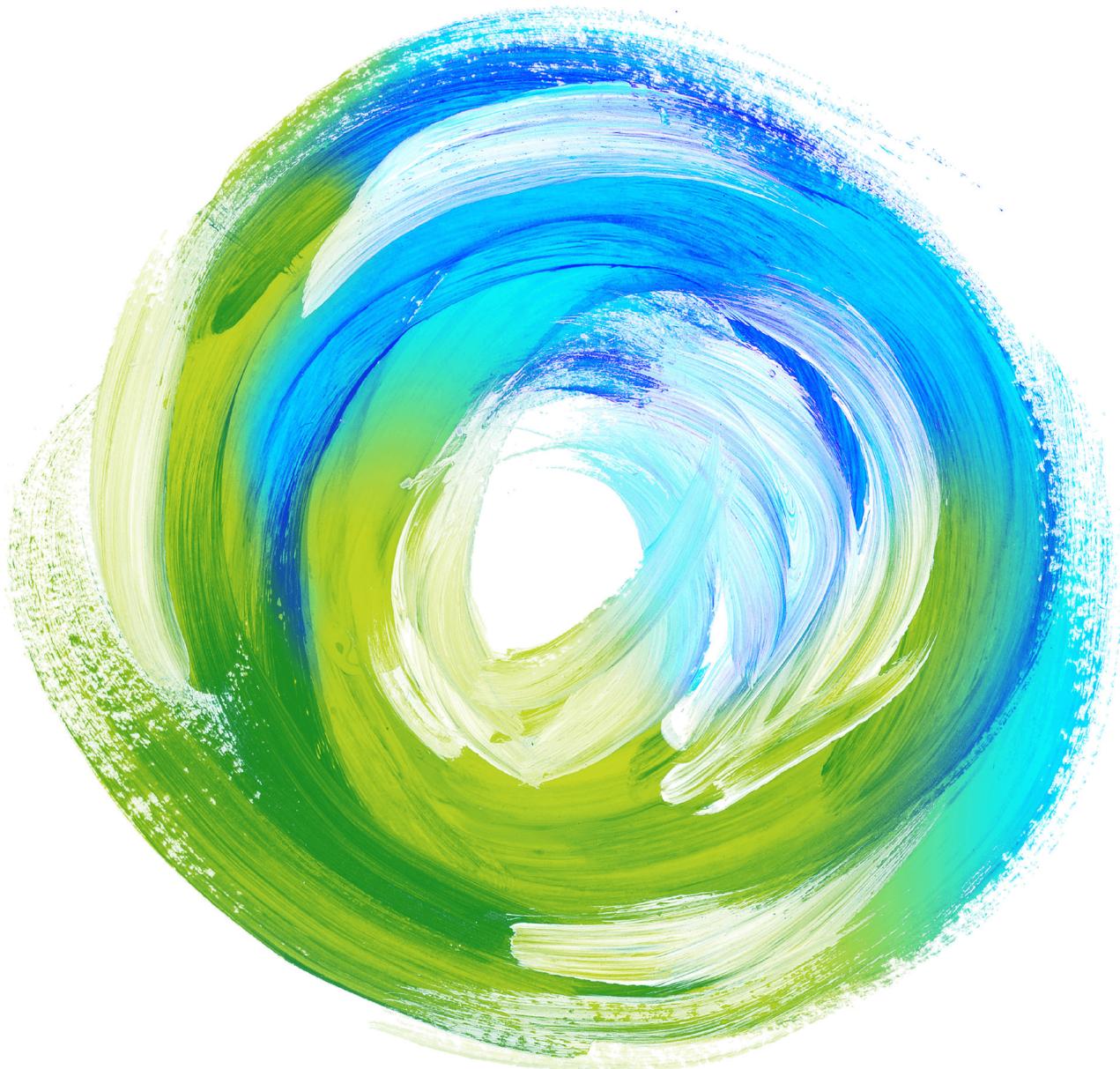


Deloitte.



TESLA INC

Briefing Book
Sunday, September 10, 2023

Table of contents

3 Key information

Company overview	4
C-suite and board members matrix.....	6
Executive movement (last 12 months).....	7
Deloitte relationships	8
Cross-board relationships	9
Parent client team.....	11

12 Financials

Financial snapshot	13
--------------------------	----

14 Corporate activity

Disclosure report	15
Key developments (last 6 months).....	18
Proxy fees.....	24
Peer comparison.....	25

26 Perspectives

Governance report	27
ESG report.....	64



Key information

Tesla, Inc.

Austin, Texas, United States

+5125168177 • www.tesla.com

Publicly Traded Company

EMPLOYEES	SALES	ADDRESS
225 (Total) 127855 (Total)	81.46B	1 Tesla Rd Austin, Texas, 78725 United States
D&B LEGAL STATUS TYPE	FISCAL YEAR END	Latitude: 30.222694 Longitude: -97.618645
Corporation	12/31/2022	
CORPORATE LINKAGE	REPORTING CURRENCY	
569 Companies	USD	
TRADED	TOTAL ASSETS	
NASDAQ: TSLA	82.34B	
INDUSTRY	MARKET VALUE	
North American Industry Classification System 2022	788.74B	
FORTUNE 1000 RANK	D-U-N-S NUMBER	
50	148284255	
	CREDIT RATING	
	Low Risk	

Company summary

Founded in 2003, Tesla Motors designs, develops, manufactures, and markets high-performance, technologically advanced electric cars and solar energy generation and energy storage products. Tesla sells more than five fully electric cars, among others, the Model X and Y SUVs, as well as the Model S sedan and Model 3 sedan. It has a growing global network of Tesla Superchargers, which are industrial grade, high-speed vehicle chargers, typically placed along well-traveled routes to allow Tesla-owners quick and reliable charging. Tesla offers certain advanced driver assist systems under its Autopilot and Full Self-Driving options. The US customers generate about half of Tesla's sales.

Operations

The Automotive segment offers electric vehicles, as well as sells automotive regulatory credits; and non-warranty after-sales vehicle, used vehicles, retail merchandise, and vehicle insurance services. This segment also provides sedans and sport utility vehicles through direct and used vehicle sales, a network of Tesla Superchargers, and in-app upgrades; purchase financing and leasing services; services for electric vehicles through its company-owned service locations and Tesla mobile service technicians; and vehicle limited warranties and extended service plans.

The Energy Generation and Storage segment engages in the design, manufacture, installation, sale, and leasing of solar energy generation and energy storage products, and related services to residential, commercial, and industrial customers and utilities through its website, stores, and galleries, as well as through a network of channel partners; and provision of service and repairs to its energy product customers, including under warranty, as well as various financing options to its solar customers.

The company designs, develops, manufactures, leases, and sells electric vehicles, and energy generation and storage systems. It operates in two segments, Automotive, and Energy Generation and Storage.

Short company profile

Founded in 2003, Tesla Motors designs, develops, manufactures, and markets high-performance, technologically advanced electric cars and solar energy generation and energy storage products. Tesla sells more than five fully electric cars, among others, the Model X and Y SUVs, as well as the Model S sedan and Model 3 sedan. It has a growing global network of Tesla Superchargers, which are industrial grade, high-speed vehicle chargers, typically placed along well-traveled routes to allow Tesla-owners quick and reliable charging. Tesla offers certain advanced driver assist systems under its Autopilot and Full Self-Driving options. The US customers generate about half of Tesla's sales.

Company operations summary

Tesla operates in two reportable segments: Automotive and Energy generation and storage.

The automotive segment generates about 90% of sales. The segment includes sales and leasing of electric vehicles as well as sales of automotive regulatory credits. Its other electric vehicles are: Model Y, Cybertruck, Tesla Roadster and Tesla Semi. Additionally, the segment is also comprised of services and others, which includes non-warranty after-sales vehicle services, sales of used vehicles, retail merchandise, sales by the acquired subsidiaries to third party customers and vehicle insurance revenue.

The company's energy generation and storage segment (about 5% of sales) makes and sells stationary energy storage products and solar energy systems to residential and small commercial customers, as well as large commercial and utility grade customers. Its Powerwall lithium-ion battery with integrated inverter system is designed to store energy at a home or small commercial facility. Megapack also offer features like grouping multiple units to form larger installations capable of reaching gigawatt hours or greater. Tesla's solar energy systems include solar panels and inverters. The company's Solar Roof gathers solar energy from glass tiles that aim to be more architecturally pleasing than traditional roof-mounted solar panels.

Geographic reach

Tesla, headquartered in Austin, Texas, operates a manufacturing facility in Fremont, California; and its Gigafactories near Sparks, Nevada; Buffalo, New York; Lathrop, California; Grunheide, Germany; and Shanghai, China.

The US accounts for about 50% of sales. China accounts for more than 20% of sales, while the rest of the market accounts for about 30%.

Sales and marketing summary

Tesla markets and sells cars directly to consumers through website and an international network of company-owned stores and galleries. The company also offers used vehicle business that supports new vehicle sales by integrating sales of new Tesla vehicle with customer's trade-in needs for their vehicle. The company continuously builds networks of Supercharger and Destination Charging stations along well-traveled routes and in around dense city centers. The company's solar energy and storage products are typically sold directly to residential customers through the company's stores and galleries, and through channel partners as well as its website. An international sales organizations and network of channel partners market and sell Powerwall and Megapack systems to commercial and utility customers.

Financial performance summary

The company's revenue increased by 51% or \$27.6 billion to \$81.5 billion in 2022 compared to \$53.8 billion in the prior year. Automotive sales revenue increased \$23.09 billion, or 52%, primarily due to an increase of 347,024 Model 3 and Model Y deliveries and an increase of 38,183 Model S and Model X deliveries year over year. Energy generation and storage revenue increased by \$1.12 billion, or 40%, primarily due to an increase in energy storage deployments of Megapack, Powerwall and higher average selling price of Megapack.

Tesla's net income for 2022 also increased by \$5.5 billion to \$12.6 billion compared to the prior year's \$5.5 billion, primarily due to an increase in revenue.

Cash at the end of 2022 amounted to \$16.9 billion. Cash from operations contributed \$14.7 billion to the coffers. Investing and financing activities used \$12.0 billion and \$3.5 billion, respectively. Main cash uses were for purchases of property and equipment, purchases of investments, and repayments of convertible and other debt.

Strategy summary

Generally, Tesla continues to expand production capacity at its existing facilities. It also intends to further increase cost-competitiveness in its significant markets by strategically adding local manufacturing. The company's success will depend on its ability to continue to expand its sales capabilities. Therefore, it is targeting with Model 3 and Model Y, a global mass demographic with a broad range of potential customers, in which it has relatively limited experience projecting demand and pricing its products. It currently produces numerous international variants at a limited number of factories, and if its specific demand expectations for these variants prove inaccurate.

Industry

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022
336110 - Automobile and Light Duty Motor Vehicle Manufacturing

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022
334413 - Semiconductor and Related Device Manufacturing

US STANDARD INDUSTRY CODE 1987 - 4 DIGIT
3711 - Mfg motor vehicle/car bodies

D&B STANDARD INDUSTRY CODE
37110104 - Cars, electric, assembly of

US STANDARD INDUSTRY CODE 1987 - 4 DIGIT
3711 - Mfg motor vehicle/car bodies

D&B STANDARD INDUSTRY CODE
37110100 - Automobile assembly, including specialty automobiles

D&B STANDARD MAJOR INDUSTRY CODE
D - Manufacturing

US STANDARD INDUSTRY CODE 1987 - 4 DIGIT
3714 - Mfg motor vehicle parts/accessories

D&B STANDARD INDUSTRY CODE
37140000 - Motor vehicle parts and accessories

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022
336110 - Automobile and Light Duty Motor Vehicle Manufacturing

D&B STANDARD INDUSTRY CODE
36740306 - Solar cells

D&B HOOVERS INDUSTRY CLASSIFICATION
119 - Motor Vehicle Manufacturing

US STANDARD INDUSTRY CODE 1987 - 4 DIGIT
3674 - Mfg semiconductors/related devices

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM 2022
336390 - Other Motor Vehicle Parts Manufacturing

NACE REVISION 2
2910 - Manufacture of motor vehicles

Company identifiers

D-U-N-S NUMBER
148284255

FEDERAL TAXPAYER IDENTIFICATION NUMBER (US)

91-2197729

BUSINESS REGISTRATION NUMBER (US)

3677166

Corporate highlights

TRADESTYLE
Tesla

YEAR FOUNDED
2003

Contacts

Elon Musk
Chief Executive Officer

ROBYN DENHOLM
Chairman of the Board

VAIBHAV TANEJA
Officer, Chief Financial Officer

ANDREW BAGLINO
Senior Vice President

Top competitors

TOYOTA MOTOR CORPORATION
D-U-N-S NUMBER - 690564737

Ford Motor Company
D-U-N-S NUMBER - 001344746

General Motors Company
D-U-N-S NUMBER - 832447812

Source: Audit Analytics, D&B Hoovers

C-suite and board members matrix

C-suite

Name	Role	Start date	Years in role	Age	Gender	Relationship strength	Deloitte or competitor alumni
Elon Musk	CEO (Chief Executive Officer)	11/07/2018	4.9	51	M	<div style="width: 50%; background-color: #ccc; height: 10px;"></div>	–
Vaibhav Taneja	CFO (Chief Financial Officer)	08/04/2023	0.1	46	M	<div style="width: 10%; background-color: #0070C0; height: 10px;"></div> <div style="width: 90%; background-color: #ccc; height: 10px;"></div>	PWC
Nagesh Saldi	CIO (Chief Information Officer)	06/01/2018	5.4	–	M	<div style="width: 10%; background-color: #0070C0; height: 10px;"></div> <div style="width: 90%; background-color: #ccc; height: 10px;"></div>	–

Source: BoardEx

Extended C-suite

Name	Role	Start date	Years in role	Age	Gender	Relationship strength	Deloitte or competitor alumni
Vaibhav Taneja	CAO (Chief Accounting Officer)	08/04/2023	0.1	46	M	<div style="width: 10%; background-color: #0070C0; height: 10px;"></div> <div style="width: 90%; background-color: #ccc; height: 10px;"></div>	PWC

Source: BoardEx

Board members

● Deloitte alumni ● Competitor alumni ● Deloitte board ● Competitor board

Name	Role	Start date	Years on board	Committees	Age/Gender	Total boards
Robyn Denholm	Independent Chair	11/07/2018	4.8	Audit (Chair) Compensation Control (Chair) Governance Nomination	59/F	7
Ira Ehrenpreis	Independent Director	06/29/2010	13.2	Compensation (Chair) Governance (Chair) Nomination (Chair)	54/M	11
Joseph Gebbia Jr	Independent Director	09/25/2022	1.0	Audit	42/M	2
James Murdoch	Independent Director	07/13/2017	6.2	Audit Control Governance Nomination	50/M	6
Elon Musk	CEO	11/07/2018	4.8	–	51/M	5
Kimbal Musk	Director - SD	06/29/2010	13.2	–	49/M	5
Jb Straubel	Independent Director	05/16/2023	0.3	–	47/M	4
Kathleen Wilson-Thompson	Independent Director	12/27/2018	4.7	Compensation Control Governance Nomination	66/F	3

Source: BoardEx

Executive movement (last 12 months)

CFO Vaibhav Taneja was appointed

08/07/2023

Source: [8-K](#)

As of August 4, 2023, Tesla, Inc. ("Tesla") appointed Vaibhav Taneja as Chief Financial Officer in addition to his current role as Chief Accounting Officer, to succeed Zachary Kirkhorn. Mr. Kirkhorn stepped down as of August 4, after a thirteen-year tenure with the company, the last four years of which he has served as Master of Coin and Chief Financial Officer. During his tenure, Tesla has seen tremendous expansion and growth. Tesla thanks Mr. Kirkhorn for his significant contributions. Mr. Kirkhorn will continue to serve Tesla through the end of the year to support a seamless transition.

Prior to this appointment as CFO, Mr. Taneja, 45, served as Tesla's Chief Accounting Officer since March 2019, as Corporate Controller from May 2018, and as Assistant Corporate Controller between February 2017 and May 2018. Mr. Taneja served in various finance and accounting roles at SolarCity Corporation from March 2016. Prior to that, Mr. Taneja was employed at PricewaterhouseCoopers in both India and the U.S. between July 1999 and March 2016.

CFO, Master of Coin Zachary Kirkhorn has resigned

08/07/2023

Source: [8-K](#)

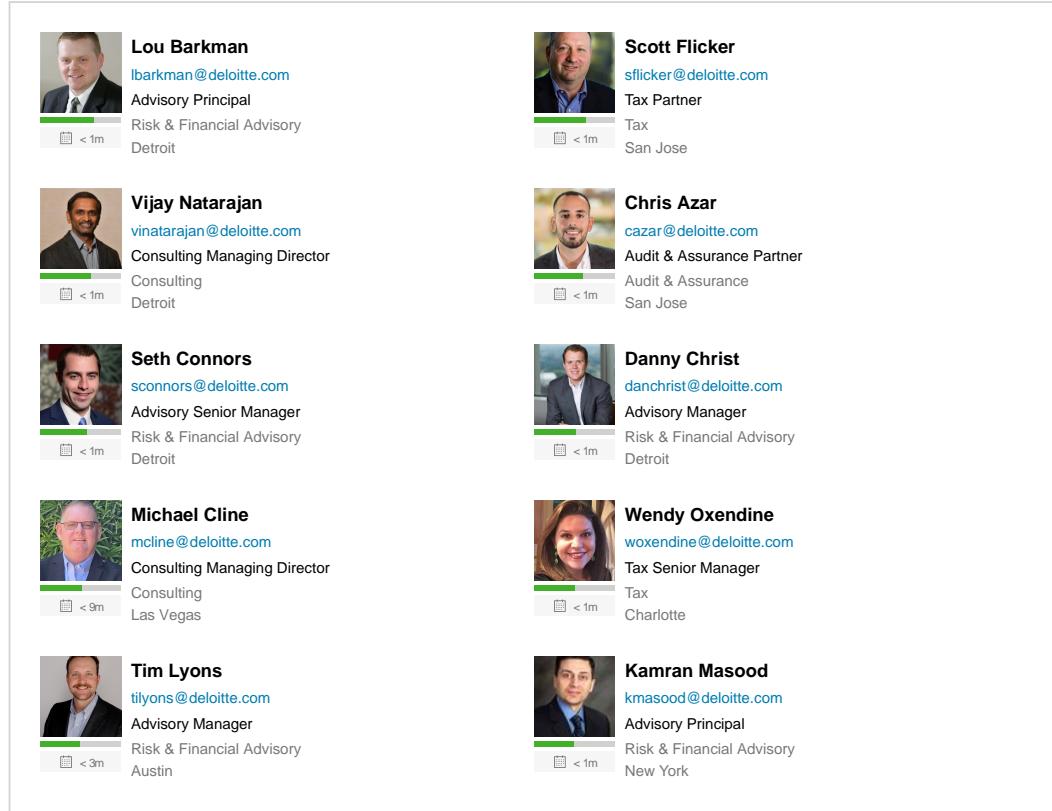
As of August 4, 2023, Tesla, Inc. ("Tesla") appointed Vaibhav Taneja as Chief Financial Officer in addition to his current role as Chief Accounting Officer, to succeed Zachary Kirkhorn. Mr. Kirkhorn stepped down as of August 4, after a thirteen-year tenure with the company, the last four years of which he has served as Master of Coin and Chief Financial Officer. During his tenure, Tesla has seen tremendous expansion and growth. Tesla thanks Mr. Kirkhorn for his significant contributions. Mr. Kirkhorn will continue to serve Tesla through the end of the year to support a seamless transition.

Prior to this appointment as CFO, Mr. Taneja, 45, served as Tesla's Chief Accounting Officer since March 2019, as Corporate Controller from May 2018, and as Assistant Corporate Controller between February 2017 and May 2018. Mr. Taneja served in various finance and accounting roles at SolarCity Corporation from March 2016. Prior to that, Mr. Taneja was employed at PricewaterhouseCoopers in both India and the U.S. between July 1999 and March 2016.

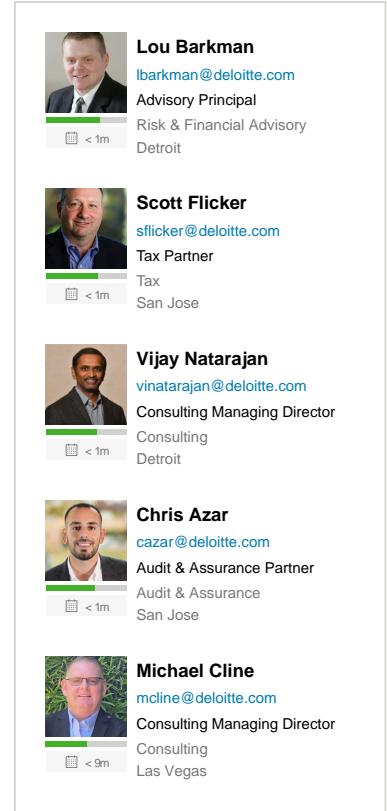
Source: BoardEx

Deloitte relationships

Top 10 Deloitte relationships



Top 5 PPMD relationships



See all relationships in IQ.

Source: Introhive

Cross-board relationships

					Cross-board relationships			
Board member	Role	Start date	Years on board	Committees	Other current board positions	Committees	Current auditor	Auditor tenure
Elon Reeve Musk	CEO	11/07/2018	4.8	–	X CORP (FKA TWITTER INC)	–	PwC	Since 2010
					NEURALINK CORP (Non-board role)	–	–	–
					SPACEX	–	–	–
					TBC - THE BORING COMPANY (Non-board role)	–	–	–
Ira M Ehrenpreis	Independent Director	06/29/2010	13.2	Nominating and Corporate Governance (chair), Compensation (chair)	COALTEK INC	–	–	–
					DOUBLE BOTTOM LINE VENTURE CAPITAL (DBL PARTNERS) (Non-board role)	–	–	–
					FLODESIGN INC	–	–	–
					IMERGY POWER SYSTEMS INC (DEEYA ENERGY INC PRIOR TO 12/2013)	–	–	–
					IMPERIUM RENEWABLES INC	–	–	–
					MAPBOX	–	–	–
					OGIN INC (FLODESIGN WIND TURBINE CORP PRIOR TO 11/2013)	–	–	–
					POWERGENIX SYSTEMS INC	–	–	–
					SPACEX (Non-board role)	–	–	–
					TECHNOLOGY PARTNERS (Non-board role)	–	–	–
James Rupert Murdoch	Independent Director	07/13/2017	6.1	Audit, Disclosure Controls, Nominating and Corporate Governance	LUPA SYSTEMS LLC (Non-board role)	–	–	–
					MCH GROUP AG (MCH MESSE SCHWEIZ AG PRIOR TO 05/2009)	Strategy (chair)	KPMG	–
					REBELLION DEFENSE INC	–	–	–
					TRUEX MEDIA (SOCIALVIBE INC PRIOR TO 2013)	–	–	–
					YANKEE GLOBAL ENTERPRISES LLC	–	–	–
Jeffrey Brian Straubel	Independent Director	05/16/2023	0.3	–	QUANTUMSCAPE CORP	–	EY	Since 2020
					QUANTUMSCAPE SUBSIDIARY INC (QUANTUMSCAPE CORP PRIOR TO 11/2020)	–	–	–
					REDWOOD MATERIALS INC (Non-board role)	–	–	–
Joseph (Joe) Gebbia Jr	Independent Director	09/25/2022	0.9	Audit	AIRBNB INC	Stakeholder	PwC	Since 2011
Kathleen Wilson-Thompson	Independent Director	12/27/2018	4.7	Compensation, Disclosure Controls, Nominating and Corporate Governance	MCKESSON CORP	Compensation and Talent, Governance and Sustainability	Deloitte	Since 1968
					WOLVERINE WORLD WIDE	Compensation (chair), Governance	EY	Since 1933
Kimbal Musk	Director - SD	06/29/2010	13.2	–	BIG GREEN CO INC (BGC)	–	–	–
					SPACEX	–	–	–
					SQUARE ROOTS URBAN GROWERS INC	–	–	–
					THE KITCHEN INC (Non-board role)	–	–	–

Robyn M Denholm	Independent Chair	11/07/2018	4.8	Audit (chair), Disclosure Controls (chair), Compensation, Nominating and Corporate Governance	BLACKBIRD VENTURES PTY LTD (Non-board role)	-	-	-
					HARRISON-AI PTY LTD	-	-	-
					MORSE MICRO PTY LTD (Non-board role)	-	-	-
					PROPELLER AEROBOTICS PTY LTD	-	-	-
					SAFETYCULTURE PTY LTD	-	-	-
					SKEDULO HOLDINGS INC	-	-	-

Source: BoardEx

Parent client team

8 parent client team members



Alison Walgren
awalgren@deloitte.com
LCSP
Consulting
Austin



Bhawik Bairagara
bbairagara@deloitte.com
CAM
Client & Market Growth
Hyderabad



Lou Barkman
lbarkman@deloitte.com
LBP/POC Advisory
Risk & Financial Advisory
Detroit



Alison Walgren
awalgren@deloitte.com
LBP/POC DC
Consulting
Austin



Tim Leverenz
tleverenz@deloitte.com
LBP/POC Tax
Tax
Houston



Anthony Waelter
awaelter@deloitte.com
National Industry Leader
Risk & Financial Advisory
Chicago



Karen Bowman
kbowman@deloitte.com
National Sector Leader
Consulting
Boston



Niteen Khandekar
nkhandekar@deloitte.com
EFA
Finance & Administration
Mumbai

Source: Deloitte Master Data Repository



Financials

Financial snapshot

Stock report chart



Market data

Quote symbol:	TSLA	Currency:	USD	Stock price date:	07/31/2023
Exchange:	NASDAQ Global Select Market	Stock price:	\$299.29	Market value:	\$788,737.63M

Source: Refinitiv

Earnings estimate

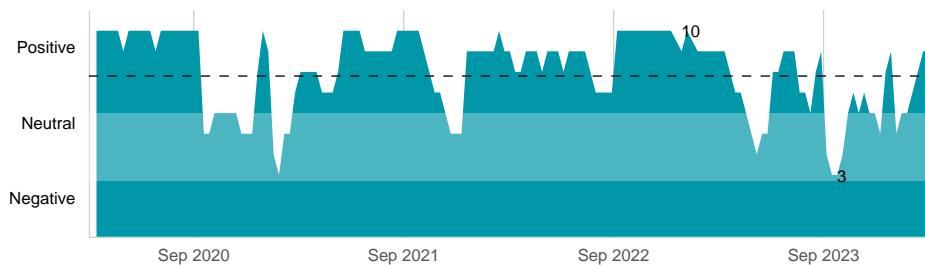
Earnings

9

Positive outlook

Strong earnings with recent analyst upgrades or a history of surpassing consensus estimates.

