Exhibit to Agenda Item #1

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

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, May 11, 2022, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
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 116 hours, reached 3,441 community members
- Recorded highest ever participation rate for Engagement Survey (91%)
- 7.7% employee turnover rate ranked below 13.1% industry benchmark
- Collaboratively negotiated a 2.8% reduction in medical premium rates
- 100% of all leaders identified and completed inclusion goals
Workforce Personal & Professional Development

- 20 employees participated in local and regional development programs
- 131 employees utilized SMUD’s Education Assistance Program in 2021 (3% less than in 2020)
- 2,440 individuals averaged 25 hours of enterprise, cross-functional and department-specific training
Employee Engagement & Culture of Trust

Where We Have Opportunities
- Employee Voice
- Communication
- Alignment with 2030 Clean Energy Vision

Where We Improved
- Trust
- Respect
- Supervisor recognition
- Communication

Fully Engaged
- SMUD 2021: 38%
- SMUD 2019: 42%
- Global: 29%
- Utilities: 31%

Key Contributor
- SMUD 2021: 46%
- SMUD 2019: 45%
- Global: 48%
- Utilities: 49%

Opportunity Group
- SMUD 2021: 12%
- SMUD 2019: 10%
- Global: 18%
- Utilities: 16%

Fully Disengaged
- SMUD 2021: 4%
- SMUD 2019: 3%
- Global: 5%
- Utilities: 4%

1,989 of 2,177 Employees Participated
Policies for Effective Handling of Grievances

2017-2021 Grievances

- Security
- Unrepresented
- IBEW
- OSE

<table>
<thead>
<tr>
<th>Year</th>
<th>Security</th>
<th>Unrepresented</th>
<th>IBEW</th>
<th>OSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2018</td>
<td>1</td>
<td>8</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>2019</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>2020</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>2021</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

May 11, 2022
Board Policy Committee and Special SMUD Board of Directors Meeting
Diverse Outreach and Partnerships

Participated in broad mix of employment-related events:
- 1 female
- 1 LGBTQ
- 45 culture & ethnic
- 3 low-income
- 2 veteran

Funded 3 CSUS Hornet Leadership Program scholars majoring in engineering and computer science; and 1 facilitator

Received 1,666 college intern applications
Hired 65 interns
Hosted 6 High School interns over summer

Funded endowments and awarded 1 scholarship each:
- Powering Hornets (CSUS)
- Powering Aggies (UCD)

Awarded 21 Powering Futures Scholarships

Funded 3 CSUS Hornet Leadership Program scholars majoring in engineering and computer science; and 1 facilitator
Inclusion & Diversity Across the Organization

- Created Workforce Diversity & Inclusion business unit; Chief Diversity Officer role; DEI Director role; and DEI team, elevating DEI for SMUD and the community

- Mandatory training updated to include *Confronting Bias: Thriving Across Differences*

- Employee Resource Groups hosted 95 virtual interactions and programs to keep employees connected

- Diversity, Equity, Inclusion and Belonging (DEIB) Council announced and recruitment campaign launched

- SMUD’s first Workforce Demographics Dashboard launched Nov 2021 to enhance education, awareness, inclusion, recruitment & outreach
Workforce Demographics
All SMUD Employees

<table>
<thead>
<tr>
<th>Population</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>
</tr>
</thead>
<tbody>
<tr>
<td>2021 SMUD Employees</td>
<td>66%</td>
<td>34%</td>
<td>57%</td>
<td>7%</td>
<td>15%</td>
<td>15%</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>2020 SMUD Employees</td>
<td>66%</td>
<td>34%</td>
<td>58%</td>
<td>7%</td>
<td>15%</td>
<td>15%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>2019 SMUD Employees</td>
<td>66%</td>
<td>34%</td>
<td>59%</td>
<td>8%</td>
<td>14%</td>
<td>15%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>2018 SMUD Employees*</td>
<td>66%</td>
<td>34%</td>
<td>60%</td>
<td>8%</td>
<td>14%</td>
<td>15%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Sacramento Co. Total Population</td>
<td>51%</td>
<td>49%</td>
<td>41%</td>
<td>9%</td>
<td>24%</td>
<td>19%</td>
<td>0%</td>
<td>7%</td>
</tr>
<tr>
<td>Sacramento Co. Civilian Workforce</td>
<td>52%</td>
<td>48%</td>
<td>48%</td>
<td>9%</td>
<td>22%</td>
<td>17%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Sac, El Dorado &amp; Placer Co. Civilian Workforce**</td>
<td>52%</td>
<td>48%</td>
<td>55%</td>
<td>7%</td>
<td>20%</td>
<td>14%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>U.S. Civilian Workforce</td>
<td>53%</td>
<td>47%</td>
<td>63%</td>
<td>12%</td>
<td>17%</td>
<td>6%</td>
<td>1%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Veterans comprised 5.1% of SMUD’s workforce in 2021, up from 4.8% in 2020.

* Percentages may not add up to 100% due to rounding.
** Tri-county demographics based on a civilian labor force, represent residents 16yrs+. Numbers exclude houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces active duty.
## Workforce Demographics

### 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>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td>56%</td>
<td>44%</td>
<td>56%</td>
<td>22%</td>
<td>0%</td>
<td>22%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Directors</td>
<td>68%</td>
<td>32%</td>
<td>71%</td>
<td>10%</td>
<td>3%</td>
<td>13%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Managers</td>
<td>63%</td>
<td>38%</td>
<td>65%</td>
<td>4%</td>
<td>6%</td>
<td>15%</td>
<td>1%</td>
<td>9%</td>
</tr>
<tr>
<td>Supervisors</td>
<td>63%</td>
<td>37%</td>
<td>64%</td>
<td>7%</td>
<td>12%</td>
<td>15%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Staff</td>
<td>67%</td>
<td>33%</td>
<td>55%</td>
<td>8%</td>
<td>16%</td>
<td>15%</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>SMUD wide</td>
<td>66%</td>
<td>34%</td>
<td>57%</td>
<td>7%</td>
<td>15%</td>
<td>15%</td>
<td>1%</td>
<td>5%</td>
</tr>
</tbody>
</table>
Increasing Data Transparency & Reporting
Talent Technology Transformation Project

Simple & modern
Actionable Insights to accessible data
Improved candidate & employee experience
Process & Cost Efficiencies

Separation History (Full-Time Employees)

<table>
<thead>
<tr>
<th>Year</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>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>66%</td>
<td>34%</td>
<td>75%</td>
<td>4%</td>
<td>9%</td>
<td>9%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>2020</td>
<td>72%</td>
<td>28%</td>
<td>66%</td>
<td>7%</td>
<td>8%</td>
<td>17%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>2019</td>
<td>69%</td>
<td>31%</td>
<td>70%</td>
<td>9%</td>
<td>9%</td>
<td>11%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>2018</td>
<td>62%</td>
<td>38%</td>
<td>67%</td>
<td>8%</td>
<td>10%</td>
<td>11%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>2017</td>
<td>71%</td>
<td>29%</td>
<td>68%</td>
<td>5%</td>
<td>14%</td>
<td>8%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>2016</td>
<td>75%</td>
<td>25%</td>
<td>72%</td>
<td>6%</td>
<td>5%</td>
<td>14%</td>
<td>1%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Recommendation

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