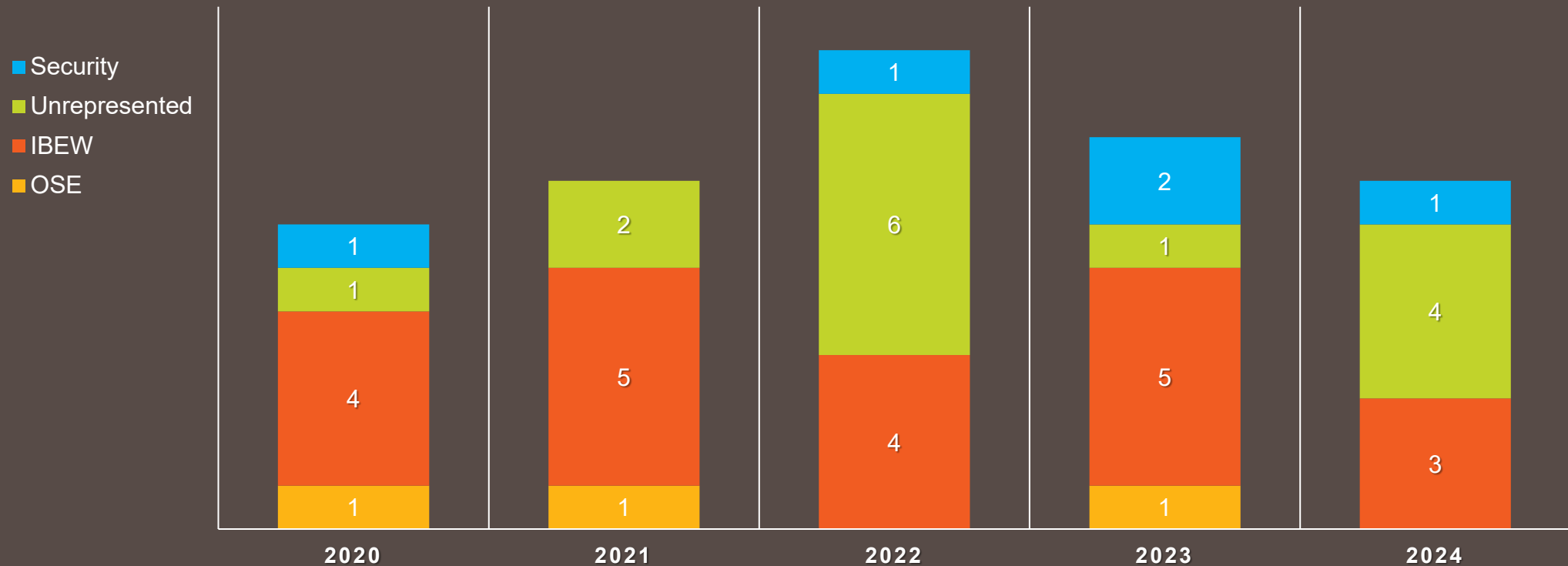
Employee Resource Groups (ERGs)

- Hosted **47** events attended by **980+** employees to increase cultural awareness, foster support and belonging, and promote engagement
- Celebrated global **Diversity Day** in tandem with **ERG Recruitment Fair**
- Created **2 New ERGs**: Allies and Diverse Abilities Partnering Together (ADAPT) and Men's ERG

Conduct & Grievances

Requirement F

2020-2024 Grievances



Workforce Demographics

Requirement G

SD-8 Total Workforce Demographics 2020-2024

Calendar Year	Gender		Race/Ethnicity						
	Male	Female	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	2 or more Races
2020	66%	34%	58%	7%	15%	15%		1%	4%
2021	66%	34%	57%	7%	15%	15%		1%	5%
2022	67%	33%	56%	7%	16%	15%		1%	5%
2023	66%	34%	55%	7%	16%	16%		1%	5%
2024	65.3%	34.7%	54.8%	6.9%	16.6%	14.8%	0.9%	0.6%	5.5%
Sac Pop. 2024*	49.2%	50.8%	39.7%	9%	24.5%	17.6%	1.2%	0.3%	7.7%
Sac Civ. 2024**	52.2%	50.0%	41.5%	8.6%	25.4%	18.4%	-	-	-

*Total Sacramento County Population data derived from 2023 American Community Survey, 1-Year Estimate.