Earnings score trend



Earnings score average

Automobiles & Auto Parts group	5.0
Automobiles & Auto Parts sector	5.0
S&P 500 index	6.4
Mega market capital	7.1

As of 09/03/2023

Peer comparison

Peers	-6M	-3M	-1M	-1W	Current	1 year trend
RIVN	9	10	8	9	9	
TSLA	9	6	6	9	9	
NIO	1	2	1	2	2	
LCID	4	4	4	2	1	
VFS	NR	NR	NR	NR	NR	

Source: Refinitiv

Financial info

Company financials



Info

Market capital:	\$788,737.63M
Revenue (TTM):	\$94,028.00M
Earnings:	\$2,703.00M
Assets:	\$90,591.00M
Fiscal year end:	12/31
Financials date (Latest FY):	06/30/2023

Source: Audit Analytics, Refinitiv



Corporate activity

Disclosure report

Disclosure controls over financial reporting - SOX 302 (last 5 years)

Auditor	Effective mgmt controls	Material weakness	Other deficiencies/controls	Period end date	Filing	Filing date	Reasons
PWC	Yes	No	No	12/31/2022	10-K	01/31/2023	–
PWC	Yes	No	No	12/31/2021	10-K	02/07/2022	–
PWC	Yes	No	No	12/31/2020	10-K	02/08/2021	–
PWC	Yes	No	No	12/31/2019	10-K	02/13/2020	–
PWC	Yes	No	No	12/31/2018	10-K	02/19/2019	–

Internal controls over financial reporting - SOX 404 (last 5 years)

Auditor	Fiscal year	Signature date	Auditor agrees with mgmt?	Internal controls effective	Filing	Filing date	Reasons
PWC	2022	01/30/2023	Yes	Yes	10-K	01/31/2023	–
PWC	2021	02/04/2022	Yes	Yes	10-K	02/07/2022	–
PWC	2020	02/08/2021	Yes	Yes	10-K	02/08/2021	–
PWC	2019	02/13/2020	Yes	Yes	10-K	02/13/2020	–
PWC	2018	02/19/2019	Yes	Yes	10-K	02/19/2019	–

Audit opinions (last 5 years, if available)

Auditor	Fiscal Year	Going concern?	Opinion issues	Additional opinion	Integrated audit?	Critical audit matters (MR)	Filer status	Filing	Filing date	Signature date
PWC	2022	No	–	No	Yes	1	Large Accelerated Filer	10-K	01/31/2023	01/30/2023
PWC	2021	No	–	No	Yes	1	Large Accelerated Filer	10-K	02/07/2022	02/04/2022
PWC	2020	No	–	No	Yes	2	Large Accelerated Filer	10-K	02/08/2021	02/08/2021
PWC	2019	No	–	No	Yes	2	Large Accelerated Filer	10-K	02/13/2020	02/13/2020
PWC	2018	No	–	No	Yes	–	Large Accelerated Filer	10-K	02/19/2019	02/19/2019

Class action (last 5 years)

Start date	End date	SEC action?	Document	Filing date
02/19/2019	02/17/2023	No	Filed Complaint	02/27/2023
08/07/2018	08/08/2018	Yes	Filed Complaint	09/27/2018

Form AP (last 5 years)

Engagement partner name	Audit firm	Audit report date
Healy, Kevin Anthony	PWC	01/30/2023
Healy, Kevin Anthony	PWC	02/04/2022
Healy, Kevin Anthony	PWC	02/08/2021
Healy, Kevin Anthony	PWC	02/13/2020
Westall, Laurence Butler	PWC	02/19/2019

Impairments (last 5 years)

Impairment type	Impairment amount (\$M)	Filing	Filing date
Intangible Assets - Other intangible assets (not goodwill)	(204,000,000)	10-K	01/31/2023
Inventory	(144,000,000)	10-K	01/31/2023
Intangible Assets - Other intangible assets (not goodwill)	(101,000,000)	10-K	02/07/2022
Intangible Assets - In-process research and development	(47,000,000)	10-K	02/13/2020
Intangible Assets - In-process research and development	(13,300,000)	10-K	02/19/2019

Management changes (last 2 years)

Name	Position	Incoming/Outgoing	Filing	Filing date	Reason
Vaibhav Taneja	CFO - Chief Finance Officer	Appointed	8-K	08/07/2023	Assuming additional Position(s)
Zachary Kirkhorn	CFO - Chief Finance Officer	Resigned	8-K	08/07/2023	None Given
Joseph Gebbia	Director	Appointed	8-K	09/28/2022	None Given

Proxy fees increases greater than 30% (last 2 years)

Auditor	Proxy year	Audit fee percent increase (2 yr)	Audit + audit related total (\$M)	Audit fees (\$M)	Audit related fees (\$M)	Filing	Filing date
PWC	2022	25.23%	16.24	16.19	0.04	DEF 14A	04/06/2023
PWC	2021		14.34	14.16	0.18	DEF 14A	06/23/2022
PWC	2020		12.97	12.97	0.00	DEF 14A	08/26/2021

Proxy fee increases greater than 20% (last 1 year)

Auditor	Proxy year	Audit fee percent increase (1 yr)	Audit + audit related total (\$M)	Audit fees (\$M)	Audit related fees (\$M)	Filing	Filing date
PWC	2022	13.22%	16.24	16.19	0.04	DEF 14A	04/06/2023
PWC	2021		14.34	14.16	0.18	DEF 14A	06/23/2022

SEC comment letters (last 5 years)

Auditor	Letter topic	Correspondence	Letter date
PWC	Whole Letter Description	SEC Letter	02/23/2022
PWC	Accounting Rule and Accounting Disclosure Type Issues	Company Response	02/08/2022
PWC	Management Discussion & Analysis Type Disclosure Issues	Company Response	02/08/2022
PWC	Other Disclosure Matters	Company Response	02/08/2022
PWC	Regulation S-X References	Company Response	02/08/2022
PWC	Whole Letter Description	Company Response	01/25/2022
PWC	Whole Letter Description	Company Response	01/10/2022
PWC	Accounting Rule and Accounting Disclosure Type Issues	SEC Letter	12/23/2021
PWC	Management Discussion & Analysis Type Disclosure Issues	SEC Letter	12/23/2021
PWC	Other Disclosure Matters	SEC Letter	12/23/2021
PWC	Accounting Rule and Accounting Disclosure Type Issues	Company Response	04/27/2021
PWC	Regulation S-X References	Company Response	04/27/2021
PWC	Accounting Rule and Accounting Disclosure Type Issues	SEC Letter	04/15/2021
PWC	Regulation S-X References	SEC Letter	04/15/2021
PWC	Whole Letter Description	SEC Letter	10/28/2019
PWC	Accounting Rule and Accounting Disclosure Type Issues	Company Response	09/30/2019
PWC	Management Discussion & Analysis Type Disclosure Issues	Company Response	09/30/2019
PWC	Other Disclosure Matters	Company Response	09/30/2019
PWC	Regulation S-K References	Company Response	09/30/2019
PWC	Accounting Rule and Accounting Disclosure Type Issues	SEC Letter	09/18/2019
PWC	Management Discussion & Analysis Type Disclosure Issues	SEC Letter	09/18/2019
PWC	Exchange Act Rules and Regulations	Company Response	05/08/2019
PWC	Other Disclosure Matters	Company Response	05/08/2019
PWC	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	Company Response	05/08/2019
PWC	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	Company Response	05/08/2019
PWC	Regulation M-A References	Company Response	05/08/2019
PWC	Regulation S-X References	Company Response	05/08/2019
PWC	Securities Act Rules and Regulations	Company Response	05/08/2019
PWC	Event Disclosure Matters (primarily 8K, or 6K items)	Company Response	04/02/2019
PWC	Other Disclosure Matters	Company Response	04/02/2019
PWC	Regulation S-K References	Company Response	04/02/2019
PWC	Other Disclosure Matters	SEC Letter	03/26/2019
PWC	Regulation S-K References	SEC Letter	03/26/2019

PWC	Management Discussion & Analysis Type Disclosure Issues	Company Response	03/15/2019
PWC	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	Company Response	03/15/2019
PWC	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	Company Response	03/15/2019
PWC	Regulation M-A References	Company Response	03/15/2019
PWC	Regulation S-K References	Company Response	03/15/2019
PWC	Regulation S-K References	Company Response	03/15/2019
PWC	Securities Act Rules and Regulations	Company Response	03/15/2019
PWC	Management Discussion & Analysis Type Disclosure Issues	SEC Letter	03/04/2019
PWC	Registration Statement Specific Comments (S-1, 2, 3, 4 etc.)	SEC Letter	03/04/2019
PWC	Regulation S-K References	SEC Letter	03/04/2019
PWC	Whole Letter Description	SEC Letter	02/25/2019
PWC	Management Discussion & Analysis Type Disclosure Issues	Company Response	11/14/2018
PWC	Other Disclosure Matters	Company Response	11/14/2018
PWC	Regulation S-K References	Company Response	11/14/2018
PWC	Risk Factors Disclosure	Company Response	11/14/2018
PWC	SEC Releases	Company Response	11/14/2018
PWC	Management Discussion & Analysis Type Disclosure Issues	SEC Letter	10/17/2018
PWC	Other Disclosure Matters	SEC Letter	10/17/2018
PWC	Regulation S-K References	SEC Letter	10/17/2018
PWC	Risk Factors Disclosure	SEC Letter	10/17/2018
PWC	SEC Releases	SEC Letter	10/17/2018

"MR" = most recent data for selected proxy year

Source: Audit Analytics

Key developments (last 6 months)

Date	Headline	Length
09/07/2023	<p>BRIEF-Hilton To Install Up To 20,000 Tesla Universal Wall Connectors At 2,000 Hotels</p> <p>Sept 7 (Reuters) - Hilton Worldwide Holdings Inc :</p> <ul style="list-style-type: none"> • HILTON TO INSTALL UP TO 20,000 TESLA UNIVERSAL WALL CONNECTORS AT 2,000 HOTELS, CREATING LARGEST OVERNIGHT ELECTRIC VEHICLE CHARGING NETWORK WITHIN HOSPITALITY INDUSTRY • HILTON TO INSTALL UP TO 20,000 TESLA UNIVERSAL WALL CONNECTORS AT 2,000 HOTELS, CREATING LARGEST OVERNIGHT ELECTRIC VEHICLE CHARGING NETWORK WITHIN HOSPITALITY INDUSTRY • HILTON WORLDWIDE HOLDINGS INC- UP TO 20,000 TESLA UNIVERSAL WALL CONNECTORS ARE SLATED TO BE INSTALLED AT 2,000 HOTELS • HILTON WORLDWIDE HOLDINGS INC- AN EXPANDED AGREEMENT WITH TESLA, BEGINNING IN EARLY 2024 • HILTON WORLDWIDE HOLDINGS INC- 20,000 TESLA UNIVERSAL WALL CONNECTORS ARE SLATED TO BE INSTALLED AT 2,000 HOTELS IN U.S., CANADA AND MEXICO Source text for Eikon: Further company coverage: 	146 words
09/01/2023	<p>BRIEF-Tesla Cuts US prices of Model S and X vehicles - Website</p> <p>Sept 1 (Reuters) - Tesla Inc:</p> <ul style="list-style-type: none"> • TESLA CUTS MODEL S US PRICE TO \$74,990 FROM \$88,490 - WEBSITE • TESLA CUTS MODEL S PLAID US PRICES TO \$89,990 FROM \$108,490 - WEBSITE • TESLA CUTS MODEL X US PRICES TO \$79,990 FROM \$98,490 - WEBSITE • TESLA CUTS MODEL X PLAID US PRICES TO \$89,990 FROM \$108,490 - WEBSITE • TESLA REMOVES MODEL S STANDARD RANGE AND MODEL X STANDARD RANGE VEHICLES IN THE US - WEBSITE Further company coverage: 	96 words
09/01/2023	<p>BRIEF-Tesla starts taking orders for refreshed Model 3 in countries including Japan, Germany</p> <p>Sept 1 (Reuters) - Tesla Inc:</p> <ul style="list-style-type: none"> • TESLA STARTS TAKING ORDERS FOR REFRESHED MODEL 3 IN GERMANY, FRANCE AND ITALY, DELIVERY SCHEDULED FOR OCTOBER-NOVEMBER - WEBSITES • TESLA STARTS TAKING ORDERS FOR REFRESHED MODEL 3 IN AUSTRALIA, DELIVERY SCHEDULED FOR JANUARY - WEBSITE • TESLA STARTS TAKING ORDERS FOR REFRESHED MODEL 3 IN JAPAN, DELIVERY SCHEDULED FOR DECEMBER 2023-MARCH 2024 - WEBSITE Further company coverage: (Reporting by Hyun Joo Jin, Daniel Leussink, Brenda Goh) 	89 words
08/07/2023	<p>BRIEF-Tesla Inc - Appointed Vaibhav Taneja As Chief Financial Officer In Addition To His Current Role As Chief Accounting Officer</p> <p>Aug 7 (Reuters) - Tesla Inc:</p> <ul style="list-style-type: none"> • TESLA INC - APPOINTED VAIBHAV TANEJA AS CHIEF FINANCIAL OFFICER IN ADDITION TO HIS CURRENT ROLE AS CHIEF ACCOUNTING OFFICER • TESLA INC - TANEJA TO SUCCEED ZACHARY KIRKHORN • TESLA INC - ZACHARY KIRKHORN STEPPED DOWN AS OF AUGUST 4 • TESLA INC - KIRKHORN WILL CONTINUE TO SERVE TESLA THROUGH END OF YEAR Source: [here] Further company coverage: 	81 words
08/05/2023	<p>BRIEF-Musk Post On X Says Our Tesla Diner In LA Should Be Ready Later This Year.</p> <p>Aug 5 (Reuters) - Tesla Inc:</p> <ul style="list-style-type: none"> • MUSK POST ON X- OUR TESLA DINER IN LA SHOULD BE READY LATER THIS YEAR. Source text ID: [here] Further company coverage: 	51 words
07/02/2023	<p>BRIEF-Tesla Says Produced Nearly 480,000 Vehicles And Delivered Over 466,000 Vehicles In The Second Quarter</p> <p>July 2 (Reuters) - Tesla Inc:</p> <ul style="list-style-type: none"> • TESLA VEHICLE PRODUCTION & DELIVERIES AND DATE FOR FINANCIAL RESULTS & WEBCAST FOR SECOND QUARTER 2023 • IN THE SECOND QUARTER, WE PRODUCED NEARLY 480,000 VEHICLES AND DELIVERED OVER 466,000 VEHICLES • Q2 MODEL 3/Y PRODUCTION 460,211 UNITS • Q2 MODEL 3/Y DELIVERIES 446,915 UNITS • Q2 MODEL S/X PRODUCTION 19,489 UNITS • Q2 MODEL S/X DELIVERIES 19,225 UNITS Source text : [here] Further company coverage: 	97 words
06/16/2023	<p>BRIEF-Tesla offers insurance subsidy to some Model 3 buyers in China</p> <p>June 16 (Reuters) - Tesla Inc:</p>	45 words

06/14/2023	BRIEF-France Is Trying To Convince Elon Musk To Build Tesla's Next Gigafactory In The Country - CNBC	50 words
	June 14 (Reuters) - Tesla Inc:	
	• FRANCE IS TRYING TO CONVINCE ELON MUSK TO BUILD TESLA'S NEXT GIGAFACTORY IN THE COUNTRY- CNBC Source text : here Further company coverage:	
06/14/2023	BRIEF-Tesla Raises Price Of Model Y To \$47,740 From \$47,490 In US - Website	49 words
	June 13 (Reuters) - Tesla Inc:	
	• TESLA RAISES PRICE OF MODEL Y TO \$47,740 FROM \$47,490 IN US - WEBSITE Source text for Eikon: Further company coverage:	
05/23/2023	BRIEF-When Asked If India Is An "Interesting" Location For Tesla Factory, CEO Musk Says "Absolutely"	166 words
	May 23 (Reuters) - Tesla Inc:	
	• TESLA INC CEO ELON MUSK SAYS I WILL INTERVIEW RON DESANTIS, HE HAS A BIG ANNOUNCEMENT TO MAKE - WSJ CEO COUNCIL SUMMIT	
	• TESLA INC CEO MUSK SAYS I'M NOT AT THIS TIME TRYING TO ENDORSE ANY PARTICULAR CANDIDATE	
	• TESLA INC CEO MUSK SAYS HAVE AN IDEA TO CREATE AN EDUCATIONAL INSTITUTION THAT CONTROLS MOST OF MY VOTES	
	• ELON MUSK SAYS TWITTER MAY BE CASH FLOW POSITIVE NEXT MONTH IF LUCKY	
	• ELON MUSK SAYS ADVERTISING AGENCIES LIFTED WARNINGS ON TWITTER	
	• ELON MUSK SAYS WILL PROBABLY PICK ANOTHER LOCATION FOR TESLA PLANT BY THE END OF THIS YEAR	
	• WHEN ASKED IF INDIA IS AN "INTERESTING" LOCATION FOR TESLA FACTORY, CEO MUSK SAYS "ABSOLUTELY"	
	• ELON MUSK SAYS GPUS CONSIDERABLY HARDER TO GET THAN DRUGS	
	• ELON MUSK SAYS SEPARATION OF CHINA AND TAIWAN IS GOING TO BE DIRE Further company coverage:	
05/22/2023	BRIEF-Tesla Says 1.63 Bln Votes Cast In Favour To Elect JB Straubel To Board	72 words
	May 22 (Reuters) - Tesla Inc:	
	• TESLA INC - 1.63 BILLION VOTES CAST IN FAVOUR OF ELECTION OF JB STRAUBEL TO BOARD AT ANNUAL GENERAL MEETING - SEC FILING	
	• TESLA INC - 1.77 BILLION VOTES CAST AGAINST APPROVAL OF STOCKHOLDER PROPOSAL REGARDING REPORTING ON KEY-PERSON RISK AT AGM Further company coverage:	
05/18/2023	BRIEF-Tesla Met India's Deputy Tech Minister During Ongoing Visit To Explore Market Entry- Source	67 words
	May 18 (Reuters) - Tesla Inc:	
	• TESLA MET INDIA'S DEPUTY TECH MINISTER DURING ONGOING VISIT TO EXPLORE MARKET ENTRY-SOURCE	
	• TESLA SUPPLY CHAIN EXEC KARN BUDHIRAJ PART OF DELEGATION HOLDING TALKS IN INDIA FOR MARKET ENTRY-SOURCES Source text for Eikon: Further company coverage:	
05/18/2023	BRIEF-Tesla Held Discussions With Indian Officials On Local Incentive Plans -Source	92 words
	May 18 (Reuters) -	
	• TESLA HELD DISCUSSIONS ON LOCAL INCENTIVE PLANS, AUTO SECTOR POLICIES IN MEETINGS WITH INDIAN OFFICIALS-SOURCE	
	• TESLA DISCUSSED POTENTIAL ELECTRIC CAR, BATTERY PLANT IN FUTURE IN INDIA WITH OFFICIALS-SOURCE	
	• TESLA ASKED INDIAN OFFICIALS HOW COMPANY CAN AVAL AUTO SECTOR INCENTIVE SCHEME-SOURCE	
	• TESLA HELD DISCUSSIONS WITH INDIA OFFICIALS ON TAXES ON IMPORTED CARS-SOURCE	
	• TESLA HAS NOT SUBMITTED ANY WRITTEN PROPOSAL ON INDIAN MARKET SO FAR-SOURCE Further company coverage:	
05/17/2023	BRIEF-Tesla Proposes Setting Up EV Manufacturing Plant In India, In Talks With Govt Officials - Source	90 words
	May 17 (Reuters) -	
	• TESLA PROPOSES SETTING UP EV MANUFACTURING PLANT IN INDIA, IN TALKS WITH GOVERNMENT OFFICIALS-SOURCE	
	• TESLA PROPOSES TO INDIAN OFFICIALS ITS INDIA PLANT CAN MAKE EVS FOR EXPORTS, LOCAL SALES-SOURCE	
	• TESLA HAD NO DISCUSSION ON LOWERING IMPORT TAXES ON ELECTRIC CARS WITH INDIAN OFFICIALS-SOURCE	
	• TESLA EXECS MET OFFICIALS AT INDIAN PRIME MINISTER'S OFFICE TO DISCUSS PROPOSALS FOR MARKET -SOURCE Further company coverage:	

05/12/2023	BRIEF-Tesla Lists Prices For Model S, Model X In Japan - Website	110 words
	May 12 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA LISTS PRICES FOR MODEL S, MODEL X IN JAPAN - WEBSITE • TESLA PRICE OF MODEL S LISTED AT 12,969,000 YEN, MODEL S PLAID AT 15,969,000 YEN • TESLA PRICE OF MODEL X LISTED AT 14,469,000 YEN, MODEL X PLAID AT 16,669,900 YEN - WEBSITE • TESLA MODEL S PLAID SCHEDULED TO START DELIVERY IN JAPAN AT END OF AUGUST, MODEL X AND MODEL X PLAID AROUND MID-OCTOBER IN JAPAN - WEBSITE Source text for Eikon: Further company coverage: (Reporting by Satoshi Sugiyama) 	
05/12/2023	BRIEF-Tesla Raises Price For Some Vehicles In US - Website	140 words
	May 11 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA RAISES PRICE FOR SOME VEHICLES IN US- WEBSITE • TESLA RAISES PRICE OF MODEL S TO \$88,490 FROM \$87,490 IN US - WEBSITE • TESLA RAISES PRICE OF MODEL X TO \$98,490 FROM \$97,490 IN US - WEBSITE • TESLA RAISES PRICE OF MODEL X PLAID TO \$108,490 FROM \$107,490 IN US - WEBSITE • TESLA RAISES PRICE OF MODEL S PLAID TO \$108,490 FROM \$107,490 IN US - WEBSITE • TESLA RAISES PRICE OF MODEL Y TO \$47,490 FROM \$47,240 IN US - WEBSITE • TESLA RAISES PRICE OF MODEL Y LONG RANGE TO \$50,490 FROM \$50,240; RAISES PRICE OF MODEL Y PERFORMANCE TO \$54,490 FROM \$54,240 Source text for Eikon: Further company coverage: 	
05/02/2023	BRIEF-Tesla Price Of Model 3 Rises To 231,900 Yuan In China- Website	98 words
	May 1 (Reuters) -	
	<ul style="list-style-type: none"> • TESLA PRICE OF MODEL 3 RISES TO 231,900 YUAN IN CHINA- WEBSITE • TESLA PRICE OF MODEL 3 PERFORMANCE RISES TO 331,900 YUAN IN CHINA- WEBSITE • TESLA PRICE OF MODEL Y RISES TO 263,900 YUAN IN CHINA- WEBSITE • TESLA PRICE OF MODEL Y LONG RANGE RISES TO 313,900 YUAN IN CHINA- WEBSITE • TESLA PRICE OF MODEL Y PERFROMANCE RISES TO 363,900 YUAN IN CHINA- WEBSITE Source text [here] Further company coverage: 	
05/02/2023	BRIEF-Tesla Price Of Model Y Long Range Rises To \$50,240 In U.S. - Website	102 words
	May 1 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA PRICE OF MODEL Y LONG RANGE RISES TO \$50,240 IN U.S. - WEBSITE • TESLA PRICE OF MODEL Y PERFORMANCE RISES TO \$54,240 IN U.S. - WEBSITE • TESLA PRICE OF MODEL Y RISES TO \$47,240 IN U.S. - WEBSITE • TESLA PRICE OF MODEL 3 RISES TO \$40,240 IN U.S. - WEBSITE • TESLA PRICE OF MODEL 3 PERFORMANCE RISES TO \$53,240 IN U.S. - WEBSITE Source text [here] Further company coverage: 	
04/25/2023	BRIEF-Tesla Opens First Batch Of Charging Stations To Some Non-Tesla Vehicles As Trial In China	57 words
	April 25 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA OPENS FIRST BATCH OF CHARGING STATIONS TO SOME NON-TESLA NEW ENERGY VEHICLES ON AS TRIAL IN CHINA Source text for Eikon: Further company coverage: (Reporting by Beijing newsroom) 	
04/24/2023	BRIEF-SOC Investment Group Urges Tesla Shareholders To Vote Against Election Of J.B. Straubel To Tesla Board	97 words
	April 24 (Reuters) - SOC Investment Group:	
	<ul style="list-style-type: none"> • SOC INVESTMENT GROUP: URGE TESLA SHAREHOLDERS TO VOTE AGAINST THE ELECTION OF J.B. STRAUBEL TO TESLA BOARD • SOC INVESTMENT GROUP: CURRENTLY ENGAGING TESLA BOARD CHAIR ROBYN DENHOLM ABOUT MANY OF ISSUES RAISED IN OUR LETTER • SOC INVESTMENT GROUP: HAVE REQUESTED DIALOGUE WITH TESLA ABOUT A COMPREHENSIVE BOARD OVERHAUL • SOC INVESTMENT GROUP: STRAUBEL IS A TESLA INSIDER AND "NOT AN APPROPRIATE CHOICE" FOR BOARD Further company coverage: 	
04/21/2023	BRIEF-Cathie Wood's Ark Invest Bought 256,023 Shares Of Tesla On Thursday Following Sell-Off On Results	49 words
	April 21 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • CATHIE WOOD'S ARK INVEST BOUGHT 256,023 SHARES OF TESLA ON THURSDAY FOLLOWING SELL-OFF ON RESULTS Further company coverage: 	

04/21/2023

BRIEF-Tesla Increases Us Price Of Model X To \$97,490 From \$94,990 - Website

85 words

April 20 (Reuters) -

- TESLA INCREASES US PRICE OF MODEL X TO \$97,490 FROM \$94,990 - WEBSITE
 - TESLA INCREASES US PRICE OF MODEL X PLAID TO \$107,490 FROM \$104,990- WEBSITE
 - TESLA INCREASES US PRICE OF MODEL S TO \$87,490 FROM \$84,990 - WEBSITE
 - TESLA INCREASES US PRICE OF MODEL S PLAID TO \$107,490 FROM \$104,990- WEBSITE Further company coverage:
-

04/19/2023

BRIEF-Tesla Says Expect Ongoing Cost Reduction Of Its Vehicles

429 words

April 19 (Reuters) - Tesla Inc:

- TESLA INC - CYBERTRUCK REMAINS ON TRACK TO BEGIN PRODUCTION LATER THIS YEAR AT GIGAFACTORY TEXAS.
 - TESLA INC - CONTINUE TO MAKE PROGRESS ON OUR NEXT GENERATION PLATFORM
 - TESLA INC- FOR 2023, WE EXPECT TO REMAIN AHEAD OF THE LONG-TERM 50% CAGR WITH AROUND 1.8 MILLION CARS FOR THE YEAR
 - TESLA INC - "CONTINUE TO BELIEVE THAT OUR OPERATING MARGIN WILL REMAIN AMONG THE HIGHEST IN THE INDUSTRY"
 - TESLA INC - QUARTER-END CASH, CASH EQUIVALENTS AND INVESTMENTS INCREASED SEQUENTIALLY BY \$217M TO \$22.4B IN Q1
 - TESLA INC - OVER TIME, WE EXPECT OUR HARDWARE-RELATED PROFITS TO BE ACCCOMPANIED WITH AN ACCELERATION OF SOFTWARE-RELATED PROFITS
 - TESLA INC- PLANNING TO GROW PRODUCTION AS QUICKLY AS POSSIBLE IN ALIGNMENT WITH THE 50% CAGR TARGET WE BEGAN GUIDING TO IN EARLY 2021
 - TESLA INC - WILL MANAGE THE BUSINESS SUCH THAT WE MAINTAIN A STRONG BALANCE SHEET DURING THIS UNCERTAIN PERIOD.
 - TESLA INC - Q1 PROFITABILITY WAS POSITIVELY IMPACTED BY GROWTH IN VEHICLE DELIVERIES (DESPITE MARGIN HEADWIND FROM UNDERUTILIZATION OF NEW FACTORIES)
 - TESLA INC - CONTINUING TO EXECUTE ON OUR PRODUCT ROADMAP, INCLUDING CYBERTRUCK
 - TESLA INC- HAVE SUFFICIENT LIQUIDITY TO FUND OUR PRODUCT ROADMAP, LONG-TERM CAPACITY EXPANSION PLANS AND OTHER EXPENSES
 - TESLA INC - RAMP OF OUR 40 GWH MEGAPACK FACTORY IN LATHROP, CALIFORNIA HAS BEEN SUCCESSFUL WITH STILL MORE ROOM TO REACH FULL CAPACITY
 - TESLA INC - Q1 PROFITABILITY WAS NEGATIVELY IMPACTED BY LOWER CREDIT REVENUE
 - TESLA INC - EQUIPMENT INSTALLATION FOR CYBERTRUCK PRODUCTION AT GIGAFACTORY TEXAS CONTINUED IN Q1 AND REMAINS ON TRACK
 - TESLA INC- REMAIN COMMITTED TO REDUCING THE PERCENTAGE OF VEHICLES DELIVERED IN THE 3RD MONTH AND SMOOTHING DELIVERIES THROUGHOUT THE QUARTER
 - TESLA INC - SOLAR DEPLOYMENTS INCREASED BY 40% YOY IN Q1 TO 67 MW, BUT DECLINED SEQUENTIALLY IN QUARTER, PREDOMINANTLY DUE TO VOLATILE WEATHER AND OTHER FACTORS
 - TESLA INC - SOLAR INDUSTRY HAS BEEN IMPACTED BY SUPPLY CHAIN CHALLENGES
 - TESLA INC - REMAIN COMMITTED TO REDUCING THE PERCENTAGE OF VEHICLES DELIVERED IN THE 3RD MONTH AND SMOOTHING DELIVERIES THROUGHOUT THE QUARTER
 - TESLA INC - EXPECT ONGOING COST REDUCTION OF OUR VEHICLES, INCLUDING IMPROVED PRODUCTION EFFICIENCY AT OUR NEWEST FACTORIES AND LOWER LOGISTICS COSTS
 - TESLA INC - EXPECT THAT OUR PRODUCT PRICING WILL CONTINUE TO EVOLVE, UPWARDS OR DOWNWARDS, DEPENDING ON A NUMBER OF FACTORS
 - TESLA INC- ALTHOUGH WE IMPLEMENTED PRICE REDUCTIONS ON MANY VEHICLE MODELS ACROSS REGIONS IN Q1 OUR OPERATING MARGINS REDUCED AT A MANAGEABLE RATE
 - TESLA INC - DO NOT EXPECT MEANINGFUL INCREASE OF WEEKLY PRODUCTION RUN RATE AT SHANGHAI FACTORY Further company coverage:
-

04/12/2023

BRIEF-Tesla To Cut Prices For Some Model 3 And Y Variants In Hong Kong - HKET

77 words

April 12 (Reuters) - Tesla Inc:

- WILL CUT PRICES FOR SOME MODEL 3 AND Y VARIANTS IN HONG KONG ON APRIL 15- HONG KONG ECONOMIC TIMES
 - WILL REDUCE PRICES FOR ITS MODEL 3 PERFORMANCE IN HONG KONG BY AS MUCH AS 14% - HONG KONG ECONOMIC TIMES
 - Source text Further company coverage: (Reporting by Hong Kong newsroom)
-

04/07/2023

BRIEF-Tesla Cuts Price Of Model 3 Long Range And Performance Versions By \$1,000 Each In The United States - Website

32 words

April 7 (Reuters) - Tesla Inc:

04/06/2023	BRIEF-Tesla Board Recommends A Vote For Tesla Proposal For Election Of Elon Musk, Robyn Denholm And JB Straubel	190 words
	April 6 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA INC - BOARD RECOMMENDS A VOTE FOR THE TESLA PROPOSAL FOR THE ELECTION OF ELON MUSK, ROBYN DENHOLM AND JB STRAUBEL • TESLA INC SAYS ELON MUSK'S 2022 ANNUAL TOTAL COMPENSATION WAS \$0 • TESLA INC - BOARD RECOMMENDS A VOTE FOR THE TESLA PROPOSAL FOR A NON-BINDING ADVISORY VOTE APPROVING EXECUTIVE COMPENSATION • TESLA INC - BOARD HAS NOMINATED ELON MUSK, ROBYN DENHOLM AND JB STRAUBEL FOR ELECTION AS CLASS I DIRECTORS AT 2023 ANNUAL MEETING • TESLA INC SAYS 2022 CEO PAY RATIO WAS 0.00:1 • TESLA INC - BOARD RECOMMENDS A VOTE AGAINST THE STOCKHOLDER PROPOSAL REGARDING REPORTING ON KEY-PERSON RISK • TESLA INC - HIROMICHI MIZUNO WILL NOT STAND FOR RE-ELECTION WHEN HIS CURRENT TERM EXPIRES AT THE 2023 ANNUAL MEETING OF STOCKHOLDERS • TESLA - BOARD RECOMMENDS VOTE FOR TESLA PROPOSAL FOR NON-BINDING ADVISORY VOTE ON FREQUENCY OF THE FUTURE NON-BINDING VOTE ON EXECUTIVE COMPENSATION • TESLA INC - MUSK PLEDGED 238,441,261 TESLA SHARES AS COLLATERAL TO SECURE CERTAIN PERSONAL INDEBTEDNESS 	
04/05/2023	BRIEF-Tesla Inc - On March 30, 2023, Board Adopted Amendments To Tesla's Amended Restated Bylaws In Order To Provide Stockholders With A Proxy Access Right	72 words
	April 5 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA INC - ON MARCH 30, 2023, BOARD ADOPTED AMENDMENTS TO TESLAS AMENDED RESTATED BYLAWS IN ORDER TO PROVIDE STOCKHOLDERS WITH A PROXY ACCESS RIGHT • TESLA INC - BYLAW AMENDMENTS BECAME EFFECTIVE MARCH 30, 2023 	Further company coverage:
04/02/2023	BRIEF-Tesla Says Q1 Total Production 440,808 Units	85 words
	April 2 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA VEHICLE PRODUCTION & DELIVERIES AND DATE FOR FINANCIAL RESULTS & WEBCAST FOR FIRST QUARTER 2023 • Q1 TOTAL PRODUCTION 440,808 UNITS • Q1 MODEL S/X DELIVERIES 10,695 UNITS • Q1 TOTAL DELIVERIES 422,875 UNITS • Q1 MODEL 3/Y PRODUCTION 421,371 UNITS • Q1 MODEL S/X PRODUCTION 19,437 UNITS • Q1 MODEL 3/Y DELIVERIES 412,180 UNITS 	Source text for Eikon: Further company coverage:
03/30/2023	BRIEF-Tesla Says \$7,500 U.S. Tax Credit Is Anticipated To Be Reduced For Model 3 Rear-Wheel Drive By March 31, 2023	67 words
	March 29 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • TESLA SAYS \$7,500 U.S. TAX CREDIT IS ANTICIPATED TO BE REDUCED FOR MODEL 3 REAR-WHEEL DRIVE BY MARCH 31, 2023 	- WEBSITE Source text for Eikon: [here] Further company coverage:
03/24/2023	BRIEF-China Market Regulator To Recall 2,649 Imported Tesla Model S Vehicles	42 words
	March 24 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • CHINA MARKET REGULATOR: TO RECALL 2,649 IMPORTED TESLA MODEL S VEHICLES • Source text (Reporting by Beijing newsroom) 	
03/21/2023	BRIEF-Moody's, In Report Dated March 20, Says Assigned Baa3 Long-Term Issuer Rating To Tesla	139 words
	March 21 (Reuters) - Tesla Inc:	
	<ul style="list-style-type: none"> • MOODY'S, IN REPORT DATED MARCH 20, SAYS ASSIGNED BAA3 LONG-TERM ISSUER RATING TO TESLA • MOODY'S, IN REPORT DATED MARCH 20, SAYS WITHDREW BA1 CORPORATE FAMILY RATING, BA1-PD PROBABILITY OF DEFAULT RATING ON TESLA • MOODY'S, IN REPORT DATED MARCH 20, SAYS ALSO WITHDREW SGL-1 SPECULATIVE GRADE LIQUIDITY RATING ON TESLA • MOODY'S: EXPECT TESLA WILL REMAIN ONE OF FOREMOST MANUFACTURERS OF BATTERY ELECTRIC VEHICLES WITH EXPANDING GLOBAL PRESENCE, VERY HIGH PROFITABILITY • MOODY'S, IN REPORT DATED MARCH 20, SAYS ANTICIPATES TESLA'S LIQUIDITY WILL REMAIN VERY GOOD • MOODY'S: ANTICIPATES THAT TESLA WILL DELIVER NEARLY 1.8 MILLION VEHICLES IN 2023, UP 34% FROM 2022 	Further company coverage:

03/20/2023

BRIEF-Australia's ASIC Says Former Tesla Motors Australia Director Sentenced For Insider Trading

96 words

March 21 (Reuters) - Australian Securities and Investments Commission (ASIC):

- ON 17 MARCH, FORMER TESLA MOTORS AUSTRALIA DIRECTOR SENTENCED FOR INSIDER TRADING
- FORMER TESLA MOTORS AUSTRALIA DIRECTOR WAS SENTENCED TO TWO YEARS AND SIX MONTHS IMPRISONMENT
- FORMER TESLA AUSTRALIA DIRECTOR WAS INFORMED OF IN-PRINCIPLE AGREEMENT TO BE ENTERED INTO BY TESLA INC WITH PIEDMONT LITHIUM
- FORMER TESLA AUSTRALIA DIRECTOR HAD COMMUNICATED INSIDE INFORMATION ABOUT PIEDMONT-TESLA IN-PRINCIPLE AGREEMENT TO A FRIEND Further company coverage:

03/11/2023

BRIEF-Elon Musk Acquired Tesla Shares Worth \$49,665 - SEC Filing

45 words

March 10 (Reuters) - Tesla Inc:

- ELON MUSK ACQUIRED 10,500 SHARES IN TESLA- SEC FILING
- ELON MUSK ACQUIRED TESLA SHARES WORTH \$49,665- SEC FILING [Source text](#): Further company coverage:

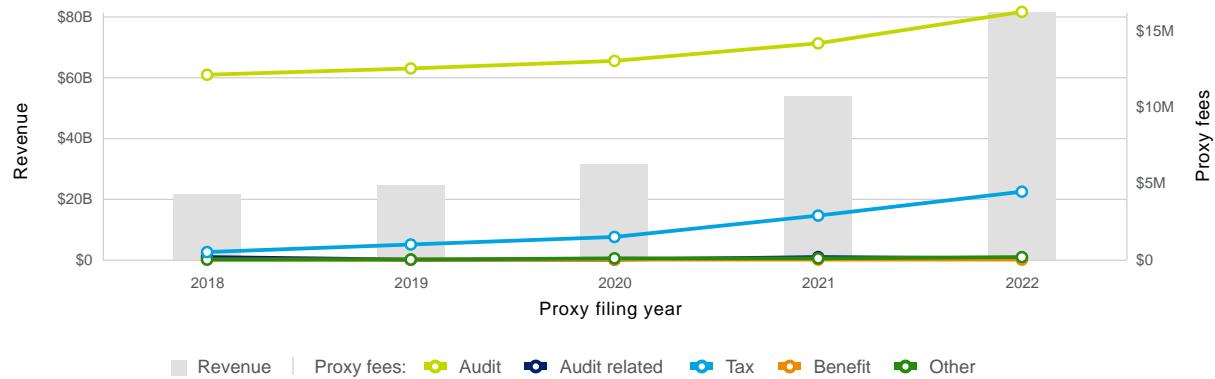


Copyright © 2023 Dow Jones & Company, Inc. All rights reserved. | [Terms of use](#)

Source: Factiva

Proxy fees

5 year trends



Year	Revenue (\$M)	Audit fees (\$M)	Audit related fees (\$M)	Tax (\$M)	Benefits (\$M)	Other fees (\$M)	Total fees (\$M)	Auditor
2022	81,462.00	16.19	0.04	4.44	0.00	0.13	20.81	PWC
2021	53,823.00	14.16	0.18	2.88	0.00	0.06	17.28	PWC
2020	31,536.00	12.97	0.00	1.46	0.00	0.10	14.52	PWC
2019	24,578.00	12.53	0.00	1.00	0.00	0.01	13.53	PWC
2018	21,461.00	12.09	0.16	0.51	0.00	0.00	12.77	PWC

Source: Audit Analytics

Peer comparison

TESLA INC

Companies below are the closest peers to the subject company based on industry and revenue size



Company name	Ticker symbol	Proxy year	Audit fees (\$M)	Total fees (\$M)	Revenue (\$M)	Assets (\$M)	Market capital (\$M)	Auditor
TESLA, INC.	TSLA	2022	16.19	20.81	81,462.00	82,338.00	384,677.41	PWC
TATA MOTORS LIMITED	TTM	2023	12.40	12.80	41,884.90	39,879.40	83,498.60	KPMG
PACCAR INC	PCAR	2022	8.14	9.18	28,191.00	33,275.50	34,286.41	EY
CNH INDUSTRIAL NV	CNHI	2022	8.22	9.85	23,551.00	39,381.00	21,794.02	Deloitte
THOR INDUSTRIES, INC.	THO	2022	5.83	6.79	16,312.53	7,408.13	4,377.76	Deloitte
POLARIS, INC.	PII	2022	2.81	3.27	8,589.00	5,217.90	5,827.15	EY
OSHKOSH CORPORATION	OSK	2022	4.28	4.31	8,282.00	7,729.00	5,729.80	Deloitte
	TTM							

Source: Audit Analytics



Perspectives

GOVERNANCE METRICS REPORT

TESLA, INC. (TSLA)

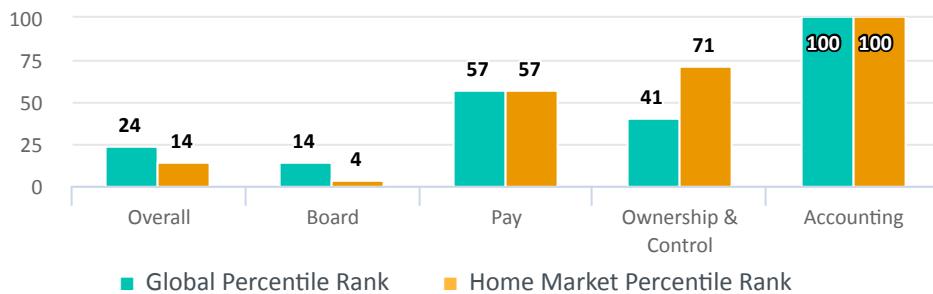
Governance Score **4.8 / 10**

Industry: Automobiles
Market Cap: 869,870,455,409 USD

Incorporated: Home Market: US (DE)
United States

Last Data Update: Jun 21, 2023
Last Score Change: Jun 21, 2023

GOVERNANCE THEMES AND RANKINGS



SUMMARY

Tesla falls into the lower scoring range for all the companies we assess relative to global peers, indicating the presence of significant risks in one or more areas. The key areas of concern relate to: the board.

KEY AREAS OF CONCERN*

Board Skills & Diversity

- 红旗 Entrenched Board
- 红旗 Risk Management Expertise
- 红旗 Not 30% Female Directors

(-1.11)

Board Independence

- 红旗 Board Majority Independent of Management
- 红旗 Related Party Transactions

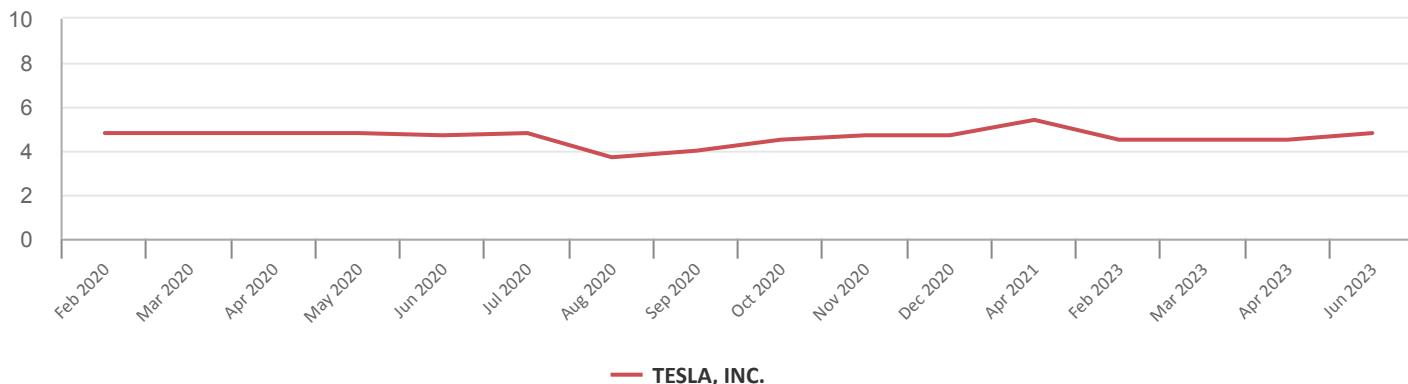
(-0.86)

Pay Performance Alignment

- 红旗 Pay Controversy
- 红旗 Pay Linked to Sustainability

(-0.70)

CORPORATE GOVERNANCE SCORE HISTORY



CHANGES TO FLAGGED KEY METRICS (SINCE FEBRUARY 2022)

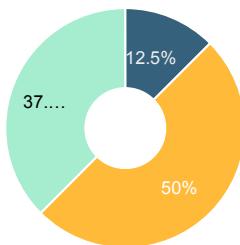
Key Metric	Key Metric Change	Date	Score Change*	Change Notes
Proxy Access	Flag Removed	Jun 21, 2023	0.20	
Leadership Concerns	Flag Added	Jun 21, 2023	-0.30	
CEO Pay Total Realized	Flag Removed	Jun 21, 2023	0.20	
CEO Pay Total Realized	Flag Added	Feb 02, 2023	-0.20	
CEO Pay Total Realized	Flag Removed	Jan 13, 2023	0.20	
CEO Pay Total Realized	Flag Added	Oct 12, 2022		
Nomination Committee Independence	Flag Added	Jun 22, 2022	-0.10	Nomination committee assessed as not independent of management and/or other interests
Audit Board/ Committee Independence	Flag Added	Jun 22, 2022	-0.10	Audit board/committee assessed as not independent of management
Nomination Committee Chair Independence	Flag Added	Jun 12, 2022	-0.10	Methodology enhancements
Entrenched Board	Flag Added	May 05, 2022	-0.80	Update of age/tenure criteria

BOARD OVERVIEW

Board Type: Unitary Board

Board of Directors

CEO Elon Musk Since: Oct 01, 2008
 Chair Robyn Denholm Since: Nov 07, 2018

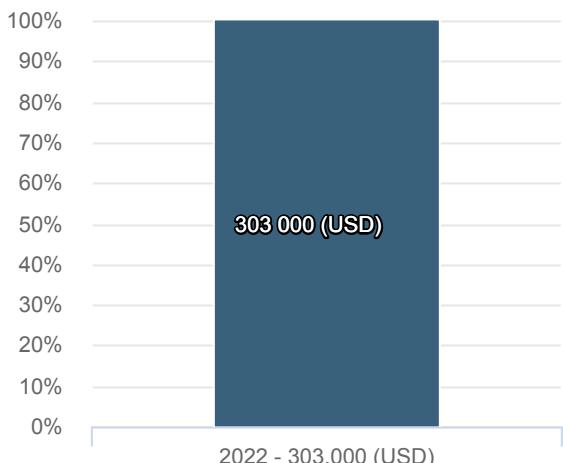


Executive Leadership

CFO Zachary Kirkhorn Since: Mar 01, 2019

PAY OVERVIEW

Highest Paid Executive - Andrew Baglino



Long Term Incentives Awarded 0 (USD)
 Short Term Incentives Awarded 0 (USD)
 Fixed Pay 303,000 (USD)

■ Executive ■ Links to Management ■ Independent of Management

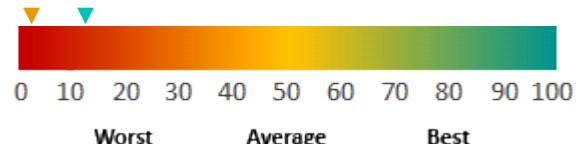
BOARD

Certain aspects of the Tesla board may not be well aligned with sustainable shareholder interests. We have flagged this board for potential concerns regarding a board that does not include a majority of independent directors, the board leadership structure, the presence of certain related party transactions, possible board entrenchment and notable dissent on director election votes.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
4.4	14th (Below Average)	4th (Worst In Class)

BOARD PERFORMANCE VS.

▼ Global ▼ Home Market



KEY METRICS SCORING

Deduction

AUDIT OVERSIGHT

🚩 Audit Board/ Committee Independence	-0.10
🚩 Audit Committee Industry Expert	-0.10

BOARD EFFECTIVENESS

🚩 Significant Votes Against Directors	-0.50
---------------------------------------	-------

BOARD INDEPENDENCE

🚩 Board Majority Independent of Management	-0.50
🚩 Related Party Transactions	-0.36

BOARD LEADERSHIP

🚩 Leadership Concerns	-0.30
-----------------------	-------

BOARD SKILLS & DIVERSITY

🚩 Entrenched Board	-0.81
🚩 Risk Management Expertise	-0.20
🚩 Not 30% Female Directors	-0.10

NOMINATION PROCESS OVERSIGHT

🚩 Nomination Committee Chair Independence	-0.10
🚩 Nomination Committee Independence	-0.10

PAY OVERSIGHT

🚩 Pay Committee Independence	-0.10
------------------------------	-------

LEADERSHIP**CHIEF EXECUTIVE OFFICER**

History	CEO Since	Until	Name	Gender	Age
Current	Oct 2008		Elon Musk	M	51

CHIEF FINANCIAL OFFICER

History	CFO Since	Until	Name	Gender	Age
Current	Mar 2019		Zachary Kirkhorn	M	38
Former	Mar 2017	Mar 2019	Deepak Ahuja	M	60

CHAIR

History	Chair Since	Until	Name	Gender	Age
Current	Nov 2018		Robyn Denholm	F	60
Former	Apr 2004	Nov 2018	Elon Musk	M	51

LEADERSHIP CONCERN

- A Founder remains on the board but does not hold either the Chair or CEO roles.

BOARD OF DIRECTORS

The Tesla board lacks an independent majority. We note that a minority, only 6% of companies in this home market fail to have a majority of independent directors. In the absence of a majority of independent directors, the board is subject to potential conflicts of interest that impede its oversight functions and it may be difficult to establish fully independent key board committees. These concerns are partially mitigated as the company has split the roles of CEO and chair and has named a fully independent chairman. An independent chairman is characteristic of 38% of companies in MSCI ESG Research's coverage. We also note concerns with the board leadership structure which creates the potential for increased management influence and board level conflicts of interest.