**Sacramento County Civilian labor force data derived from 2023 American Community Survey, 1-Year Estimate. Data represents residents aged 16 and older, and excludes houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces Active Duty.

Benchmark data was derived from the 2023 American Community Survey which does not include Middle Eastern or North African. Additionally, there is not complete data available for Native Hawaiian or Pacific Islander; American Indian or Alaska Native; or 2 or More Races for the civilian labor force.

Workforce Demographics

Requirement G

SD-8 Veteran Demographics 2020-2024

Calendar Year	Gender		Race/Ethnicity						
	Male	Female	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	2 or more Races
2020	91%	9%	58%	7%	14%	13%		0%	8%
2021	91%	9%	58%	6%	13%	13%		0%	9%
2022	90%	10%	56%	6%	13%	15%		0%	10%
2023	91%	9%	56%	5%	12%	16%		0%	11%
2024	82.9%	17.1%	50.0%	7.0%	16.0%	14.0%	3.0%	0.0%	10.0%
CA Vets*	90.0%	10.0%	58.0%	10.0%	14.0%	8.0%	0.0%	1.0%	9.0%

*CA Vets VetPop2023 State Race/Ethnicity Data, 8L does not include Middle Eastern or North African as a race/ethnicity category

Veteran Outreach & Hiring

- Attended **14** vet-specific events
- Reached **638** vet orgs
- Sent **7,300+** job email announcements
- Hired **24** vets in 2024, increasing vet population to **5.6%**

Workforce Demographics

Requirement G

Supplemental Total Workforce Demographics 2024

Calendar Year	Gender				Race/Ethnicity								
	Male	Female	Non-binary/ Non-conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
2024	65.2%	34.4%	0.1%	0.3%	52.8%	6.6%	16.0%	14.2%	0.9%	0.6%	0.1%	5.3%	3.6%
Sac Pop. 2024*	49.2%	50.8%	-	-	39.7%	9.0%	24.5%	17.6%	1.2%	0.3%	-	7.7%	-
Sac Civ. 2024**	52.2%	50.0%	-	-	41.5%	8.6%	25.4%	18.4%	-	-	-	-	-

Supplemental Veteran Demographics 2024

Calendar Year	Gender				Race/Ethnicity								
	Male	Female	Non-binary/ Non-conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
2024	82.3%	16.9%	0.0%	0.8%	50.0%	6.9%	16.2%	13.8%	3.1%	0.0%	0.0%	10.0%	0.0%
CA Vets*	89.6%	10.4%	0.0%	0.0%	57.6%	9.9%	14.0%	7.8%	0.5%	1.0%	-	9.2%	0.0%

Workforce Demographics

Requirement G

Supplemental Workforce Demographics by Employee Level 2024

	Gender				Race/Ethnicity								
Level	Male	Female	Non-binary/ Non- conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
Execs	66.7%	33.3%	0.0%	0.0%	44.4%	22.2%	0.0%	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Directors	61.8%	38.2%	0.0%	0.0%	58.8%	11.8%	2.9%	14.7%	2.9%	0.0%	0.0%	5.9%	2.9%
Managers	57.8%	41.3%	0.0%	0.9%	67.0%	1.8%	7.3%	13.8%	0.0%	0.9%	0.0%	7.3%	1.8%
Supervisors	63.2%	36.8%	0.0%	0.0%	57.6%	8.2%	11.3%	15.6%	0.9%	0.0%	0.0%	3.5%	3.0%
Staff	65.9%	33.7%	0.2%	0.3%	51.3%	6.5%	17.3%	14.0%	0.9%	0.7%	0.2%	5.4%	3.8%
SMUD	65.2%	34.4%	0.1%	0.3%	52.8%	6.6%	16.0%	14.2%	0.9%	0.6%	0.1%	5.3%	3.6%

Recommendation

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