Number of Board Meetings: 8

Non-executives meet in absence of Executives: Yes

Name	M/F	Age	Tenure (Years)	Boards	Independent of Mgmt	Independent of Other Interests	Management Link/Designation Reason	Nationality
Elon Musk <small>CEO</small> <small>I</small>	M	51	19	2	No	No	Founder Firm Director; Executive	United States of America
Ira Ehrenpreis <small>\$</small>	M	54	16	1	No	Yes	Material related party transaction	Not Disclosed
James Murdoch <small>\$</small>	M	50	5	1	No	Yes	Material related party transaction	United Kingdom
Jeffrey Straubel <small>I</small>	M	47	< 1	1	No	No	Former executive; Company founder; Founder Firm Director	Not Disclosed
Joseph (Joe) Gebbia	M	41	< 1	2	Yes	Yes		Not Disclosed
Kathleen Wilson-Thompson	F	65	4	1	Yes	Yes		Not Disclosed
Kimbal Musk	M	50	19	1	No	No	Family relationship; Material related party transaction; Family Firm Director	South Africa
Robyn Denholm <small>COB</small> <small>\$</small>	F	60	8	1	Yes	Yes		Australia
	F	# >= 70	# >= 15 yrs	# >= 4				
Total (of 8)	2	0	3	0	3	5		
Percentage	25%	0%	37.5%	0%	37.5%	62.5%		

Note: Board count includes the membership of this board.

\$ - Financial Expert (3) I - Industry Expert (2) CEO - Chief Executive Officer COB - Chair of the Board

RELATED PARTY TRANSACTIONS

The risk to minority shareholders arising from related party transactions is a function of the nature of the related party, the relative size of the transaction and the pricing of the transaction. The board, and in particular the independent directors or audit committee, play a key role in the protection of minority shareholders' interests, and monitoring and managing potential conflicts of interest of management, board members and shareholders. We note that the following circumstances which suggest elevated risk for independent shareholders:

The company is a founder firm and there are related party transactions with the founder.
There are related party transactions with the CEO.

Reported Transactions

-SpaceX is party to certain commercial, licensing and support agreements with Tesla. Under these agreements, SpaceX incurred expenses of approximately \$0.5 million in the aggregate in 2022.

-Since April 2016, SpaceX has invoiced Tesla for our use of an aircraft owned and operated by SpaceX at rates determined by Tesla and SpaceX, subject to rules of the Federal Aviation Administration governing such arrangements. Tesla incurred expenses of approximately \$0.8 million in 2022.

-Elon Musk is the Chief Executive Officer and a significant stockholder of Twitter. Twitter is party to certain commercial and support agreements with Tesla. Under these agreements, Twitter incurred expenses of approximately \$1.0 million in the aggregate in 2022.

For the two most recently reported fiscal years, these value of these transactions can be summarised as follows :

Fiscal Year	Related Party Types	Aggregate Transaction Value		Type
		Value (CUR)	% of Total	
Dec 31, 2022	Non-Controlling Owner, Founder, CEO, Executive director	1,000,000 USD	0.001% of Total Revenue	Sundry income from related party
		500,000 USD	0.001% of Total Revenue	Recurring income from related party
		800,000 USD	0.001% of Expenses	Recurring purchases from related party
Dec 31, 2021	Non-Controlling Owner, Founder, CEO, Executive director, Non-executive director, Family	140,000 USD	0.000% of Total Revenue	Sundry income from related party
		2,910,000 USD	0.005% of Total Revenue	Recurring income from related party
		500,000 USD	0.001% of Expenses	Recurring purchases from related party

Sources : 2023_DEF 14A p. 60, 2022 DEF 14 A Pg 62

BOARD EFFECTIVENESS

Notably, one or more of the company's directors have received a negative or withheld shareholder vote in excess of 10% in the company's most recently reported election, indicating shareholder dissatisfaction with that individual's performance as a director.

Nomination Committee - Number Of Meetings: 5

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	Committee Status
Ira Ehrenpreis 	M	54	16	No	Yes	Chair
James Murdoch 	M	50	5	No	Yes	Member
Kathleen Wilson-Thompson	F	65	4	Yes	Yes	Member
Robyn Denholm 	F	60	8	Yes	Yes	Member

 - Financial Expert (3)

BOARD SKILLS & DIVERSITY

MSCI ESG Research has flagged the board as potentially entrenched due to a number of long-serving directors. An entrenched board may be detrimental to sustainable shareholder interests during periods of extended underperformance and we do see the potential for such entrenchment at this firm due to a significant number of long-serving directors. While we recognize the benefits of experience, long-tenured

directors may form relationships that could compromise their independence and therefore hinder their ability to provide effective oversight. Additional factors, e.g. all board members do not stand for annual re-elections, entrenching takeover defenses and the absence of a majority independent board together with the high number of long-tenured directors, may raise some investors' concerns about the board's ability to provide an effective counterbalance to management. We note that 26% in United States have been flagged for having an entrenched board.

We have flagged the Tesla board for gender diversity concerns.

AUDIT OVERSIGHT

Audit Committee - Number Of Meetings: 12

The Tesla board of directors does not currently include a fully independent audit committee. We note that 89% of company boards in this market maintain a fully independent audit committee, which may help to provide effective oversight of accounting practices. This concern may be magnified by the lack of overall board independence which heightens the focus investors should place on the integrity of financial reporting.

Name	M/F	Age	Board Tenure (Years)	Boards	Independent of Mgmt	of Other Interests	Committee Status
James Murdoch \$	M	50	5	1	No	Yes	Member
Joseph (Joe) Gebbia	M	41	< 1	2	Yes	Yes	Member
Robyn Denholm \$	F	60	8	1	Yes	Yes	Chair

\$ - Financial Expert (2)

Risk Committee - Number Of Meetings: 12

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	Committee Status
James Murdoch \$	M	50	5	No	Yes	Member
Joseph (Joe) Gebbia	M	41	< 1	Yes	Yes	Member
Robyn Denholm \$	F	60	8	Yes	Yes	Chair

\$ - Financial Expert (2)

PAY OVERSIGHT

Pay Committee - Number Of Meetings: 4

The Tesla board does not include a fully independent pay committee which may impact its ability to design rigorous incentives for executives.

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	CEO Role?	Committee Status
Ira Ehrenpreis 	M	54	16	No	Yes		Chair
Kathleen Wilson-Thompson	F	65	4	Yes	Yes		Member
Robyn Denholm 	F	60	8	Yes	Yes		Member

 - Financial Expert (2)

CONTROVERSIES & EVENTS

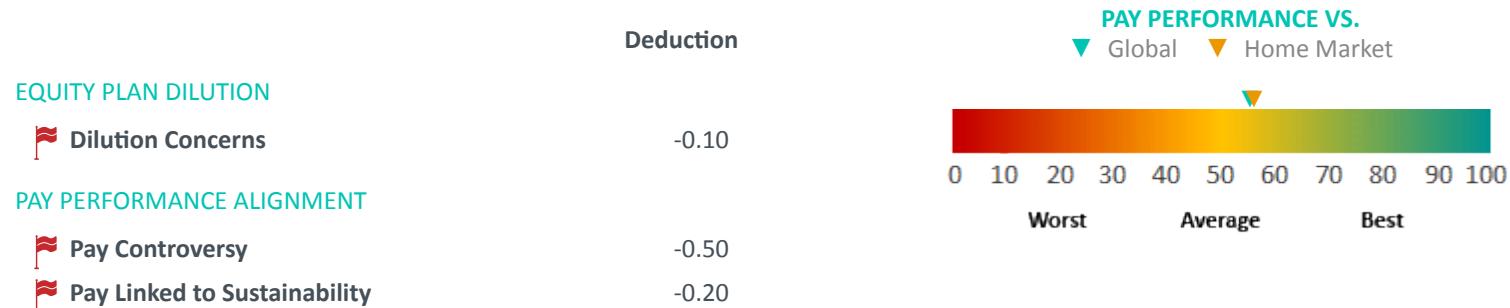
No major relevant controversies have been uncovered.

PAY

Executive pay practices at Tesla fall into the average scoring range relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
6.4	57th (Average)	57th (Average)

KEY METRICS SCORING



PAY FIGURES

EXECUTIVE PAY - 2022

Executive	Title	Tenure (Years)	Total Awarded Pay (USD)	Total Realized Pay (USD)
Andrew Baglino	Executive		303,000	37,443,046
Elon Musk	CEO	19	0	0
Zachary Kirkhorn	CFO	4	303,000	17,867,828

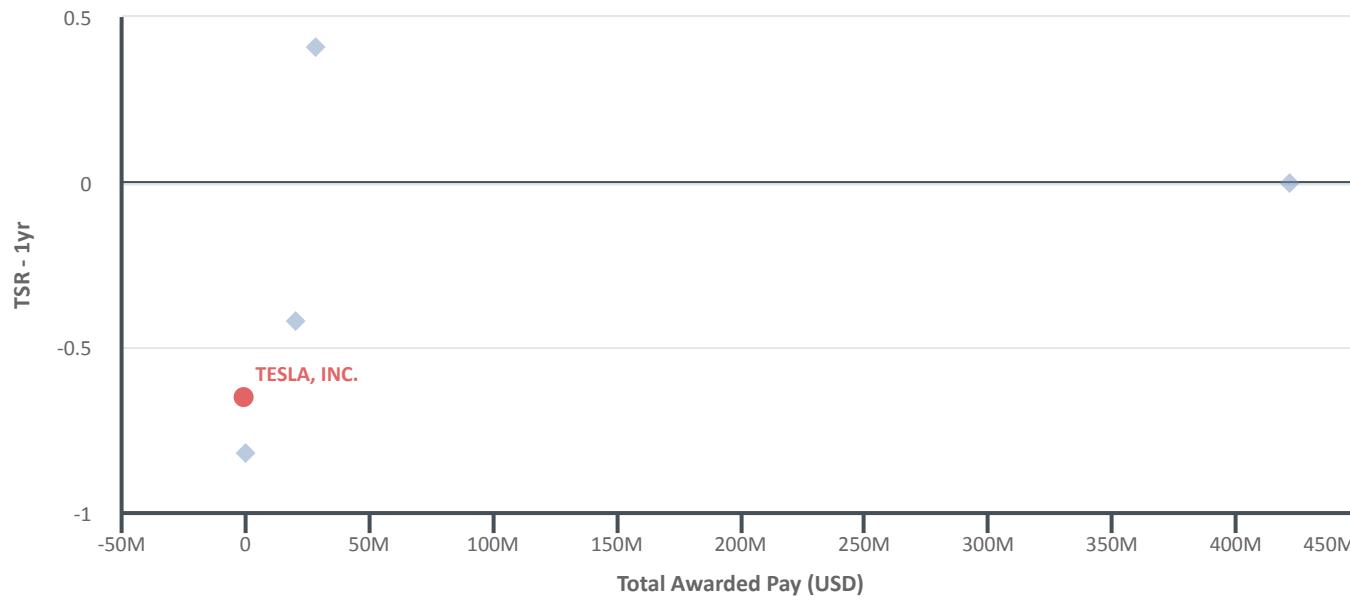
-\$ - Financial Expert -I - Industry Expert (3)

PAY PEER GROUP

LARGE CAP - DEVELOPED AMERICAS - AUTOMOBILES (5 COMPANIES)

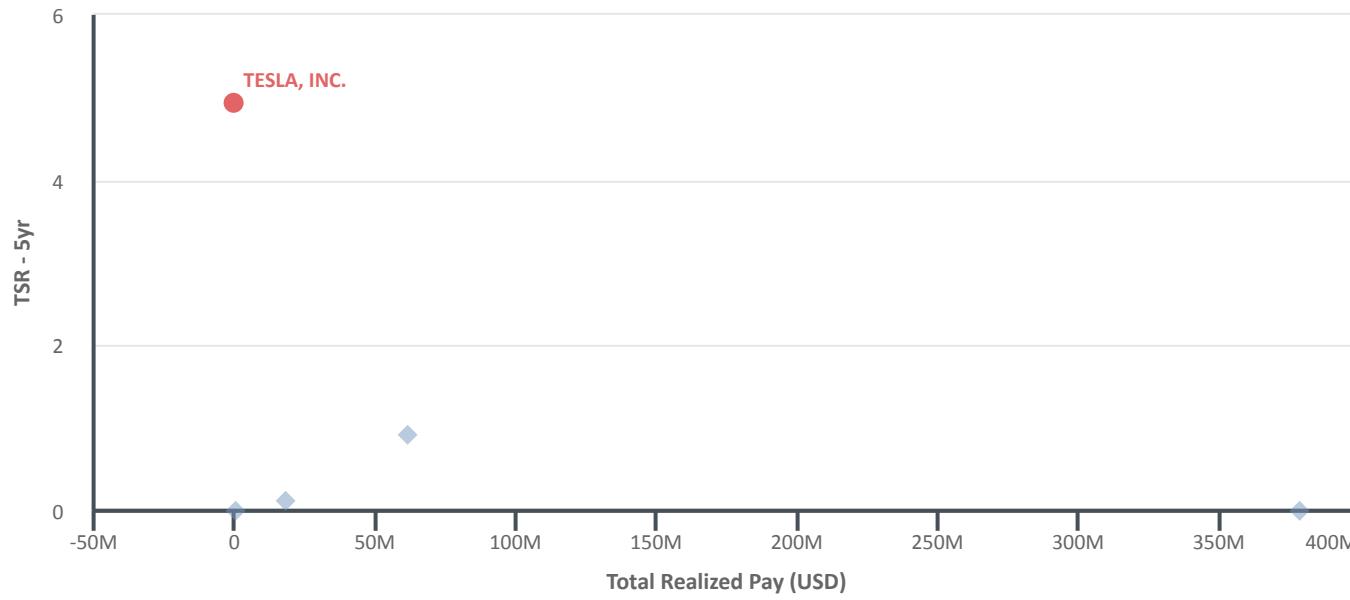
Company	Home Market	Market Cap (USD m)	Pay Year	1 Yr TSR	Total CEO Annual Pay (USD)	CEO Name	CEO Since
GENERAL MOTORS COMPANY	United States	52,769	2021	0.41%	10,617,075	Barra	Jan 2014
FORD MOTOR COMPANY	United States	57,691	2022	-0.42%	5,850,765	Farley	Oct 2020
RIVIAN AUTOMOTIVE, INC.	United States	14,315	2021	0.00%	776,197	Scaringe	Jun 2009
Lucid Group, Inc	United States	14,727	2022	-0.82%	596,430	Rawlinson	Apr 2019
TESLA, INC.	United States	825,783	2022	-0.65%	0	Musk	Oct 2008

CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

PAY PERFORMANCE ALIGNMENT

CEO & EXECUTIVE EQUITY

CEO equity policy as a multiple of salary: **6.0**

Stock Ownership by Board and Management:

Our Chief Executive Officer shall own shares of Tesla stock equal in value to at least six times his/her base salary

Executive	Tenure (Years)	Shares Held	YoY % Change	Shareholding As % of Salary
Andrew Baglino I		65,547		
Elon Musk I	19	411,062,076	54.83%	
Zachary Kirkhorn I \$	4	203,073		

\$ - Financial Expert I - Industry Expert (3)

PAY LINKED TO SUSTAINABILITY

The company has failed to incorporate links to sustainability performance in its current incentive pay policies.

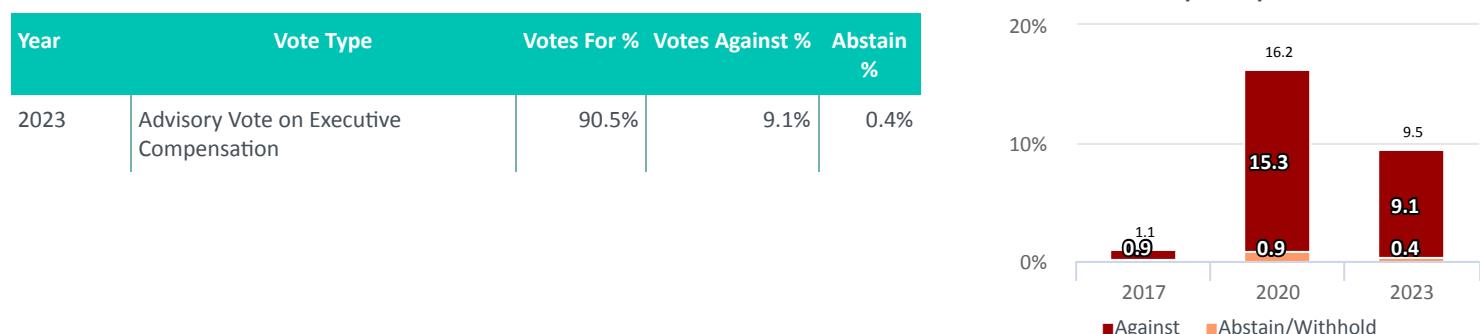
CLAWBACK & MALUS

Clawback or malus provisions are in place.

Clawback Type:

Performance Based

LATEST PAY VOTES



EQUITY PLAN DILUTION

	2022	2021	2020
Shares Outstanding	3,164,102,701	1,033,507,611	959,853,504
Equity Reserved	19.4%	20.6%	25.9%
Shares granted/awarded (in year)	0.4%	0.1%	0.5%

NON-EXECUTIVE DIRECTOR PAY**NON-EXECUTIVE EQUITY**

Director	Tenure (Years)	Shares Held
Hiromichi (Hiro) Mizuno 	N/A (Resigned)	0
Ira Ehrenpreis 	16	571,005
James Murdoch 	5	157,275
Jeffrey Straubel 	< 1	12,660
Joseph (Joe) Gebbia	< 1	111
Kathleen Wilson-Thompson	4	5,400
Kimbal Musk	19	1,608,720
Robyn Denholm 	8	15,000

 - Financial Expert (4)  - Industry Expert

NON-EXECUTIVE PAY TABLES

Director	Tenure (Years)	Cash Fees	Other Comp	Total Pay	Total Pay (USD)
Hiromichi (Hiro) Mizuno 	N/A (Resigned)	27,500 USD		27,500 USD	27,500
Ira Ehrenpreis 	16	0 USD		0 USD	0
James Murdoch 	5	0 USD		0 USD	0
Joseph (Joe) Gebbia	< 1	0 USD		0 USD	0
Kathleen Wilson-Thompson	4	0 USD		0 USD	0
Kimbal Musk	19	0 USD		0 USD	0
Lawrence (Larry) Ellison	N/A (Resigned)	0 USD		0 USD	0
Robyn Denholm 	8	0 USD		0 USD	0

 - Financial Expert (4)

CONTROVERSIES & EVENTS**Category:** Pay Controversies

Last Reviewed:

Date Initiated: June 2020

Assessment: Moderate

Status: Ongoing

Shareholders proposed to vote against the re-election of CEO and Chair due to alleged excessive executive pay

In June 2020, shareholders of Tesla, Inc. announced its proposal to vote against the re-election of its CEO and Chair due to alleged excessive executive

pay. According to the report, the board, including the CEO, has been allegedly receiving excessive compensation packages for over three years, wherein CEO could reportedly receive USD 55.8 billion executive bonus. The company delayed the vote until September 2020 for the annual general meeting on July 7, 2020.

OWNERSHIP & CONTROL

The company's ownership structure and shareholder rights at Tesla fall within the average scoring relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
6.2	41st (Average)	71st (Average)

KEY METRICS SCORING

Deduction

DIRECTOR ELECTIONS

红旗 Strong Classified Board Combination	-0.20
红旗 Annual Director Elections	-0.10
红旗 Majority Voting	-0.10
红旗 Director Removal Without Cause	-0.10

OWNERSHIP STRUCTURE

SHAREHOLDER RIGHTS

红旗 Bylaws Amendments	-0.10
红旗 Shareholder Rights to Convene Meeting	-0.30

TAKEOVER PROVISIONS

红旗 Business Combination Provision	-0.10
红旗 Fair Bid Treatment Provisions	-0.10

CORPORATE STRUCTURE

Public Company

CAPITAL STRUCTURE

Capital Type	Votes Per Share	Shares Outstanding
Common Stock.	1.0	3,169,314,178

OWNERSHIP STRUCTURE

OWNERSHIP CATEGORIES

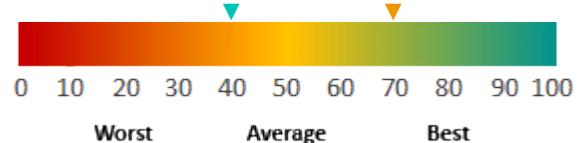
- Principal Shareholder
- Founder Firm
- Family Firm

NOTABLE SHAREHOLDERS

Elon Musk - 20.6%	20.6%
5%+ shareholders - Aggregate Voting Power	12.5%

OWNERSHIP & CONTROL PERFORMANCE VS.

▼ Global ▼ Home Market



Insider Voting Power	20.9%
----------------------	--------------

We note that despite being classified as a family firm/founder firm, the company does not have a controlling shareholder. The company does not have a special capital structure, thus one vote right is afforded per common share. This principle of 'one share one vote' helps align economic and voting power and ensures that no class of shareholders has more voting power than economic exposure.

FAMILY FIRM

Founder, CEO, and Chairman, Elon Musk, and his brother, Non-Executive Director, Kimbal Musk, hold 20.6% shares in the company.

FOUNDER FIRM

Elon Musk is a founder of Tesla, Inc. and has served as the Chief Executive Officer since October 2008 and as Chairman of the Board of Directors since April 2004

CONTROL MECHANISMS

Strong Classified Board Combination

Director Removal for Cause Only	Yes
Director Removal without Cause Vote %	51.0
Shareholders can Fill Board Vacancies	No
Effective Classified Board	Yes
Bylaw Vote Percent	51.0

Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, and except as otherwise provided in the DGCL, vacancies occurring on the Board of Directors for any reason and newly created directorships resulting from an increase in the authorized number of directors may be filled only by vote of a majority of the remaining members of the Board of Directors, although less than a quorum, or by a sole remaining director, at any meeting of the Board of Directors. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been assigned by the Board of Directors and until his or her successor shall be duly elected and qualified

TAKEOVER PROVISIONS

Fair Price Provision	Mandatory Bid Provision	Mandatory Bid Ownership Threshold
No	No	
State of Incorporation		Business Combination Provision
Delaware		Yes
% of Votes to Approve a Merger		
51%		

GOVERNING DOCUMENTS

MAJORITY REQUIREMENTS

	Bylaws	Charter
Default percentage of votes required to amend a provision	51%	51%
Highest percentage of votes required to amend a specific provision	66.7%	66.7%

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least 66 2/3% of the total voting power of outstanding voting securities, voting together as a single class, shall be required for the stockholders of the corporation to alter, amend or repeal, or adopt any bylaw inconsistent with, the following provisions of these bylaws: Article II, Sections 3.1, 3.2, 3.4 and 3.11 of Article III, Article VIII and this Article X (including, without limitation, any such Article or Section as renumbered as a result of any amendment, alteration, change, repeal, or adoption of any other Bylaw). The board of directors shall also have the power to adopt, amend or repeal bylaws; provided, however, that a bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the board of directors.

The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation (including any rights, preferences or other designations of Preferred Stock), in the manner now or hereafter prescribed by this Certificate of Incorporation and the DGCL; and all rights, preferences and privileges herein conferred upon stockholders by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article IX. Notwithstanding any other provision of this Certificate of Incorporation, and in addition to any other vote that may be required by law or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter or repeal, or adopt any provision as part of this Certificate of Incorporation inconsistent with the purpose and intent of, Article V, Article VI, Article VII or this Article IX (including, without limitation, any such Article as renumbered as a result of any amendment, alteration, change, repeal or adoption of any other Article)

SHAREHOLDER RIGHTS

There may be governance risks for investors in relation to shareholder rights and management-controlled takeover defense mechanisms at Tesla including:

- The board's ability to amend the company's bylaws without shareholder approval
- business combination provisions that fail to include protections of shareholder interests
- fair price provisions that fail to ensure that all shareholders are treated fairly
- Limits on the right of shareholders to convene a special or emergency general meeting
- Limits on the right of shareholders to take action by written consent

SHAREHOLDER MEETINGS & RESOLUTIONS

	Call Special Meeting	Requisition a Resolution at AGM	Act by Written Consent
Percentage of shares required	N/A - no right exists		N/A - no right exists

RESTRICTIONS ON LEGAL ACTION BY SHAREHOLDERS

An exclusive forum provision is in place.

SAY ON PAY

We note that shareholder votes on executive pay are mandatory in this market, affording shareholders the ability to review and approve executive pay practices at this company.

DIRECTOR ELECTIONS**BOARD RE-ELECTION PROVISIONS**

Not all board members are subject to annual re-election. While considered by some governance experts as a means of ensuring board continuity, a classified board structure may limit the ability of shareholders to hold directors accountable and serve as a takeover defense. In addition, Tesla has charter and bylaw provisions that may make it difficult for shareholders to achieve control by enlarging the board or removing directors and filling the resulting vacancies. The combined effect of these mechanisms may reduce board accountability to shareholders. Some 44% of boards in the home market are flagged for not requiring directors to stand for re-election on an annual basis.

Board Re-election Provisions	
Board Re-election Frequency (Years)	3
% of Board subject to re-election	100%

PROPOSALS TO DECLASSIFY THE BOARD

No recent votes, whether filed by management or by shareholder, seeking the adoption of proxy access have been identified.

DIRECTOR ELECTION STANDARD

The company has not adopted a binding majority director election standard (with immediate resignation if the director does not receive a majority of the votes cast), which may limit shareholders' ability to hold members of the board accountable in uncontested elections.

Director Election Rules	
Vote Standard	Majority
Immediate Binding Resignation	No

Tesla's Board currently consists of eight members who are divided into three classes with staggered three-year terms. Our bylaws permit the Board to establish by resolution the authorized number of directors, and eight directors are currently authorized. Any increase or decrease in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of an equal number of directors.

Tesla's bylaws provide that in an uncontested election, the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the matter is required to elect a director.

PROXY ACCESS

A proxy access provision is in place.

Proxy Access Terms	
Ownership Duration (Years)	3
Ownership Threshold (% of shares)	0%
Min/Max Number of Board Seats	20

ACCOUNTING

Based on the company's disclosures and other public information, accounting and financial reporting practices at Tesla appear to be generally appropriate and effective relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
10.0	100th (Best In Class)	100th (Best In Class)

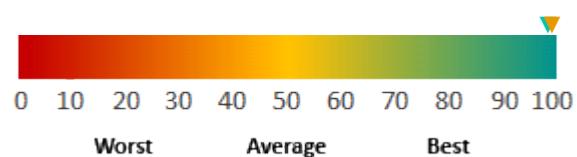
KEY METRICS SCORING

Deduction

AUDITOR INDEPENDENCE

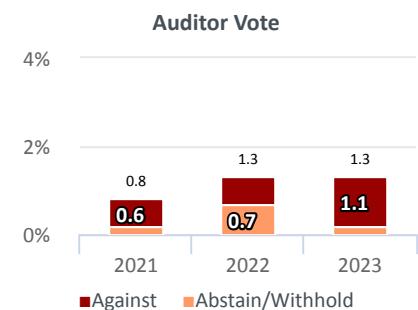
ACCOUNTING PERFORMANCE VS.

▼ Global ▼ Home Market



EXTERNAL AUDITORS

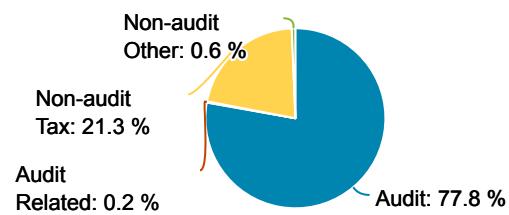
Type	Since	Firm	Most Recent Fiscal Year End Signed Off
Primary	2005	PricewaterhouseCoopers LLP	2022



AUDITOR FEES

Fees paid to: PricewaterhouseCoopers LLP (Primary)

Fee	Dec 31, 2022 (USD)	Dec 31, 2021 (USD)	Dec 31, 2020 (USD)
Audit	16,192,000	14,156,000	12,965,000
Audit Related	44,000	184,000	0
Total Audit + Audit Related	16,236,000	14,340,000	12,965,000
Tax Compliance/Advice	4,442,000	2,876,000	1,456,000
Other Non-audit Services	134,000	62,000	103,000
Total Non-audit Fees	4,576,000	2,938,000	1,559,000
Total Fees	20,812,000	17,278,000	14,524,000



AUDITOR'S REPORT

	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020
Report Disclosed	Yes	Yes	Yes
Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion
Emphasis of Matter	No	No	No

EMPHASIS OF MATTER**Dec 31, 2022**

Changes in Accounting Principles :

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for convertible debt in 2021.

Dec 31, 2021

Changes in Accounting Principles

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for convertible debt in 2021 and the manner in which it accounts for leases in 2019.

Dec 31, 2020

Changes in Accounting Principles

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019 and the manner in which it accounts for revenue from contracts with customers in 2018.

CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.

APPENDIX

DIRECTOR VOTES

Proxy Year	Name	Votes For %	Votes Against %	Votes Abstained / Withheld %
2023	Denholm,Robyn	73.93%	25.48%	0.59%
2023	Musk,Elon	95.35%	4.55%	0.11%
2023	Straubel,Jeffrey	86.06%	13.81%	0.13%
2020	Denholm,Robyn	81.09%	18.67%	0.24%
2020	Musk,Elon	98.76%	0.85%	0.38%
2017	Denholm,Robyn	96.10%	3.73%	0.17%
2017	Musk,Elon	97.03%	2.74%	0.23%

SHAREHOLDER/MANAGEMENT PROPOSALS

MANAGEMENT PROPOSALS

Proxy Year	Proposal	Proposal Summary	Outcome	Votes For	Votes Against	Abstain/Withheld%
2023	Advisory Vote on Executive Compensation	Proposal 2 was a management proposal to approve executive compensation on a non-binding advisory basis. This proposal was approved.	Approved	90.5%	9.1%	0.4%
2023	Advisory Vote Frequency	Proposal 3 was a management proposal to approve the frequency of future votes on executive compensation on a non-binding advisory basis. "1 Year" was approved. The Board will consider the results of this non-binding advisory vote, and make its recommendation for the frequency of future votes on [...]	1 year			
2023	Auditor Ratification	Proposal 4 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2023. This proposal was approved.	Approved	98.7%	1.1%	0.2%
2022	Amend Certificate of Incorporation	Proposal 2 was a management proposal to adopt amendments to Tesla's certificate of incorporation to reduce director terms to two years. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common stock.	Defeated	98.9%	0.4%	0.8%
2022	Supermajority Vote Elimination	Proposal 3 was a management proposal to adopt amendments to Tesla's certificate of incorporation and bylaws to eliminate applicable supermajority voting requirements. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common [...]	Defeated	97.4%	1.7%	0.9%
2022	Increase Authorized Shares	Proposal 4 was a management proposal to adopt amendments to Tesla's certificate of incorporation to increase the number of authorized shares of common stock by 4,000,000,000 shares. This proposal was approved.	Approved	98.6%	1.1%	0.3%
2022	Auditor Ratification	Proposal 5 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022. This proposal was approved.	Approved	98.7%	0.6%	0.7%
2022	Other	Proposal 6 was a non-binding advisory stockholder proposal regarding proxy access. This proposal was approved.	Approved	50.9%	47.9%	1.3%
2021	Amend Certificate of Incorporation	Proposal 2 was a management proposal to adopt amendments to Tesla's certificate of incorporation to reduce director terms to two years. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common stock.	Defeated	99.5%	0.5%	0.1%
2021	By-Law Amendment	Proposal 3 was a management proposal to adopt amendments to Tesla's certificate of incorporation and bylaws to eliminate applicable supermajority voting requirements. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common [...]	Approved	60.6%	6.5%	32.9%
2021	Auditor Ratification	Proposal 4 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2021. This proposal was approved.	Approved	99.2%	0.6%	0.2%

*For Management Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.

SHAREHOLDER PROPOSALS

Proxy Year	Proposal	Proposal Summary	Proposal Proponent	Outcome	Votes For	Votes Against	Abstain/Withheld%
2023	Other	Proposal 5 was a non-binding advisory stockholder proposal regarding reporting on key-person risk. This proposal was not approved.	Sumtris ehf from agnhofoi 8, 110, Reykjavik, Iceland	Defeated	5.8%	93.4%	0.8%
2023	Labor Practices	Proposal 6 was a stockholder proposal raised from the floor regarding reporting on child labor and forced labor. This proposal was not approved.	Not disclosed	Defeated	0%	100%	0%
2022	Employment Discrimination	Proposal 7 was a non-binding advisory stockholder proposal regarding annual reporting on anti-harassment and discrimination efforts. This proposal was not approved.	Not Disclosed	Defeated	46.5%	52.6%	0.9%
2022	Board Diversity	Proposal 8 was a non-binding advisory stockholder proposal regarding annual reporting on board diversity. This stockholder proposal was not approved.	Not Disclosed	Defeated	9.6%	89.1%	1.3%
2022	Other	Proposal 9 was a non-binding advisory stockholder proposal regarding reporting on employee arbitration. This stockholder proposal was not approved.	Not Disclosed	Defeated	37.5%	61.6%	0.9%
2022	Environmental - Lobbying, Public Relations and Legal Expenditures	Proposal 10 was a non-binding advisory stockholder proposal regarding reporting on lobbying. This stockholder proposal was not approved.	Not Disclosed	Defeated	34.3%	64.7%	1%
2022	Other	Proposal 11 was a non-binding advisory stockholder proposal regarding adoption of a freedom of association and collective bargaining policy rights. This stockholder proposal was not approved.	Not Disclosed	Defeated	32.1%	64.2%	3.7%
2022	Other	Proposal 12 was a non-binding advisory stockholder proposal regarding additional reporting on child labor. This stockholder proposal was not approved.	Not Disclosed	Defeated	10.4%	88.2%	1.4%
2022	Environmental - Land Use, Resources and Recycling	Proposal 13 was a non-binding advisory stockholder proposal regarding additional reporting on water risk. This stockholder proposal was not approved.	Not Disclosed	Defeated	35.1%	64%	0.9%
2021	Board Elections - Term Limits	Proposal 5 was a non-binding advisory stockholder proposal regarding reduction of director terms to one year. This stockholder proposal was approved	James McRitchie	Approved	53%	44%	3%
2021	Other	Proposal 6 was a non-binding advisory stockholder proposal regarding additional reporting on diversity and inclusion efforts. This stockholder proposal was approved.	Calvert Research and Management. Calvert Research and Management	Approved	54.5%	41.3%	4.2%
2021	Other	Proposal 7 was a non-binding advisory stockholder proposal regarding reporting on employee arbitration. This stockholder proposal was not approved.	Nia Impact Capital	Defeated	44.8%	51.8%	3.5%
2021	Other	Proposal 8 was a non-binding advisory stockholder proposal regarding assigning responsibility for strategic oversight of human capital management to an independent board-level committee. This stockholder proposal was not approved.	the Comptroller of the City of New York	Defeated	31.7%	62.1%	6.2%

Proxy Year	Proposal	Proposal Summary	Proposal Proponent	Outcome	Votes For	Votes Against	Abstain/Withheld%
2021	Human Rights	Proposal 9 was a non-binding advisory stockholder proposal regarding additional reporting on human rights. This stockholder proposal was not approved.	Sisters of the Good Shepherd New York Province	Defeated	25.1%	72%	3%

*For Shareholder Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.

DELAWARE



CURRENCY: UNITED STATES DOLLAR (USD)

In the United States, most governance principles are governed by state laws that are not uniform or nationally enforced. However, the majority of states have adopted the Model Business Corporation Act (MBCA) as the basis of their own laws by modifying some of the provisions of the MBCA. The MBCA is a body of laws designed to regulate corporate affairs uniformly across different states. It is the basis for business corporation statutes in 32 states and the District of Columbia and is the source of many provisions in the general corporation statutes of other states. Further, the Securities and Exchange Commission (SEC) regulates certain governance related matters on a federal level.

The majority of large U.S. businesses are listed on either the New York Stock Exchange (NYSE) or the Nasdaq Stock Market (Nasdaq), and therefore are subject to their listing rules. The U.S. has not adopted a national corporate governance code.

Delaware's corporate governance is defined by the General Corporation Law of the State of Delaware (DGCL), with annual updates and revisions by the Delaware legislature based on the recommendations of the Council of the Corporation Law Section of the Delaware State Bar Association. Judicial decisions by the state's Court of Chancery also set governance practice, with appeals heard at the Delaware Supreme Court.

Companies adopt a unitary board structure in the U.S. The NYSE and Nasdaq listing rules require the majority of directors to be independent. The SEC rules require public companies to disclose and explain their chair-CEO structure and whether one or two people hold the roles. If the roles are combined, the company must further disclose whether it has a lead independent director and specify their role within the company leadership.

Unless stated otherwise in the articles of association, directors may appoint inspectors in advance of any shareholder meeting to determine the number of shares outstanding, voting rights, shares represented at the meeting, existence of a quorum, authenticity and validity of proxies, and take all other actions with regards to the annual shareholders' meeting.

Related party transactions (RPTs) are valid if the transaction was conducted on reasonable and fair terms when it was approved, and the RPT is approved in good faith by the majority of independent directors. If the number of independent directors is less than a quorum, then it must be approved by shareholders.

The board of directors may fix director and officer pay, although most companies delegate the responsibility for defining executive pay to independent directors, usually upon the recommendation of the pay or nominating/governance committee. Officers are executive directors that are responsible for the daily management of the company.

The Dodd-Frank Act requires listed companies to hold an advisory vote every three years on "say on pay" policies, as well as disclose additional information regarding "golden parachute" arrangements linked to merger transactions.

Listed companies must annually disclose the pay of directors and officers, including stock and option awards. Disclosure must be made in a tabular format, along with a descriptive summary of the information in the table. Companies listed on Nasdaq must also disclose pay arrangements between directors or nominees and third parties.

The U.S. market is known for having widely dispersed ownership, but founder-led companies are common. There are multiple share classes with unequal voting rights and voting right limits.

Shareholders with at least 10% voting rights can request to convene a general meeting.

A notice of the meeting, specifying the date, time, place and purpose must be given no less than seven days and no more than 60 days in advance. Special meeting of shareholders may be convened by shareholders owning at least 10% of shares. Typically, each share is entitled to one vote and fractional shares are entitled to proportionate votes. Shareholders do not have preemptive rights unless specifically provided in the bylaws or articles. Dissenting shareholders are entitled to appraisal rights.

Unless otherwise stipulated in the articles, a corporation is not obligated to offer shareholders any shares, option rights or securities when issuing them.

There are no mandatory takeover bid provisions in the U.S.

In 2018, the Delaware enacted a Certification of Adoption of Transparency and Sustainability Standards Act which is a voluntary act broadly enabling entities registered in Delaware to craft a sustainability regime. The Act is primarily a disclosure regime which requires entities to disclose and provide reports regarding their standards and metrics. There are many provisions in the Federal Sarbanes-Oxley Act that govern the audit process. A public company's annual financial statements must be audited by a registered independent auditing firm. Listed companies prepare two annual reports, one for SEC (Form 10-K) and one for their shareholders. The reports to stockholders, as required by SEC, must contain certified financial statements of two-year audited balance sheets, and three-year audited statement of income and cash flows. Directors and officers of the corporation must also be identified. Interim financial statements are not audited, only reviewed by the company's auditors. If an auditor has not reviewed the interim report, it must be accompanied with a notice specifying that the report has not been reviewed by an auditor. Audit firm rotation is not required but lead audit partners are subject to rotation every five years.

KEY METRIC & SCORE CHANGES

ALL KEY METRIC & SCORE CHANGES (SINCE FEBRUARY 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
Significant Votes Against Directors	Score Change	Jun 21, 2023	0.25	AGM voting results updated
Proxy Access	Flag Removed	Jun 21, 2023	0.20	
Leadership Concerns	Flag Added	Jun 21, 2023	-0.30	
CEO Pay Total Realized	Flag Removed	Jun 21, 2023	0.20	
CEO Pay Total Realized	Flag Added	Feb 02, 2023	-0.20	
CEO Pay Total Realized	Flag Removed	Jan 13, 2023	0.20	
CEO Pay Total Realized	Flag Added	Oct 12, 2022		
Significant Votes Against Directors	Score Change	Aug 17, 2022	-0.25	AGM voting results updated
Related Party Transactions	Score Change	Jul 06, 2022	-0.24	
Majority Voting	Score Change	Jul 06, 2022	0.10	
Nomination Committee Independence	Flag Added	Jun 22, 2022	-0.10	Nomination committee assessed as not independent of management and/or other interests
Audit Board/ Committee Independence	Flag Added	Jun 22, 2022	-0.10	Audit board/committee assessed as not independent of management
Revenue Recognition	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Nomination Committee Chair Independence	Flag Added	Jun 12, 2022	-0.10	Methodology enhancements
Expense Recognition	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Asset-Liability Valuation	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Entrenched Board	Flag Added	May 05, 2022	-0.80	Update of age/tenure criteria
Asset-Liability Valuation	Score Change	May 05, 2022	-0.03	Updates to data for accounting peer group member(s)

DIRECTOR PROFILES

ELON MUSK

Age: 51
Gender: M
Nationality: United States of America

Financial: No
Risk: No
Industry: Media - Media, Automobiles & Components - Automobiles

BIOGRAPHICAL INFORMATION

TESLA, INC. - Executive, Board Member, CEO Source Date: 04/06/2023

Elon Musk has served as our Chief Executive Officer since October 2008. Mr. Musk has also served as Chief Executive Officer, Chief Technology Officer and Chairman of Space Exploration Technologies Corporation, a company which develops and launches advanced rockets for satellite, and eventually human, transportation ("SpaceX"), since May 2002, served as Chairman of the Board of SolarCity Corporation, a solar installation company ("SolarCity"), from July 2006 until its acquisition by us in November 2016 and served as Chief Executive Officer of Twitter, Inc., a social media company ("Twitter"), since October 2022. Mr. Musk is also a founder of The Boring Company, an infrastructure company, and Neuralink Corporation, a company focused on developing brain-machine interfaces. Prior to SpaceX, Mr. Musk co-founded PayPal, an electronic payment system, which was acquired by eBay in October 2002, and Zip2 Corporation, a provider of Internet enterprise software and services, which was acquired by Compaq in March 1999. Mr. Musk also served on the board of directors of Endeavor Group Holdings, Inc. from April 2021 to June 2022. Mr. Musk holds a B.A. in physics from the University of Pennsylvania and a B.S. in business from the Wharton School of the University of Pennsylvania. Impact As our Chief Executive Officer, one of our founders and our largest stockholder, Mr. Musk brings historical knowledge, operational and technical expertise and continuity to the Board. Mr. Musk guided Tesla from an early-stage startup, through its IPO in 2010, to transformative growth into one of the most valuable companies in the world. Mr. Musk's leadership and unique vision has played a key role in our mission to accelerate the world's transition to sustainable energy.

TWITTER, INC. - Executive, Board Member, CEO Source Date: 04/12/2022

Elon is Technoking of Tesla and has served as their Chief Executive Officer since October 2008 and as a member of the Board since April 2004. Elon has also served as Chief Executive Officer, Chief Technology Officer and Chairman of Space Exploration Technologies Corporation, an advanced rocket and spacecraft manufacturing and services company ("SpaceX"), since May 2002, and served as Chairman of the Board of SolarCity Corporation, a solar installation company, from July 2006 until its acquisition by us in November 2016. Elon is also a founder of The Boring Company, an infrastructure company, and of Neuralink Corp., a company focused on developing brain-machine interfaces. Prior to SpaceX, Elon co-founded PayPal, an electronic payment system, which was acquired by eBay in October 2002, and Zip2 Corporation, a provider of Internet enterprise software and services, which was acquired by Compaq in March 1999. Elon has also served on the board of directors of Endeavor Group Holdings, Inc. since April 2021. Elon holds a B.A. in physics from the University of Pennsylvania and a B.S. in business from the Wharton School of the University of Pennsylvania.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TWITTER, INC.	Executive, Board Member, CEO		Oct 27, 2022		No	Yes	
TESLA, INC.	Executive, Board Member, CEO	19	Apr 01, 2004		No	No	

DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
ENDEAVOR GROUP HOLDINGS, INC.	Non-Executive		2021	72,701	306,333	7,583

IRA EHRENPREIS

Age: 54
Gender: M
Nationality: Not Disclosed

Financial: Yes
Risk: No
Industry: Diversified Financials - Capital Markets

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Ira Ehrenpreis is Founder and Managing Partner of DBL Partners, a leading impact investing venture capital firm, currently managing more than \$1 billion of capital. DBL invests in companies that can deliver top-tier financial returns, while simultaneously driving social or environmental change. Ira is a recognized leader in the venture capital industry, having served on the Board, Executive Committee, and as Annual Meeting Chairman of the National Venture Capital Association (NVCA). He currently serves as the President of the Western Association of Venture Capitalists (WAVC) and as the Chairman of the VCNetwork, the largest and most active California venture capital organization. Ira was awarded the 2018 NACD Directorship 100 for being "one of the most influential leaders in the boardroom and corporate governance community." In 2007, he was named one of the "Top 50 Most Influential Men Under 45" and in 2014 was inducted into the International Green Industry Hall of Fame. Ira has served for several years as the Chairman of the Silicon Valley Technology Innovation & Entrepreneurship Forum (SVIEF). He is the Founder and Chairman of one of the most prominent annual energy innovation industry events, the World Energy Innovation Forum (WEIF), which has convened the who's-who in the industry to discuss the important energy issues and opportunities of our time. In addition, Ira has served on several industry Boards, including the Department of Energy's (DOE) Energy Efficiency and Renewable Energy Advisory Committee (ERAC), the National Renewable Energy Laboratory (NREL) Advisory Council, the Clean-Tech Investor Summit (Chairman), the Renewable Energy Finance Forum (REFF) West (Co-Chairman), the Renewable Energy Finance Forum (REFF) Wall Street (Co-Chairman), the Cleantech Venture Network (Past Chairman of Advisory Board), and ACORE (American Council on Renewable Energy). Ira has served as the Chairman of the Silicon Valley Technology Innovation & Entrepreneurship Forum (SVIEF) for many years. He is also an active leader at Stanford University, where he has served on the Board of Visitors of Stanford Law School and is currently an advisory board member of the Stanford Global Climate and Energy Project (GCEP) and the Stanford Precourt Institute for Energy (PIE) Advisory Council. Ira has also been a guest lecturer, including helping to teach a course on Venture Capital. In addition, Ira served for many years on the Advisory Board of the Forum for Women Entrepreneurs (FWE). Ira received his JD/MBA from Stanford Graduate School of Business and Stanford Law School, where he was an Associate Editor of Stanford Law Review. He holds a B.A. from the University of California, Los Angeles, graduating Phi Beta Kappa and Summa Cum Laude.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	16	May 01, 2007		No	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Pay	Chair
TESLA, INC.	Corporate Governance	Chair
TESLA, INC.	Nomination	Chair

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
TESLA, INC.	2022	63.3%	36.7%

JAMES MURDOCH

Age: 50
Gender: M
Nationality: United Kingdom

Financial: Yes
Risk: No
Industry: Media - Media,Diversified Financials - Capital Markets

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Murdoch has been the Chief Executive Officer of Lupa Systems, a private holding company that he founded, since March 2019. Previously, Mr. Murdoch held a number of leadership roles at Twenty-First Century Fox, Inc., a media company ("21CF"), over two decades, including its Chief Executive Officer from 2015 to March 2019, its Co-Chief Operating Officer from 2014 to 2015, its Deputy Chief Operating Officer and Chairman and Chief Executive Officer, International from 2011 to 2014 and its Chairman and Chief Executive, Europe and Asia from 2007 to 2011. Previously, he served as the Chief Executive Officer of Sky plc from 2003 to 2007, and as the Chairman and Chief Executive Officer of STAR Group Limited, a subsidiary of 21CF, from 2000 to 2003. Mr. Murdoch formerly served on the boards of News Corporation from 2013 to 2020, of 21CF from 2007 to 2019, and of Sky plc from 2003 to 2018. In addition, he has served on the boards of GlaxoSmithKline plc and of Sotheby's. Impact Mr. Murdoch brings to the Board his decades of executive and board experience across numerous companies. Tesla's Board benefits from his extensive knowledge of international markets and strategies and experience with the adoption of new technologies.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	5	Jul 13, 2017		No	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member
TESLA, INC.	Risk	Member

JEFFREY STRAUBEL

Age: 47
Gender: M
Nationality: Not Disclosed

Financial: No
Risk: No
Industry: Automobiles & Components - Automobiles

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Straubel is the Founder and Chief Executive Officer of Redwood Materials Inc., a Nevada-based company working to drive down the costs and environmental footprint of lithium-ion batteries by offering large-scale sources of domestic anode and cathode materials produced from recycled batteries. Mr. Straubel also co-founded and served as the Chief Technology Officer of Tesla from May 2005 to July 2019. Mr. Straubel previously served on the board of SolarCity Corporation and as a member of its Nominating and Corporate Governance Committee from August 2006 until its acquisition by Tesla in November 2016. Mr. Straubel has served on the board of directors of QuantumScape since November 2020. Mr. Straubel holds a B.S. in Energy Systems Engineering and a M.S. in Engineering, with an emphasis on energy conversion, from Stanford University. Impact As a co-founder and one of the key members of Tesla's leadership team for over a decade, Mr. Straubel brings extensive operational experience and in-house knowledge of Tesla's technology, research and development of business management. Mr. Straubel also provides valuable expertise in the areas of cleantech and batteries. Mr. Straubel has been nominated by the Board for election as a Class I director at the 2023 annual meeting of stockholders.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member		May 16, 2023		No	No	

JOSEPH (JOE) GEBBIA

Age: 41
 Gender: M
 Nationality: Not Disclosed

Financial: No
 Risk: No
 Industry:

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Gebbia co-founded Airbnb, Inc. in 2008 and has served on Airbnb's board of directors since 2009. In 2022, Mr. Gebbia launched Samara, which produces fully customized, factory-made homes designed to create rental income, house family, support work from home, or bundled together, to form new types of housing communities. Mr. Gebbia received dual degrees in Graphic Design and Industrial Design from the Rhode Island School of Design, where he currently serves on the institution's Board of Trustees. Mr. Gebbia is the Chairman of Airbnb.org, and also serves on the Olympic Refuge Foundation and leadership councils for UNHCR, Tent.org and Malala Fund. Mr. Gebbia is a sought-after speaker on design and entrepreneurship, and has been named in BusinessWeek's Top 20 Best Young Tech Entrepreneurs, Inc. Magazine's Thirty-under-Thirty, Fortune's Forty-under-Forty, and one of Fast Company's Most Creative People. Impact Mr. Gebbia has valuable experience derived from founding and leading a global public company. The Board benefits from his entrepreneurial background, as well as his experience in design, innovation, brand development and management of complex regulatory environments.

AIRBNB, INC. - Executive, Board Member, Chairman Source Date: 04/22/2022

Joseph Gebbia co-founded our company in 2008 and serves as our Chairman of Airbnb.org. Mr. Gebbia is also a member of our board of directors. Mr. Gebbia received dual degrees in Graphic Design and Industrial Design from the Rhode Island School of Design, where he currently serves on the institution's Board of Trustees. We believe that Mr. Gebbia is qualified to serve as a member of our board of directors because of the perspective and experience he brings as our co-founder and Chairman of Airbnb.org.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member		Sep 25, 2022		Yes	Yes	
AIRBNB, INC.	Executive, Board Member, Chairman	15	Jan 01, 2008		No	No	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Member
TESLA, INC.	Risk	Member

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
AIRBNB, INC.	2022	99.1%	1%

KATHLEEN WILSON-THOMPSON

Age: 65
Gender: F
Nationality: Not Disclosed

Financial: No
Risk: No
Industry: Food & Staples Retailing - Food & Staples Retailing, Food, Beverage & Tobacco - Food Products

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Ms. Wilson-Thompson served as Executive Vice President and Global Chief Human Resources Officer of Walgreens Boots Alliance, Inc., a global pharmacy and wellbeing company, from December 2014 until her retirement in January 2021, and previously served as Senior Vice President and Chief Human Resources Officer from January 2010 to December 2014. Prior to Walgreens, Ms. Wilson-Thompson held various legal and operational roles at The Kellogg Company, a food manufacturing company, from January 1991 to December 2009, including most recently as its Senior Vice President, Global Human Resources. Ms. Wilson-Thompson has served on the board of directors of Wolverine World Wide, Inc. since May 2021 and McKesson Corporation since January 2022. She previously served on the board of directors of Ashland Global Holdings Inc. from 2017-2020 and on the board of directors of Vulcan Materials Company from 2009-2018. Impact Ms. Wilson-Thompson brings extensive executive and board experience at both consumer-focused and industrial companies. In addition, her expertise in managing human resources, employment law and other operations at mature companies with large workforces provides the Board with valuable insight and advice for workforce management and relations as Tesla continues to expand.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	4	Dec 01, 2018		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Pay	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
TESLA, INC.	2022	67.6%	32.4%

KIMBAL MUSK

Age: 50
Gender: M
Nationality: South Africa

Financial: No
Risk: No
Industry: Consumer Services - Hotels, Restaurants & Leisure

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Kimbal Musk is an entrepreneur, activist, and chef. For over two decades he has co-founded and invested in companies across technology, hospitality, entertainment, and agricultural industries. His personal mission is to empower innovators and scale sustainable technologies that help contribute to a happier, healthier future. He has been named a Global Social Entrepreneur by the World Economic Forum. Early in his career, Mr. Musk co-founded Zip2 Corporation, an early inventor of online maps and door to door directions, which was acquired by Compaq and merged into Yahoo Maps in 1999. In 2006 he became CEO of OneRiot, a realtime search engine that was acquired by Walmart in 2011. Mr. Musk has served as a Director of SpaceX since its founding in 2002 through January 2022. In the summer of 2022 he acquired the light drone division of Intel and is now the Co-Founder and CEO of Nova Sky Stories. Nova Sky Stories is an international company that engineers and develops the most reliable, advanced, and safest light drone technology with a mission to empower artists and producers to bring art to the skies of every city and town in the world. A passionate food activist, Mr. Musk has become one of the most powerful voices in America helping grow the real food movement. In 2004, he co-founded The Kitchen which purchased food directly from local farmers kickstarting the farm-to-table movement. After nearly 20 years as the CEO of The Kitchen, Mr. Musk has built a thriving restaurant company that has become a community institution in cities across America. Mr. Musk served as a Director of Chipotle Mexican Grill, Inc. from 2013 to 2019. In 2016, he co-founded Square Roots, an urban farm company growing fresh, local greens in climate-controlled, AI equipped shipping containers. He is the Co-Founder and Executive Director of Big Green, a 501c3 non-profit organization with the mission to give every person in America a chance to grow food. Big Green has led global efforts to make gardening more accessible by launching the world's first giving DAO, a Web3 approach to democratize and decentralize philanthropy.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	19	Apr 01, 2004		No	No	

ROBYN DENHOLM

Age: 60
Gender: F
Nationality: Australia

Financial: Yes
Risk: No
Industry: Telecommunication Services - Diversified
 Telecommunication Services, Technology
 Hardware & Equipment - Communications
 Equipment

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member, Chairman Source Date: 04/06/2023

Ms. Denholm has been Chair of the Board since November 2018. Since January 2021, Ms. Denholm has been an operating partner of Blackbird Ventures, a venture capital firm. She is also the Inaugural Chair of the Technology Council of Australia. From January 2017 through June 2019, Ms. Denholm was with Telstra Corporation Limited, a telecommunications company ("Telstra"), where she served as Chief Financial Officer and Head of Strategy from October 2018 through June 2019, and Chief Operations Officer from January 2017 to October 2018. Prior to Telstra, from August 2007 to July 2016, Ms. Denholm was with Juniper Networks, Inc., a manufacturer of networking equipment, serving in executive roles including Executive Vice President, Chief Financial Officer and Chief Operations Officer. Prior to joining Juniper Networks, Ms. Denholm served in various executive roles at Sun Microsystems, Inc. from January 1996 to August 2007. Ms. Denholm also served at Toyota Motor Corporation Australia for seven years and at Arthur Andersen & Company for five years in various finance assignments. Ms. Denholm previously served as a director of ABB Ltd. from 2016 to 2017. Ms. Denholm is a Fellow of the Institute of Chartered Accountants of Australia/New Zealand, a member of the Australian Institute of Company Directors, and holds a Bachelor's degree in Economics from the University of Sydney, and a Master's degree in Commerce and a Doctor of Business Administration (honoris causa) from the University of New South Wales. Impact Ms. Denholm brings nearly 30 years of executive leadership experience at both NYSE and Nasdaq listed companies, including significant risk management, financial and accounting expertise, as well as technology leadership experience. Ms. Denholm has extensive knowledge of both the automotive and technology industries, including serving as the Chief Financial Officer and Chief Operating Officer of two technology companies.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member, Chairman	8	Aug 11, 2014		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Chair
TESLA, INC.	Pay	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member
TESLA, INC.	Risk	Chair

NOTICE AND DISCLAIMER

- This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the "Information") is the property of MSCI Inc. or its subsidiaries (collectively, "MSCI"), or MSCI's licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the "Information Providers") and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or redistributed in whole or in part without prior written permission from MSCI. All rights in the Information are reserved by MSCI and/or its Information Providers.
- The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.
- The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.
- Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.
- Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.
- The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.
- None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.
- It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, "Index Linked Investments"). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.
- Index returns do not represent the results of actual trading of investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. The calculation of indexes and index returns may deviate from the stated methodology. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.
- The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.
- Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.
- Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research LLC and Barra LLC, may be used in calculating certain MSCI indexes. More information can be found in the relevant index methodologies on www.msci.com.
- MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.'s revenue includes fees based on assets in Index Linked Investments. Information can be found in MSCI Inc.'s company filings on the Investor Relations section of msci.com.
- MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and MSCI's products or services are not a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, provided that applicable products or services from MSCI ESG Research may constitute investment advice. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC, a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that utilize information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK).
- Please note that the issuers mentioned in MSCI ESG Research materials sometimes have commercial relationships with MSCI ESG Research and/or MSCI Inc. (collectively, "MSCI") and that these relationships create potential conflicts of interest. In some cases, the issuers or their affiliates purchase research or other products or services from one or more MSCI affiliates. In other cases, MSCI ESG Research rates financial products such as mutual funds or ETFs that are managed by MSCI's clients or their affiliates, or are based on MSCI Inc. Indexes. In addition, constituents in MSCI Inc. equity indexes include companies that subscribe to MSCI products or services. In some cases, MSCI clients pay fees based in whole or part on the assets they manage. MSCI ESG Research has taken a number of steps to mitigate potential conflicts of interest and safeguard the integrity and independence of its research and ratings. More information about these conflict mitigation measures is available in our Form ADV, available at <https://adviserinfo.sec.gov/firm/summary/169222>
- Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P Global Market Intelligence. "Global Industry Classification Standard (GICS)" is a service mark of MSCI and S&P Global Market Intelligence.
- MIFID2/MIFIR notice: MSCI ESG Research LLC does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI ESG Research product or service supports, promotes or is intended to support or promote any such activity. MSCI ESG Research is an independent provider of ESG data.
- Privacy notice: For information about how MSCI collects and uses personal data, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.

ABOUT MSCI ESG RESEARCH PRODUCTS AND SERVICES

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc.

ABOUT MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

TESLA, INC. (TSLA)

Automobiles | US

Leads industry peers in monetizing electric mobility opportunities; recalls may pose risks

MSCI
ESG RATINGS



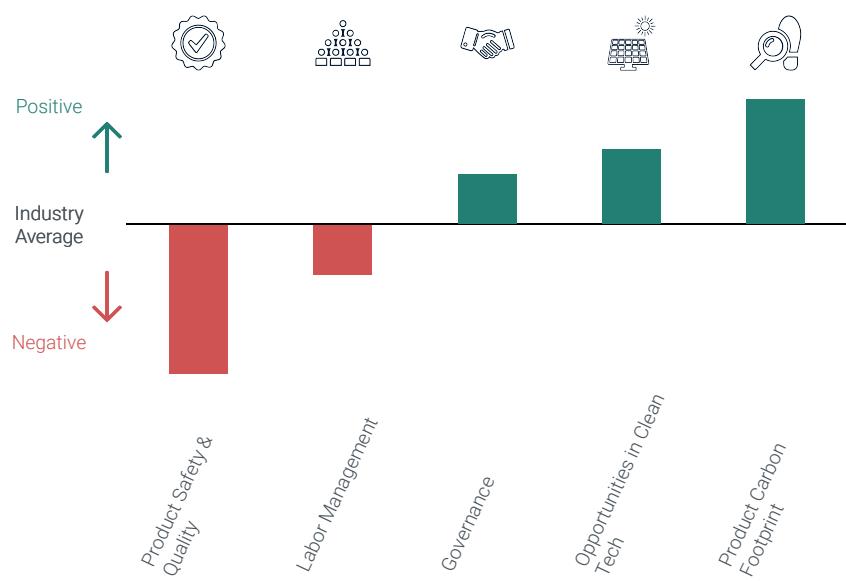
CCC B BB BBB A AA AAA

RATING ACTION DATE: July 04, 2023

LAST REPORT UPDATE: August 30, 2023

Score attribution by key issue

This chart highlights the company's positioning relative to the industry average for each Key Issue that contributed to its ESG Rating as of August 30, 2023.



Last ESG Rating action

Rating action date: July 04, 2023

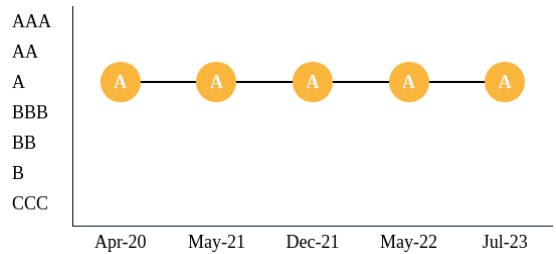
Tesla's rating is unchanged at 'A'.

The company's vehicle sales volume increased 40% YoY to 1.3 million in FY 2022, with production of 1.8 million expected in 2023. Further, two of the big three US automakers joined Tesla's supercharger network (as of June 2023); this development may drive additional revenue. In FY 2022, Tesla recalled 3.8 million vehicles in the US. While many of them were resolved by over-the-air software updates, recalls may pose financial liabilities and indicate potential lapses in product quality assurance.

- ▶ Tesla announced a new gigafactory in Mexico, and its headcount grew 29% YoY to 127,855 in FY 2022 (117,920 industry average as of May 2023). These developments may pose labor integration challenges. While we note industry-typical labor practices, lawsuits alleging racial discrimination may indicate gaps in implementation.
- ▶ Tesla's business ethics practices remain average relative to those of global peers. The company lags most global peers on corporate governance. Its board lacks an independent majority. In addition, the staggered board and lack of a majority voting standard provision may limit shareholders' ability to influence board composition.
- ▶ In addition to recalls, Tesla faced investigation in January 2023 by the Korean regulator over alleged high-voltage battery failures, and incurred a total penalty of USD 2.5 million—in September 2022 and January 2023—over alleged lapses in meeting safety standards. Tesla continues to lag industry peers in quality assurance: we found no evidence of industry-typical ISO 9001 certification.

Analysts: Tinoy Johnson, Yu Ishihara

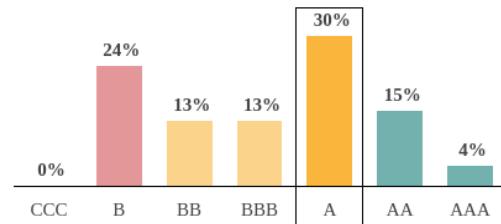
ESG Rating history



ESG Rating history shows five most recent rating actions

ESG Rating distribution

Universe: MSCI ACWI Index constituents, Automobiles, n=46



Key scores

	Weight	Score (0-10)
Industry-Adjusted Score (Last Updated: July 04, 2023)		6.2
Weighted-Average Key Issue Score (Last updated: July 04, 2023)		4.7
Environmental Pillar Score	30%	9.0
Social Pillar Score	37%	1.3
Governance Pillar Score	33%	4.4

Report table of contents

ESG Rating tearsheet	Data report
Rating model details	P02
Recent developments	P03
Corporate governance summary	P05
Analyst insights	P06
ESG Rating drill down	P11
Corporate governance data	P15
Key issue details	P39
Appendix	P57
Glossary	P104

What is an ESG Rating? MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model.



ESG Rating scorecard

As of August 30, 2023

KEY ISSUE	WEIGHT	INDUSTRY AVERAGE	SCORE (0-10)	CHANGE	EXPLANATION
Weighted-Average Key Issue Score		4.5	4.7		
> ENVIRONMENT	30%	6.7	9.0		
<u>Product Carbon Footprint</u>	17%	7.8	10.0		<ul style="list-style-type: none"> Strong initiatives to reduce carbon intensity of products across value chain
<u>Opportunities in Clean Tech</u>	13%	5.3	7.8		<ul style="list-style-type: none"> 100% of revenues from business lines commonly involved in clean tech 100.0% of revenues estimated from Energy Efficiency products in 2022
> SOCIAL	37%	3.6	1.3	▼0.6	
<u>Product Safety & Quality</u>	21%	3.4	0.5	▼0.8	<ul style="list-style-type: none"> Involved in severe & moderate <u>controversies</u> Relatively high proportion of revenue from business lines associated with frequent recalls or product safety litigation High number of product recalls relative to peers
<u>Labor Management</u>	16%	3.7	2.4	▼0.2	<ul style="list-style-type: none"> Involved in moderate <u>controversies</u> Layoffs conducted in the last three years Relatively limited labor management initiatives compared to peers
> GOVERNANCE	33%	3.8	4.4	▼0.1	
<u>Corporate Governance</u>		4.8	4.8	▼0.5	<ul style="list-style-type: none"> The company falls into the lower scoring range relative to global peers, reflecting key areas of concern related to the board.
<u>Corporate Behavior</u>		4.6	6.1	▲0.7	<ul style="list-style-type: none"> Involved in moderate <u>controversies</u> Evidence of detailed policies on business ethics and corruption

* denotes company-specific Key Issue

This table shows the Key Issue scores and weights contributing to the company's ESG Rating and any changes to those scores since the last ESG Rating action. The range of possible scores is 0-10, where 10 is best and 0 is worst.

Rating model details

Tesla was rated based on a standard version of the Automobiles Industry ESG Rating Model.

MODEL VERSION: 4.0.1

Represents the MSCI ESG Ratings model version used to assess the company. Please refer to the "ESG Ratings Methodology" document for more details on the model versions.

Company Data Feedback response

Data feedback in last 12 months? _____ No

Date of last feedback _____ N/A

This section only captures inputs provided by companies through our online issuer portal that may have an impact on the weighted Key Issues for the company

Key documents used for updates, as of August 30, 2023

Company Filing	Fiscal Year	Filing Release Date	Incorporated in data and scores	Incorporated in ESG Rating
AR Filing	FY-2022	06 Apr. 2023	Partially Incorporated	04 Jul. 2023
CSR Filing	FY-2022	07 May. 2023	Pending	Pending
AR Filing	FY-2021	04 Feb. 2022	Partially Incorporated	Pending
CSR Filing	FY-2021	26 May. 2022	Partially Incorporated	Pending

Key document types reflected here include Annual Reports (AR), CSR, Sustainability or ESG reports. Partially Incorporated = some but not all of the underlying data and related scores reflect the latest filing; Pending = Not yet incorporated; Fully Incorporated = All relevant data from filing has been incorporated into the underlying data and scores. Updates related to Carbon data are not included here. Please refer to "Recent developments affecting ESG scores" for more information.



Recent developments affecting ESG scores

This table shows the last 10 score changes* and rating actions that have occurred in the past 12 months.

Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	4.7		
Jul 04, 2023	ESG Rating action	4.7	▼0.2	Tesla's rating is unchanged at 'A'.
Jul 15, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Realized
Jun 24, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: Audit Board/ Committee Independence, Nomination Committee Independence
Jun 13, 2022	Methodology Update: ESG Ratings	5.1	▲0.2	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.
May 26, 2022	ESG Rating action	4.9	▲0.2	Tesla's rating is unchanged at 'A'.
May 19, 2022	Data Update: Corporate Governance		▼0.2	Flags Added: Entrenched Board Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation
Mar 21, 2022	Data Update: Exposure		▼0.1	Change in exposure score for the following Key Issue(s): Corporate Behavior, Labor Management, Product Carbon Footprint,
Dec 22, 2021	ESG Rating action	5.0		Tesla's rating is unchanged at 'A'.
Sep 24, 2021	Data Update: Corporate Governance		▲0.1	Flags Removed: Restatements or Special Charges Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation, Audit Board/ Committee Independence
Aug 27, 2021	Data Update: ESG			Data updated for Corporate Governance

This table outlines the latest changes to specific data points that have occurred, the trigger for change (e.g. issuer feedback, data update or methodology enhancements) and the overall impact on the company's Weighted Average Key Issue Score.

[View additional recent developments affecting the ESG score](#)

Most recent controversies

Last update	Headline	Assessment	Type
Jul-23	Tesla Model S and X MY2021-2023 [Recall, US]: 15,869 vehicles due to alleged front row seat belt issues, no injuries reported	Minor	Product Safety & Quality
Jul-23	Tesla Model S, X, and Y MY2023 [Recall, US]: 1,337 vehicles due to alleged misaligned forward-facing camera, no injuries reported	Minor	Product Safety & Quality
Jun-23	Tesla Semi MY2022 [Recall, US]: 36 vehicles due to alleged parking brake issue, no injuries reported	Minor	Product Safety & Quality
Jun-23	Florida, US: NLRB ordered to stop violating employees' fundamental right to discuss wages, working conditions, or bring complaints to high level management	Moderate	Labor Management Relations



CCC | B | BB | BBB | **A** | AA | AAA

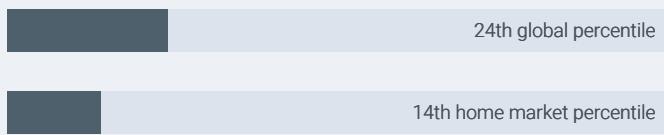
RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Jun-23	<u>California, US: Proposed class action lawsuit over alleged unauthorized employee access and use of customers' videos and images from in-car cameras for entertainment purposes</u>	Minor	Privacy & Data Security
--------	---	-------	-------------------------

This table shows the most recently updated controversies facing the company. Controversies are considered alongside other factors when assessing a company and may or may not impact the company's ESG Rating. For further details, See [Controversies Detail section](#) in full ESG Rating report appendix.

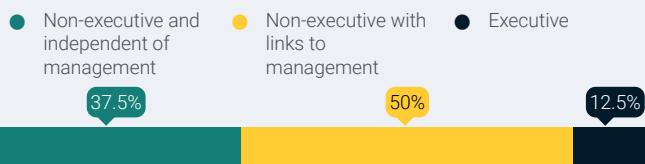


Corporate governance summary



Board of directors

Board type: Unitary Board



Board diversity

Male Female



Ownership summary

Capital structure	Single Equity Class	Top shareholders
		Elon Musk - 20.6%

Ownership classification	Principal Shareholder
--------------------------	-----------------------

Key Owner Types	Founder Firm; Family Firm
-----------------	------------------------------

CEO

Name: Elon Musk Total realized pay*:USD .00

Tenure: 14 Years

Total summary pay*:USD .00

*CEO pay figures are sourced from listed company annual reports and proxy filings. When a new CEO is named the pay figures for the previous CEO will be displayed until this information has been updated for the new CEO.

Peer benchmarking

	Opportunities in Clean Tech	Product Carbon Footprint	Labor Management	Product Safety & Quality	Corporate Governance	Corporate Behaviour	Rating & Trend
TESLA, INC.	••••	•••	••	•	••	•••	A ▲▲
TOYOTA MOTOR CORPORATION	••••	•••	•••	••••	•••	•	A ▲▲
Dr. Ing. h.c. F. Porsche Aktiengesellschaft	••••	•	•••	•••	••	••••	A
Mercedes-Benz Group AG	•••	••	••	•••	••••	••	A ▲▲
GENERAL MOTORS COMPANY	••••	•	•	••	••••	•••	BBB ▲
FORD MOTOR COMPANY	••••	•	••	•	••	•••	BB ▲

QUARTILE KEY : Bottom Quartile • Top Quartile ••••

RATING TREND KEY : Maintain ▲▲ Upgrade by two or more notches ▲▲▲ Downgrade ▼ Downgrade by two or more notches ▼▼

The five industry peers are companies in the Automobiles ESG Rating Industry, as of August 30, 2023, selected based on similarities in four attributes (ESG Key Issue weights, industry classification, region, and size), sorted by ESG Rating (best to worst).



Analyst insights

- Tesla's charging agreements with rivals is a win for financial and impact materiality

July 20, 2023
Yu Ishihara

Tesla's charging agreements with rivals is a win for financial and impact materiality

As of July 20, 2023, Tesla has now signed agreements with rival carmakers GM, Ford, Volvo, Nissan, and others to allow their electric vehicles (EVs) access to the Tesla Supercharger network, which is known as the largest and most reliable of all EV fast-charging networks in the US. In addition to providing additional charging revenues from rival EVs to the Tesla bottom line, this agreement amongst major EV producers in the United States has pushed the federal government to make Tesla's superchargers which use the North American Charging Standard, potentially eligible for billions of dollars in federal subsidies which had previously been reserved for charging stations exclusively using a competing Combined Charging System (CCS) technology.

In addition to the financial benefits, Tesla has always stressed the positive impact of its mission to proliferate electric vehicles, and these agreements with rival carmakers certainly will help to accelerate the US passenger car fleet towards EVs by making fast-charging more accessible for all EV owners. For Tesla, growth in its charging business could also potentially expand its positive impact profile. As of June 30, 2023, according to MSCI Sustainable Impact Metrics, Tesla derives near 88% of its revenues from zero emission vehicles, but additionally 7.48% of its revenues, from Clean Infrastructure Transport Solutions, which include EV charging. Growth in charging revenues would further strengthen this positive impact alignment which also serves as a key indicator for alignment with SDG 11: Sustainable Cities and Communities according to MSCI SDG Alignment methodology.

- Tesla lithium refinery is a big step towards better supply chain risk management

May 18, 2023
Yu Ishihara

Taking advantage of the financial subsidies offered via the U.S. Inflation Reduction Act, in May 2023 Tesla started construction of its owned lithium refinery in Texas, making it the first U.S. automaker to attempt to refine its own lithium. Tesla is already well vertically integrated by opting to manufacture many key components of its electric vehicles (EV), such as motors and batteries in house, compared to traditional internal combustion engine vehicle manufacturers who opt for outsourcing components to focus on assembly and design. By taking an additional step by vertically integrating upstream battery mineral refining, Tesla may be subject to increased facets of ESG risk but also will have much more control over their Lithium supply chain securing stable supply for its growth as well as having greater control over supply chain risk management.

Tesla's refinery is scheduled to start operations in 2025, with a targeted full production capacity large enough to reportedly supply 1 million EVs worth of batteries per year. By operating its own lithium refinery, Tesla potentially exposes itself to ESG risks traditionally not associated with automobile manufacturing such as water stress or community relations (Block, S., Lee, M. 2022. "The ESG of Metals for the Clean Energy Transition." MSCI Research Insight) as well as the associated carbon emissions of operating the plant, Tesla will gain significant control over its supply chain of lithium and potentially will be able to better manage the supply chain risks. In Tesla's 2021 Impact Report, we note that of its 4 listed direct lithium refinery suppliers, 2 were based of China and did not have any independent external sustainability assessments and of which 1 had not completed any life-cycle assessments. By controlling a portion of its own lithium refining Tesla will be able to better risk manage its upstream supply chain.

- Acquiring Twitter adds to Elon Musk's responsibilities...

November 01, 2022
Yu Ishihara

Elon Musk has completed his acquisition of Twitter as of October 2022 and has named himself the sole director of the company, albeit allegedly on a temporary basis according to his own Twitter account. With his self-appointment at Twitter, Elon Musk becomes CEO of three companies and an involved co-founder at two others. While these responsibilities currently do not constitute him to be overboarded in our methodology*, there is clearly an increasing risk around his capacity to manage all of his responsibilities which could lead to the detriment of minority shareholders of Tesla.

In his first days as sole director, Elon Musk has made a series of changes at Twitter including dissolving the existing board, appointing himself a sole director and establishing teams of advisers to help him reimagine the business model and governance structure of



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Twitter business. While his directorship of Twitter is self-proclaimed to be temporary, in the early stages of the overhaul it seems evident that a significant portion of Elon Musk time and capacity will be devoted to managing Twitter. This also comes at a time when Tesla is also facing its own challenges as the company reported in October 2022 that it would miss its vehicle delivery target for FY2022 amid global economic slowdowns. Elon Musk dedicating a significant portion of his time and attention on Twitter during a potential slowdown for Tesla could potentially exacerbate execution risks for Tesla minority shareholders.

*An executive board member that serves on the board of two or more issuers in MSCI ESG's Corporate Governance universe

► Too many kitchens for the cook?

October 31, 2022
Harlan Tufford

Elon Musk, Tesla's chief executive, bought Twitter, Inc. for USD 44 billion on Oct. 27, 2022. Immediately after the deal closed, Mr. Musk became Twitter's sole director. He also fired several senior Twitter executives, including the social media company's CEO, CFO and chief lawyers (Wall Street Journal). It was unclear whom Mr. Musk would appoint to these roles, with one exception: Mr. Musk is now Twitter's CEO, too. It was reported that he planned to assume this role on an interim basis (Reuters).

Being CEO of a business corporation is generally considered a full-time job. Among the 2,557 people who served as CEO of a constituent of the MSCI ACWI Index as of Oct. 28, 2022, only 16 (less than 1%) did so at two index constituents simultaneously. None served as CEO of more than two index constituents, and, in most cases, both companies were closely related and part of the same corporate group. In contrast, Twitter is Mr. Musk's third concurrent CEO role, after Tesla and SpaceX (a rocket company), and until now it has operated entirely independent of Mr. Musk's other ventures. Mr. Musk is also an involved co-founder of two other companies. Even before the Twitter acquisition, this substantial array of outside obligations risked distracting Mr. Musk from his duties as Tesla's chief executive. An additional CEO role – even on an interim basis – will hardly improve this bandwidth problem.

► New auto insurance product heightens privacy and data security risks

May 23, 2022
Cody Dong

In its first-quarter earnings call for 2022, Tesla management praised its auto insurance product, commenting that the company's real-time driving data can lower premiums for drivers and influence their driving to make roads safer. Tesla's data-collection capability can indeed help the company expand to new business segments such as insurance, but the growing amount of data collected may expose the company to heightened privacy and data security concerns that might affect its core business. For example, Reuters reported in March 2021 that China had restricted use of Tesla vehicles by state employees, citing security concerns about vehicle cameras.

Over a decade ago, insurers such as Progressive started to pilot telematic technology, combining GPS data and cellular systems to offer mileage-linked premium discounts. Tesla's insurance complements this with its own autopilot data, such as forward-collision warnings and forced autopilot disengagement. In March 2021, Tesla sparked controversy after Consumer Reports, an independent U.S. product-testing organization, warned that Tesla cabin cameras that point at drivers may violate their privacy. CNN in November 2021 also reported on privacy concerns by disclosing that Tesla owner's manuals didn't state that cabin-camera data transmitted to the company is not associated with Vehicle Identification Number (VIN). The increasing amount of data Tesla collects through expanded services like auto insurance has likely increased its risk exposure in terms of privacy and data security. On the positive side, Tesla does allow customers to disable certain data-collection functions. It also gives them reports on collected data, though Tesla admits not all collected data is reflected. On data security, Tesla drivers can update vehicle software periodically to address system vulnerabilities, but we have found limited evidence that the company conducts external independent system audits.

► Elon Musk's inbox just got a whole lot fuller

April 28, 2022
Andrew Young

On April 25, 2022, Twitter's board agreed to sell the company to Tesla CEO, Elon Musk, for USD 54.20 per share or USD 44 billion, a 38% premium over its trading price. Dealing with harmful and illegitimate content on Twitter's platform is essential to maintaining the trust



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

of its users and app store hosts, and will likely add to Musk's already overflowing inbox.

Like its social media peers that are in the business of attention capture, Twitter has built up capacity and expertise in content moderation. It has also had to deal with its fair share of harmful and illegitimate content issues and faced scrutiny for its content moderation decisions.

Mr Musk might be, in his own words, a "free speech absolutist" but as the future public face of the platform, he is likely going to be dragged into the platforms thorniest of moderation decisions, or at least the communication thereof. Because content is always context specific, it can be extremely nuanced and so he will need to weigh his words carefully.

His involvement in the running of his new asset, or presence on its board remains to be seen. While he is not currently considered overboarded in our methodology,* Mr. Musk is CEO at two companies, an involved co-founder of two others, and a director at a fifth. These commitments raise concerns about his capacity for yet another role.

For more, refer to the 'Additional Analyst Summary' section of Twitter's ESG Ratings Report

*An executive board member that serves on the board of two or more issuers in MSCI ESG's Corporate Governance universe

▼ Talk is cheap – unless you're Elon Musk

November 11, 2021
Harlan Tufford

Elon Musk, Tesla's outspoken CEO and the world's richest person (Forbes), courted headlines over the weekend of Nov. 6-7, 2021, when he polled Twitter users on whether to sell 10% of his stake in Tesla. A majority of 58% voted yes, and Mr. Musk had tweeted that he would "abide by the results". As of June 30, 2021, Mr. Musk owned 170.5 million common shares of Tesla – 17.3% of the electric car and battery manufacturer's outstanding equity. A 10% slice of this stake was valued at USD 20.8 billion on Nov. 5, 2021. On Nov. 8, the first trading day following the poll, Tesla's share price closed down 4.8%, with many attributing the slide to Mr. Musk's tweets (Wall Street Journal). This is not the first time that the self-styled Technoking's fast and loose approach to Twitter appears to have affected the firm's stock price, and the board's apparent inability to rein in these market-moving outbursts poses a risk to Tesla's investors.

In September 2018, Tesla and Mr. Musk reached a settlement agreement with the SEC. The agreement centred on tweets made by Mr. Musk which, the SEC alleged, had constituted securities fraud. In addition to levying fines and imposing corporate governance improvements, the settlement required that Tesla's lawyers pre-approve all of Mr. Musk's tweets regarding Tesla and that the board establish an independent committee to monitor that process (among other things). In May 2020, however, the SEC found that the company had failed "to enforce these procedures and controls despite repeated violations by Mr. Musk" (Wall Street Journal, June 1, 2021). While it is unclear whether these latest tweets received legal pre-approval, their content suggests that the board's Disclosure Controls Committee (DCC) may continue to struggle in upholding its part of the bargain. The result could be further sanctions on Mr. Musk, the members of the DCC, or the company as a whole – any of which would represent an unwelcome and potentially costly distraction for the board.

▼ Tesla's filing to sell retail electricity in Texas previews path to energy business' growth strategy, unlikely to challenge major utilities short-term

September 13, 2021
Mathew Lee

Tesla Energy Ventures, a subsidiary of Tesla, has filed an application to the Public Utility Commission of Texas to become a retail electricity provider (August 2021). Tesla's energy business accounted for only around 6% of total revenue in FY2020 (Source: Tesla regulatory filings). However, as Texas's energy needs project to increase due to more fluctuating temperatures and population growth, Tesla's residential solar + storage units enable a new opportunity in renewable energy in addition to electric cars.

In H1 of 2021 Tesla reported new deployments of 177 MW of solar and 1,719 MWh of storage (Source: Tesla regulatory filings). In the short term, this capacity will not look to replace the market held by established utilities like NRG and Vistra, whom each operate



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

over 10,000 MW of installed capacity in Texas alone (Source: MSCI ESG Research). However, both NRG and Vistra operate a limited capacity of renewables (321 MW and 180 MW across their entire portfolios as of FY2020), thus becoming one of the top solar asset owners in Texas is a viable trajectory that would complement Tesla's retail electricity ambitions.

Texas' deregulated electricity market allows customers to enter into contracts with approved retail electricity providers with few restrictions around pricing. When winter storms in February 2021 exposed grid reliability issues, power outages resulted in spikes of the daily price of electricity from USD 30 per MWh to USD 9,000 per MWh (Source: ERCOT). A reliance on aging gas infrastructure with insufficient weatherization means major players in the Texas retail electricity market like MSCI ACWI IMI Index utilities constituents including Entergy, NRG, and Vistra faced a double-bind: pass along the high costs to customers and risk defaults on payments, or swallow the loss themselves if they've already agreed to a set rate.* Tesla's services may be less exposed to power outages as it could leverage customers' solar + storage systems as backup capacity.

*For more of our research on stranded asset risk for U.S. utilities, see MSCI ESG Research Industry Insight: Biden's Quest to Decarbonize U.S. Power Generation

Tesla' rocky Bitcoin ride underscores various ESG risks

May 20, 2021
Yu Ishihara

Tesla has had a volatile on-again, off-again relationship with the cryptocurrency Bitcoin. On February 8th, 2021, Elon Musk announced that Tesla had invested USD 1.5 billion worth of Bitcoin in an SEC filing. In addition, the company said that it would subsequently start to accept Bitcoin as a form payment for purchasing Tesla vehicles, subject to applicable laws. Yet after only 3 months in May 2021, Elon Musk announced via Twitter that Tesla is suspending Bitcoin based vehicle purchases. However, even without accepting transactions, so long as Tesla remains invested in the cryptocurrency, it will be potentially exposed to various ESG risks.

The initial investment was touted as a way for Tesla to diversify and maximize returns on cash holdings in addition to providing liquidity for Bitcoin based vehicle transactions. The subsequent reversal reasoning cited concerns around increasing usage of fossil fuels for bitcoin mining which would be counterproductive to Tesla mission to reduce fossil fuels and promote sustainable energy. The environmental concerns around Bitcoin' use of energy and related GHG emissions, however, were not a recent discovery and were well known and oft cited as criticism at the time of Tesla' initial announcement.

By not accepting Bitcoin as payment, Tesla would in theory reduce Bitcoin circulation and thus reduce excess fossil fuel consumption from mining. Even if Bitcoin mining eventually becomes powered by more sustainable energy sources, Tesla seems to have not divested its initial investment and therefore, remains exposed to criticism from stakeholders who raise concerns over the carbon footprint of Bitcoin mining. Furthermore there are potential other risks such as exposure to money laundering or tax evasion and/ or proper risk controls should Tesla look to trade in its position or eventually restart accepting payment.

Musk to cover his company's board D&O liability insurance cost, which may add to his influence over directors

May 15, 2020
Aura Toader

In a rare move, Tesla founder and CEO Elon Musk in April 2020 decided to personally pay for insurance for Tesla's board after the company cited high cost for the decision not to renew its 2019-20 directors & officers (D&O) liability insurance policy. Tesla's board has been targeted by a number of legal actions alleging failure to hold the CEO accountable. This move might further strengthen Musk's influence over the board and make it and its policies less accountable to minority shareholders than are boards at peer companies.

Musk, who held an approximately 21% stake in the company as of May 2020, also served as chairman of the board until November 2018, when he agreed to step down from that role as part of a settlement with the U.S. Securities and Exchange Commission (SEC) over a fraud charge. However, he continues to serve on the board as an executive director, alongside his brother, Kimbal Musk, and several directors whom we deem non-independent due to their company and affiliate transactions. The company's board lacked an independent majority until April 2020, when it appointed Hiro Mizuno, the former chief investment officer at Japan's Government Pension Investment Fund, which is the world's



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

largest such fund. This appointment may be good news for Tesla's minority shareholders, given the company's poor corporate governance practices versus peers' and Mizuno's track record at pushing for better governance in Japanese companies. Tesla's board is staggered, with its 10 directors divided into three classes, each serving a three-year term. Similar to 14% of MSCI ACWI constituents with a home market in the U.S., Tesla's articles of association do not include annual elections, proxy access — which gives shareholders the power to nominate a number of directors to be elected at the general meeting — or required immediate director resignation for those who don't receive a majority of the votes cast.



ESG Rating drill down

Description	As of prior rating action date: May 26, 2022		As of last rating action date: Jul 04, 2023		As of last report update date: Aug 30, 2023		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
ESG Rating Letter Grade	A		A		A		-	-
Industry Adjusted Score	6.9		6.2		6.2		-	-
Industry Minimum Score	2.5		2.6		2.6		-	-
Industry Maximum Score	6.0		6.0		6.0		-	-
Weighted Average Key Issue Score	4.9		4.7		4.7		-	-
Environmental Pillar Score	9.0	30.0%	9.0	30.0%	9.0	30.0%	-	-
Opportunities in Clean Tech Key Issue Score	7.8	13.0%	7.8	13.0%	7.8	13.0%	-	-
Exposure Score	6.5		6.5		6.5		-	-
Business Segment Exposure Score	6.5		6.5		6.5		-	-
Management Score	8.4		8.4		8.4		-	-
Management Score - Excluding Controversies	8.4		8.4		8.4		-	-
Practices Score	7.6		7.6		7.6		-	-
Performance Score	10.0		10.0		10.0		-	-
Controversy Deduction	0.0		0.0		0.0		-	-
Product Carbon Footprint Key Issue Score	10.0	17.0%	10.0	17.0%	10.0	17.0%	-	-
Exposure Score	5.8		0.0		0.0		-	-
Business Segment Exposure Score	5.8		5.8		5.8		-	-
Management Score	10.0		10.0		10.0		-	-
Practices Score	1.3		1.3		1.3		-	-
Social Pillar Score	1.9	37.0%	1.3	37.0%	1.3	37.0%	-	-
Labor Management Key Issue Score	2.6	16.0%	2.4	16.0%	2.4	16.0%	-	-
Exposure Score	8.9		9.1		9.1		-	-
Business Segment Exposure Score	7.6		7.6		7.6		-	-
Geographic Exposure Score	5.7		5.8		5.8		-	-
Company-Specific Exposure Score	9.0		9.3		9.3		-	-
Management Score	4.5		4.5		4.5		-	-
Management Score - Excluding Controversies	5.3		5.3		5.3		-	-
Practices Score	5.3		5.3		5.3		-	-
Controversy Deduction	-0.8		-0.8		-0.8		-	-
Product Safety & Quality Key Issue Score	1.3	21.0%	0.5	21.0%	0.5	21.0%	-	-
Exposure Score	9.6		9.2		9.2		-	-
Business Segment Exposure Score	9.2		9.2		9.2		-	-
Company-Specific Exposure Score	10.0						-	-
Management Score	3.9		2.7		2.7		-	-
Management Score - Excluding Controversies	5.6		4.4		4.4		-	-
Practices Score	4.3		4.3		4.3		-	-
Performance Score	6.8		4.5		4.5		-	-
Controversy Deduction	-1.7		-1.7		-1.7		-	-
Governance Pillar Score*	4.5	33.0%	4.4	33.0%	4.4	33.0%	-	-



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Description	As of prior rating action date: May 26, 2022		As of last rating action date: Jul 04, 2023		As of last report update date: Aug 30, 2023		Difference	
	Score	Weight	Score	Weight	Score	Weight	Score	Weight
Governance Pillar Deductions**	-5.5		-5.6		-5.6		-	-
Corporate Governance Deductions	-3.7		-4.0		-4.0		-	-
Board	-1.9		-2.5		-2.5		-	-
Pay	-0.6		-0.6		-0.6		-	-
Ownership & Control	-1.1		-0.9		-0.9		-	-
Accounting	-0.1		0.0		0.0		-	-
Corporate Behavior Deductions	-1.8		-1.5		-1.5		-	-
Business Ethics	-1.8		-1.5		-1.5		-	-
Tax Transparency	0.0		0.0		0.0		-	-

**Beginning November 2020, the Environmental Pillar Score and Social Pillar Score are calculated based on the weighted average of underlying Key Issue Scores, while the Governance Pillar Score is calculated based on 10 minus the sum of Corporate Governance and Corporate Behavior deductions. In the ESG Rating drill-down, deductions are scaled to indicate impact on the overall Governance Pillar Score. In subsequent sections of the report, deductions are scaled to show impact on the Corporate Behavior and Corporate Governance Theme Scores.



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Overflow table: Recent developments affecting ESG scores

Date ▲	Type	Score (0-10)	Change	Explanation
	Current Weighted-Average Key Issue Score	4.7		
Jul 04, 2023	ESG Rating action	4.7	▼0.2	Tesla's rating is unchanged at 'A'.
Jul 15, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: CEO Pay Total Realized
Jun 24, 2022	Data Update: Corporate Governance		▼0.1	Flags Added: Audit Board/ Committee Independence, Nomination Committee Independence
Jun 13, 2022	Methodology Update: ESG Ratings	5.1	▲0.2	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.
May 26, 2022	ESG Rating action	4.9	▲0.2	Tesla's rating is unchanged at 'A'.
May 19, 2022	Data Update: Corporate Governance		▼0.2	Flags Added: Entrenched Board Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation
Mar 21, 2022	Data Update: Exposure		▼0.1	Change in exposure score for the following Key Issue(s): Corporate Behavior, Labor Management, Product Carbon Footprint,
Dec 22, 2021	ESG Rating action	5.0		Tesla's rating is unchanged at 'A'.
Sep 24, 2021	Data Update: Corporate Governance		▲0.1	Flags Removed: Restatements or Special Charges Governance Score changed based on the listed Key Metric(s): Asset-Liability Valuation, Audit Board/ Committee Independence
Aug 27, 2021	Data Update: ESG			Data updated for Corporate Governance
Aug 10, 2021	Data Update: Corporate Governance		▲0.1	Flags Removed: Expense Recognition Governance Score changed based on the listed Key Metric(s): Revenue Recognition, Asset-Liability Valuation
Jul 21, 2021	Data Update: Controversies		▼0.2	Severe controversy case(s): (1) US: Allegations of safety issues in Autopilot technology and driver assistance systems following road accidents
May 21, 2021	ESG Rating action	5.0		Tesla's rating is unchanged at 'A'.
Feb 19, 2021	Data Update: Corporate Governance		▲0.1	Flags Added: Asset-Liability Valuation, Revenue Recognition Flags Removed: Asset-Liability Valuation Governance Score changed based on the listed Key Metric(s): Expense Recognition
Nov 05, 2020	Methodology Update: ESG Ratings	4.8	▼0.3	Methodology Enhancements: scores recalculated to reflect enhancements to the ESG Ratings model.
Aug 28, 2020	Data Update: Governance		▲0.1	Flags Removed: Securities Violations



Jul 24, 2020	Data Update: Governance	▼0.2	Flags Added: Independent Board Majority Governance Score changed based on the listed Key Metric(s): Audit Board/ Committee Independence
Jul 17, 2020	Data Update: Governance	▼0.1	Flags Added: Pay Controversy
Jul 10, 2020	Data Update: Governance	▲0.1	Flags Removed: Independent Board Majority
Apr 07, 2020	ESG Rating action	5.1	▲0.3 Tesla's rating is unchanged at 'A'.
Apr 07, 2020	Data Update: Exposure	▼0.1	Change in exposure score for the following Key Issue(s): Labor Management, Product Carbon Footprint, Product Safety & Quality
Apr 29, 2019	ESG Rating action	4.9	Tesla has been downgraded to 'A' from 'AA'.



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Corporate Governance

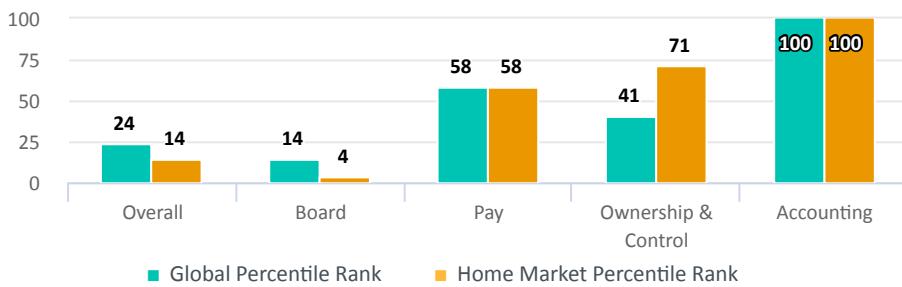
Market Cap: 758,013,358,609 USD

Home Market: United States

Last Data Update:

Jun 21, 2023

GOVERNANCE THEMES AND RANKINGS



SUMMARY

Tesla falls into the lower scoring range for all the companies we assess relative to global peers, indicating the presence of significant risks in one or more areas. The key areas of concern relate to: the board.

Score	Change (since rating)	Quartile	Last score change date
4.8	▼ -0.5	••	Jun 21, 2023

KEY DATES

Financial Year End	December 31
Annual Filing Date	Apr 06, 2023
AGM Date	May 16, 2023

WEBSITE

<https://www.tesla.com/>

*Key areas of concern include flagged key metrics within the three sub-issues that represent the largest scoring deductions. Please review the full report to see the complete set of flagged key metrics.

KEY AREAS OF CONCERN*

SCORING DEDUCTIONS

Board Skills & Diversity	(-1.11)
Entrenched Board	
Risk Management Expertise	
Not 30% Female Directors	
Board Independence	(-0.86)
Board Majority Independent of Management	
Related Party Transactions	
Pay Performance Alignment	(-0.70)
Pay Controversy	
Pay Linked to Sustainability	

CCC | B | BB | BBB | **A** | AA | AAARATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

CORPORATE GOVERNANCE SCORE HISTORY



CHANGES TO FLAGGED KEY METRICS (SINCE APRIL 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
Proxy Access	Flag Removed	Jun 21, 2023	0.20	
Leadership Concerns	Flag Added	Jun 21, 2023	-0.30	
CEO Pay Total Realized	Flag Removed	Jun 21, 2023	0.20	
CEO Pay Total Realized	Flag Added	Feb 02, 2023	-0.20	
CEO Pay Total Realized	Flag Removed	Jan 13, 2023	0.20	
CEO Pay Total Realized	Flag Added	Oct 12, 2022		
Nomination Committee Independence	Flag Added	Jun 22, 2022	-0.10	Nomination committee assessed as not independent of management and/or other interests
Audit Board/ Committee Independence	Flag Added	Jun 22, 2022	-0.10	Audit board/committee assessed as not independent of management
Nomination Committee Chair Independence	Flag Added	Jun 12, 2022	-0.10	Methodology enhancements
Entrenched Board	Flag Added	May 05, 2022	-0.80	Update of age/tenure criteria

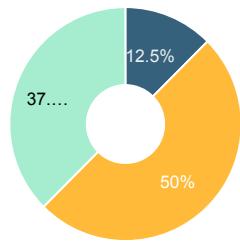


BOARD OVERVIEW

Board Type: Unitary Board

Board of Directors

CEO Chair Elon Musk
Robyn Denholm



Since: Oct 01, 2008
Since: Nov 07, 2018

Executive Leadership

CFO Zachary Kirkhorn

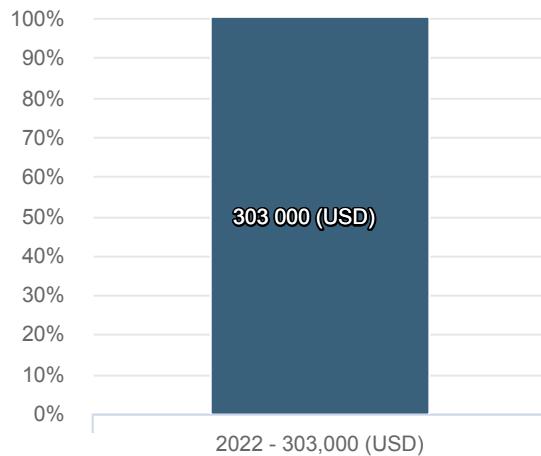
Since: Mar 01, 2019

■ Executive ■ Links to Management

■ Independent of Management

PAY OVERVIEW

Highest Paid Executive - Andrew Baglino



Incentive Type	Value
Long Term Incentives Awarded	0 (USD)
Short Term Incentives Awarded	0 (USD)
Fixed Pay	303,000 (USD)



BOARD

Certain aspects of the Tesla board may not be well aligned with sustainable shareholder interests. We have flagged this board for potential concerns regarding a board that does not include a majority of independent directors, the board leadership structure, the presence of certain related party transactions, possible board entrenchment and notable dissent on director election votes.

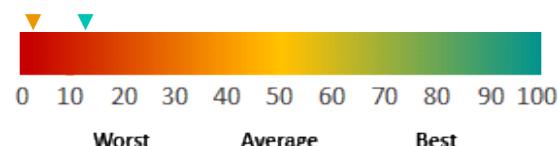
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
4.4	14th (Below Average)	4th (Worst In Class)

KEY METRICS SCORING

	Deduction
AUDIT OVERSIGHT	
红旗 Audit Board/ Committee Independence	-0.10
红旗 Audit Committee Industry Expert	-0.10
BOARD EFFECTIVENESS	
红旗 Significant Votes Against Directors	-0.50
BOARD INDEPENDENCE	
红旗 Board Majority Independent of Management	-0.50
红旗 Related Party Transactions	-0.36
BOARD LEADERSHIP	
红旗 Leadership Concerns	-0.30
BOARD SKILLS & DIVERSITY	
红旗 Entrenched Board	-0.81
红旗 Risk Management Expertise	-0.20
红旗 Not 30% Female Directors	-0.10
NOMINATION PROCESS OVERSIGHT	
红旗 Nomination Committee Chair Independence	-0.10
红旗 Nomination Committee Independence	-0.10
PAY OVERSIGHT	
红旗 Pay Committee Independence	-0.10

BOARD PERFORMANCE VS.

▼ Global ▼ Home Market





LEADERSHIP

CHIEF EXECUTIVE OFFICER

History	CEO Since	Until	Name	Gender	Age
Current	Oct 2008		Elon Musk	M	51

CHIEF FINANCIAL OFFICER

History	CFO Since	Until	Name	Gender	Age
Current	Mar 2019		Zachary Kirkhorn	M	38
Former	Mar 2017	Mar 2019	Deepak Ahuja	M	60

CHAIR

History	Chair Since	Until	Name	Gender	Age
Current	Nov 2018		Robyn Denholm	F	60
Former	Apr 2004	Nov 2018	Elon Musk	M	51

LEADERSHIP CONCERN

- A Founder remains on the board but does not hold either the Chair or CEO roles.



BOARD OF DIRECTORS

The Tesla board lacks an independent majority. We note that a minority, only 6% of companies in this home market fail to have a majority of independent directors. In the absence of a majority of independent directors, the board is subject to potential conflicts of interest that impede its oversight functions and it may be difficult to establish fully independent key board committees. These concerns are partially mitigated as the company has split the roles of CEO and chair and has named a fully independent chairman. An independent chairman is characteristic of 38% of companies in MSCI ESG Research's coverage. We also note concerns with the board leadership structure which creates the potential for increased management influence and board level conflicts of interest.

Number of Board Meetings: 8

Non-executives meet in absence of Executives: Yes

Name	M/F	Age	Tenure (Years)	Boards	Independent of Mgmt	of Other Interests	Management Link/Designation Reason	Nationality
Elon Musk CEO I	M	51	19	2	No	No	Founder Firm Director; Executive	United States of America
Ira Ehrenpreis S	M	54	16	1	No	Yes	Material related party transaction	Not Disclosed
James Murdoch S	M	50	6	1	No	Yes	Material related party transaction	United Kingdom
Jeffrey Straubel I	M	47	< 1	1	No	No	Former executive; Company founder; Founder Firm Director	Not Disclosed
Joseph (Joe) Gebbia	M	41	< 1	2	Yes	Yes		Not Disclosed
Kathleen Wilson-Thompson	F	65	4	1	Yes	Yes		Not Disclosed
Kimbal Musk	M	50	19	1	No	No	Family relationship; Material related party transaction; Family Firm Director	South Africa
Robyn Denholm COB S	F	60	9	1	Yes	Yes		Australia
	F	# >= 70	# >= 15 yrs	# >= 4				
Total (of 8)	2	0	3	0	3	5		
Percentage	25%	0%	37.5%	0%	37.5%	62.5%		

Note: Board count includes the membership of this board.

\$ - Financial Expert (3) I - Industry Expert (2) CEO - Chief Executive Officer cob - Chair of the Board

RELATED PARTY TRANSACTIONS

The risk to minority shareholders arising from related party transactions is a function of the nature of the related party, the relative size of the transaction and the pricing of the transaction. The board, and in particular the independent directors or audit committee, play a key role in the protection of minority shareholders' interests, and monitoring and managing potential conflicts of interest of management, board members and shareholders. We note that the following circumstances which suggest elevated risk for independent shareholders:

The company is a founder firm and there are related party transactions with the founder.
There are related party transactions with the CEO.



Reported Transactions

-SpaceX is party to certain commercial, licensing and support agreements with Tesla. Under these agreements, SpaceX incurred expenses of approximately \$0.5 million in the aggregate in 2022.

-Since April 2016, SpaceX has invoiced Tesla for our use of an aircraft owned and operated by SpaceX at rates determined by Tesla and SpaceX, subject to rules of the Federal Aviation Administration governing such arrangements. Tesla incurred expenses of approximately \$0.8 million in 2022.

-Elon Musk is the Chief Executive Officer and a significant stockholder of Twitter. Twitter is party to certain commercial and support agreements with Tesla. Under these agreements, Twitter incurred expenses of approximately \$1.0 million in the aggregate in 2022.

For the two most recently reported fiscal years, these value of these transactions can be summarised as follows :

Fiscal Year	Related Party Types	Aggregate Transaction Value			Type
		Value (CUR)	% of Total		
Dec 31, 2022	Non-Controlling Owner, Founder, CEO, Executive director	1,000,000 USD	0.001% of Total Revenue	Sundry income from related party	
		500,000 USD	0.001% of Total Revenue	Recurring income from related party	
		800,000 USD	0.001% of Expenses	Recurring purchases from related party	
Dec 31, 2021	Non-Controlling Owner, Founder, CEO, Executive director, Non-executive director, Family	140,000 USD	0.000% of Total Revenue	Sundry income from related party	
		2,910,000 USD	0.005% of Total Revenue	Recurring income from related party	
		500,000 USD	0.001% of Expenses	Recurring purchases from related party	

Sources : 2023_DEF 14A p. 60, 2022 DEF 14 A Pg 62

BOARD EFFECTIVENESS

Notably, one or more of the company's directors have received a negative or withheld shareholder vote in excess of 10% in the company's most recently reported election, indicating shareholder dissatisfaction with that individual's performance as a director.

Nomination Committee - Number Of Meetings: 5

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	Committee Status
Ira Ehrenpreis	M	54	16	No	Yes	Chair
James Murdoch	M	50	6	No	Yes	Member
Kathleen Wilson-Thompson	F	65	4	Yes	Yes	Member
Robyn Denholm	F	60	9	Yes	Yes	Member

- Financial Expert (3)

BOARD SKILLS & DIVERSITY

MSCI ESG Research has flagged the board as potentially entrenched due to a number of long-serving directors. An entrenched board may be detrimental to sustainable shareholder interests during periods of extended underperformance and we do see the potential for such entrenchment at this firm due to a significant number of long-serving directors. While we recognize the benefits of experience, long-tenured directors may form relationships that could compromise their independence and therefore hinder their ability to provide effective oversight. Additional factors, e.g. all board members do not stand for annual re-elections, entrenching takeover defenses and the absence of a majority independent board together with the high number of long-tenured directors, may raise some investors' concerns about the board's ability to provide an effective counterbalance to management. We note that 25% in United States have been flagged for having an entrenched board.

We have flagged the Tesla board for gender diversity concerns.



AUDIT OVERSIGHT

Audit Committee - Number Of Meetings: 12

The Tesla board of directors does not currently include a fully independent audit committee. We note that 89% of company boards in this market maintain a fully independent audit committee, which may help to provide effective oversight of accounting practices. This concern may be magnified by the lack of overall board independence which heightens the focus investors should place on the integrity of financial reporting.

Name	M/F	Age	Board Tenure (Years)	Banks	Independent of Mgmt	of Other Interests	Committee Status
James Murdoch \$	M	50	6	1	No	Yes	Member
Joseph (Joe) Gebbia	M	41	< 1	2	Yes	Yes	Member
Robyn Denholm \$	F	60	9	1	Yes	Yes	Chair

\$ - Financial Expert (2)

Risk Committee - Number Of Meetings: 12

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	of Other Interests	Committee Status
James Murdoch \$	M	50	6	No	Yes	Member
Joseph (Joe) Gebbia	M	41	< 1	Yes	Yes	Member
Robyn Denholm \$	F	60	9	Yes	Yes	Chair

\$ - Financial Expert (2)

PAY OVERSIGHT

Pay Committee - Number Of Meetings: 4

The Tesla board does not include a fully independent pay committee which may impact its ability to design rigorous incentives for executives.

Name	M/F	Age	Board Tenure (Years)	Independent of Mgmt	CEO Role?	Committee Status
Ira Ehrenpreis \$	M	54	16	No	Yes	Chair
Kathleen Wilson-Thompson	F	65	4	Yes	Yes	Member
Robyn Denholm \$	F	60	9	Yes	Yes	Member

\$ - Financial Expert (2)

CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

PAY

Executive pay practices at Tesla fall into the average scoring range relative to global peers.

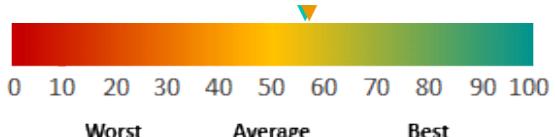
0-10 Score	Global Percentile Rank	Home Market Percentile Rank
6.4	58th (Average)	58th (Average)

KEY METRICS SCORING

Deduction	
EQUITY PLAN DILUTION	
红旗 Dilution Concerns	-0.10
PAY PERFORMANCE ALIGNMENT	
红旗 Pay Controversy	-0.50
红旗 Pay Linked to Sustainability	-0.20

PAY PERFORMANCE VS.

▼ Global ▼ Home Market



PAY FIGURES

EXECUTIVE PAY - 2022

Executive	Title	Tenure (Years)	Total Awarded Pay (USD)	Total Realized Pay (USD)
Andrew Baglino	Executive		303,000	37,443,046
Elon Musk	CEO	19	0	0
Zachary Kirkhorn	CFO	4	303,000	17,867,828

-\$ - Financial Expert -I - Industry Expert (3)

PAY PEER GROUP

LARGE CAP - DEVELOPED AMERICAS - AUTOMOBILES (5 COMPANIES)

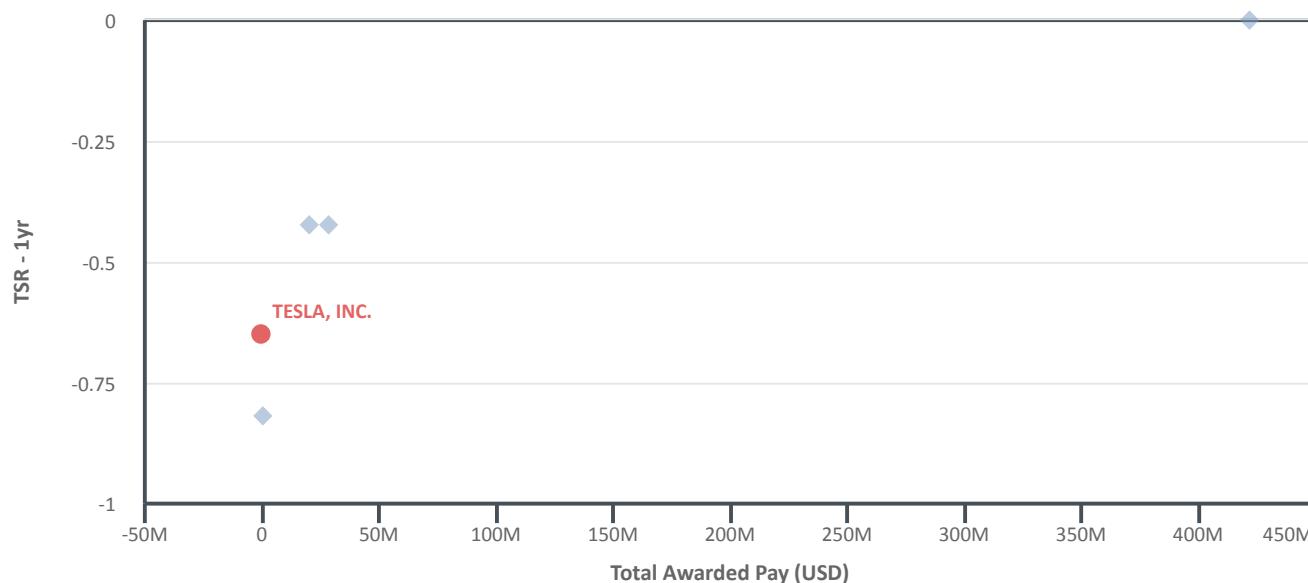
Company	Home Market	Market Cap (USD m)	Pay Year	1 Yr TSR	Total CEO Annual Pay (USD)	CEO Name	CEO Since
GENERAL MOTORS COMPANY	United States	45,309	2022	-0.42%	9,479,560	Barra	Jan 2014
FORD MOTOR COMPANY	United States	47,026	2022	-0.42%	5,850,765	Farley	Oct 2020
RIVIAN AUTOMOTIVE, INC.	United States	13,752	2021	0.00%	776,197	Scaringe	Jun 2009
Lucid Group, Inc	United States	14,727	2022	-0.82%	596,430	Rawlinson	Apr 2019
TESLA, INC.	United States	740,144	2022	-0.65%	0	Musk	Oct 2008



CCC | B | BB | BBB | **A** | AA | AAA

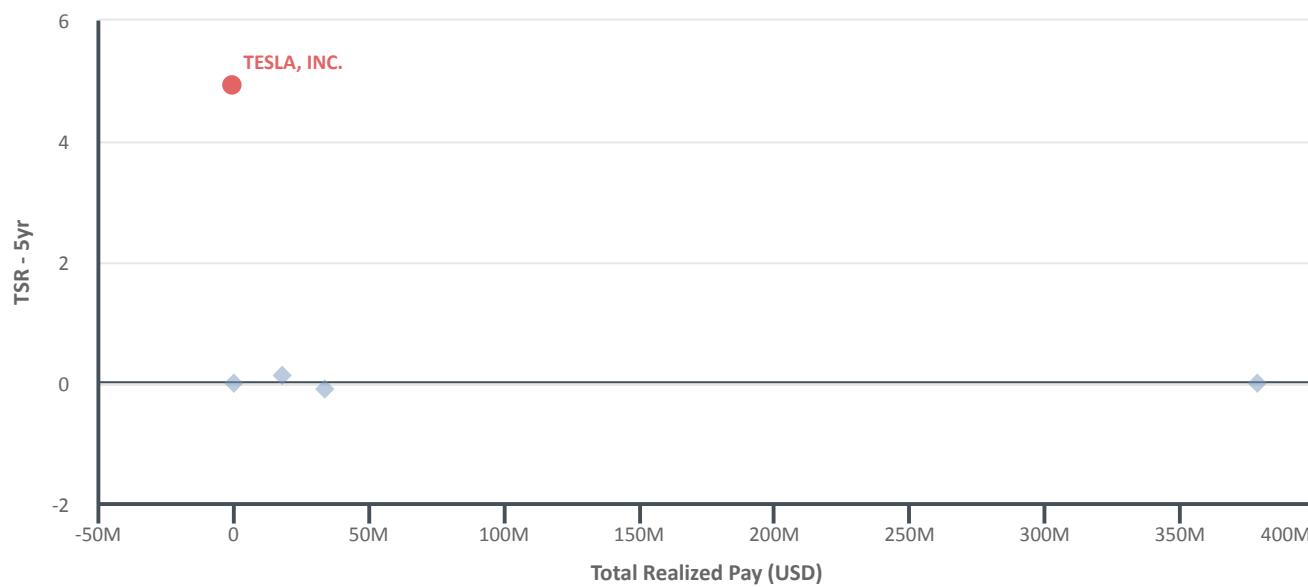
RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

PAY PERFORMANCE ALIGNMENT

CEO & EXECUTIVE EQUITY

CEO equity policy as a multiple of salary:

6.0

TESLA, INC. (TSLA)

MSCI
ESG RATINGS



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Stock Ownership by Board and Management:

Our Chief Executive Officer shall own shares of Tesla stock equal in value to at least six times his/her base salary

Executive	Tenure (Years)	Shares Held	YoY % Change	Shareholding As % of Salary
Andrew Baglino I		65,547		
Elon Musk I	19	411,062,076	54.83%	
Zachary Kirkhorn I \$	4	203,073		

\$ - Financial Expert I - Industry Expert (3)

PAY LINKED TO SUSTAINABILITY

The company has failed to incorporate links to sustainability performance in its current incentive pay policies.

CLAWBACK & MALUS

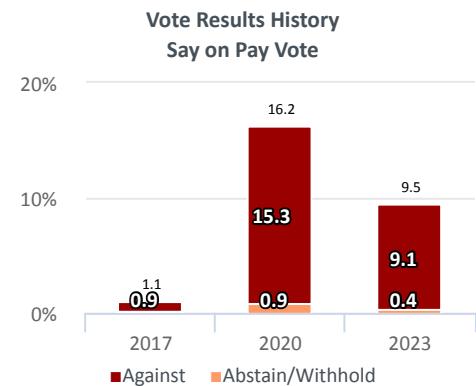
Clawback or malus provisions are in place.

Clawback Type:

Performance Based

LATEST PAY VOTES

Year	Vote Type	Votes For %	Votes Against %	Abstain %
2023	Advisory Vote on Executive Compensation	90.5%	9.1%	0.4%



EQUITY PLAN DILUTION

	2022	2021	2020
Shares Outstanding	3,164,102,701	1,033,507,611	959,853,504
Equity Reserved	19.4%	20.6%	25.9%
Shares granted/awarded (in year)	0.4%	0.1%	0.5%



NON-EXECUTIVE DIRECTOR PAY

NON-EXECUTIVE EQUITY

Director	Tenure (Years)	Shares Held
Hiromichi (Hiro) Mizuno	N/A (Resigned)	0
Ira Ehrenpreis	16	571,005
James Murdoch	6	157,275
Jeffrey Straubel	< 1	12,660
Joseph (Joe) Gebbia	< 1	111
Kathleen Wilson-Thompson	4	5,400
Kimbal Musk	19	1,608,720
Robyn Denholm	9	15,000

- Financial Expert (4) - Industry Expert

NON-EXECUTIVE PAY TABLES

Director	Tenure (Years)	Cash Fees	Other Comp	Total Pay	Total Pay (USD)
Hiromichi (Hiro) Mizuno	N/A (Resigned)	27,500 USD		27,500 USD	27,500
Ira Ehrenpreis	16	0 USD		0 USD	0
James Murdoch	6	0 USD		0 USD	0
Joseph (Joe) Gebbia	< 1	0 USD		0 USD	0
Kathleen Wilson-Thompson	4	0 USD		0 USD	0
Kimbal Musk	19	0 USD		0 USD	0
Lawrence (Larry) Ellison	N/A (Resigned)	0 USD		0 USD	0
Robyn Denholm	9	0 USD		0 USD	0

- Financial Expert (4)

CONTROVERSIES & EVENTS

Category:	Pay Controversies
Last Reviewed:	
Date Initiated:	June 2020
Assessment:	Moderate
Status:	Ongoing

Shareholders proposed to vote against the re-election of CEO and Chair due to alleged excessive executive pay

In June 2020, shareholders of Tesla, Inc. announced its proposal to vote against the re-election of its CEO and Chair due to alleged excessive executive pay. According to the report, the board, including the CEO, has been allegedly receiving excessive compensation packages for over three years, wherein CEO could reportedly receive USD 55.8 billion executive bonus. The company delayed the vote until September 2020 for the annual general meeting on July 7, 2020.



OWNERSHIP & CONTROL

The company's ownership structure and shareholder rights at Tesla fall within the average scoring relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
6.2	41st (Average)	71st (Average)

KEY METRICS SCORING

Deduction

DIRECTOR ELECTIONS

红旗 Strong Classified Board Combination	-0.20
红旗 Annual Director Elections	-0.10
红旗 Majority Voting	-0.10
红旗 Director Removal Without Cause	-0.10

OWNERSHIP STRUCTURE

SHAREHOLDER RIGHTS

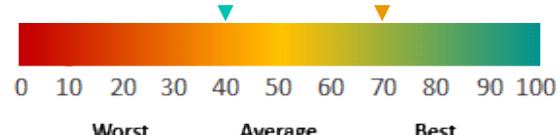
红旗 Bylaws Amendments	-0.10
红旗 Shareholder Rights to Convene Meeting	-0.30

TAKEOVER PROVISIONS

红旗 Business Combination Provision	-0.10
红旗 Fair Bid Treatment Provisions	-0.10

OWNERSHIP & CONTROL PERFORMANCE VS.

▼ Global ▼ Home Market



CORPORATE STRUCTURE

Public Company

CAPITAL STRUCTURE

Capital Type	Votes Per Share	Shares Outstanding
Common Stock.	1.0	3,169,314,178

OWNERSHIP STRUCTURE

OWNERSHIP CATEGORIES

- Principal Shareholder
- Founder Firm
- Family Firm

NOTABLE SHAREHOLDERS

Elon Musk - 20.6%

20.6%



5%+ shareholders - Aggregate Voting Power	12.5%
Insider Voting Power	20.9%

We note that despite being classified as a family firm/founder firm, the company does not have a controlling shareholder. The company does not have a special capital structure, thus one vote right is afforded per common share. This principle of 'one share one vote' helps align economic and voting power and ensures that no class of shareholders has more voting power than economic exposure.

FAMILY FIRM

Founder, CEO, and Chairman, Elon Musk, and his brother, Non-Executive Director, Kimbal Musk, hold 20.6% shares in the company.

FOUNDER FIRM

Elon Musk is a founder of Tesla, Inc. and has served as the Chief Executive Officer since October 2008 and as Chairman of the Board of Directors since April 2004

CONTROL MECHANISMS

Strong Classified Board Combination

Director Removal for Cause Only	Yes
Director Removal without Cause Vote %	51.0
Shareholders can Fill Board Vacancies	No
Effective Classified Board	Yes
Bylaw Vote Percent	51.0

Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, and except as otherwise provided in the DGCL, vacancies occurring on the Board of Directors for any reason and newly created directorships resulting from an increase in the authorized number of directors may be filled only by vote of a majority of the remaining members of the Board of Directors, although less than a quorum, or by a sole remaining director, at any meeting of the Board of Directors. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been assigned by the Board of Directors and until his or her successor shall be duly elected and qualified

TAKEOVER PROVISIONS

Fair Price Provision	Mandatory Bid Provision	Mandatory Bid Ownership Threshold
No	No	
<hr/>		
State of Incorporation		Business Combination Provision
Delaware		Yes
<hr/>		
% of Votes to Approve a Merger		
51%		



GOVERNING DOCUMENTS

MAJORITY REQUIREMENTS

	Bylaws	Charter
Default percentage of votes required to amend a provision	51%	51%
Highest percentage of votes required to amend a specific provision	66.7%	66.7%

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least 66 2/3% of the total voting power of outstanding voting securities, voting together as a single class, shall be required for the stockholders of the corporation to alter, amend or repeal, or adopt any bylaw inconsistent with, the following provisions of these bylaws: Article II, Sections 3.1, 3.2, 3.4 and 3.11 of Article III, Article VIII and this Article X (including, without limitation, any such Article or Section as renumbered as a result of any amendment, alteration, change, repeal, or adoption of any other Bylaw). The board of directors shall also have the power to adopt, amend or repeal bylaws; provided, however, that a bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the board of directors.

The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation (including any rights, preferences or other designations of Preferred Stock), in the manner now or hereafter prescribed by this Certificate of Incorporation and the DGCL; and all rights, preferences and privileges herein conferred upon stockholders by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article IX. Notwithstanding any other provision of this Certificate of Incorporation, and in addition to any other vote that may be required by law or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter or repeal, or adopt any provision as part of this Certificate of Incorporation inconsistent with the purpose and intent of, Article V, Article VI, Article VII or this Article IX (including, without limitation, any such Article as renumbered as a result of any amendment, alteration, change, repeal or adoption of any other Article)

SHAREHOLDER RIGHTS

There may be governance risks for investors in relation to shareholder rights and management-controlled takeover defense mechanisms at Tesla including:

- The board's ability to amend the company's bylaws without shareholder approval
- business combination provisions that fail to include protections of shareholder interests
- fair price provisions that fail to ensure that all shareholders are treated fairly
- Limits on the right of shareholders to convene a special or emergency general meeting
- Limits on the right of shareholders to take action by written consent

SHAREHOLDER MEETINGS & RESOLUTIONS

	Call Special Meeting	Requisition a Resolution at AGM	Act by Written Consent
Percentage of shares required	N/A - no right exists		N/A - no right exists

RESTRICTIONS ON LEGAL ACTION BY SHAREHOLDERS

An exclusive forum provision is in place.

SAY ON PAY

We note that shareholder votes on executive pay are mandatory in this market, affording shareholders the ability to review and approve executive pay practices at this company.



DIRECTOR ELECTIONS

BOARD RE-ELECTION PROVISIONS

Not all board members are subject to annual re-election. While considered by some governance experts as a means of ensuring board continuity, a classified board structure may limit the ability of shareholders to hold directors accountable and serve as a takeover defense. In addition, Tesla has charter and bylaw provisions that may make it difficult for shareholders to achieve control by enlarging the board or removing directors and filling the resulting vacancies. The combined effect of these mechanisms may reduce board accountability to shareholders. Some 44% of boards in the home market are flagged for not requiring directors to stand for re-election on an annual basis.

Board Re-election Provisions	
Board Re-election Frequency (Years)	3
% of Board subject to re-election	100%

PROPOSALS TO DECLASSIFY THE BOARD

No recent votes, whether filed by management or by shareholder, seeking the adoption of proxy access have been identified.

DIRECTOR ELECTION STANDARD

The company has not adopted a binding majority director election standard (with immediate resignation if the director does not receive a majority of the votes cast), which may limit shareholders' ability to hold members of the board accountable in uncontested elections.

Director Election Rules	
Vote Standard	Majority
Immediate Binding Resignation	No

Tesla's Board currently consists of eight members who are divided into three classes with staggered three-year terms. Our bylaws permit the Board to establish by resolution the authorized number of directors, and eight directors are currently authorized. Any increase or decrease in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of an equal number of directors.

Tesla's bylaws provide that in an uncontested election, the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the matter is required to elect a director.

PROXY ACCESS

A proxy access provision is in place.

Proxy Access Terms	
Ownership Duration (Years)	3
Ownership Threshold (% of shares)	0%
Min/Max Number of Board Seats	20



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

ACCOUNTING

Based on the company's disclosures and other public information, accounting and financial reporting practices at Tesla appear to be generally appropriate and effective relative to global peers.

0-10 Score	Global Percentile Rank	Home Market Percentile Rank
10.0	100th (Best In Class)	100th (Best In Class)

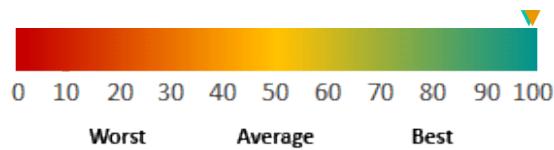
KEY METRICS SCORING

Deduction

AUDITOR INDEPENDENCE

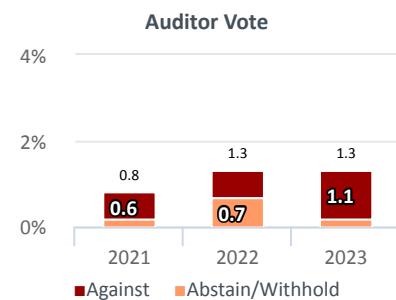
ACCOUNTING PERFORMANCE VS.

▼ Global ▼ Home Market



EXTERNAL AUDITORS

Type	Since	Firm	Most Recent Fiscal Year End Signed Off
Primary	2005	PricewaterhouseCoopers LLP	2022

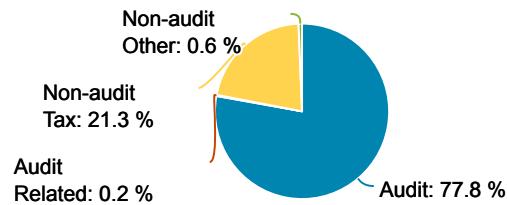




AUDITOR FEES

Fees paid to: PricewaterhouseCoopers LLP (Primary)

Fee	Dec 31, 2022 (USD)	Dec 31, 2021 (USD)	Dec 31, 2020 (USD)
Audit	16,192,000	14,156,000	12,965,000
Audit Related	44,000	184,000	0
Total Audit + Audit Related	16,236,000	14,340,000	12,965,000
Tax Compliance/Advice	4,442,000	2,876,000	1,456,000
Other Non-audit Services	134,000	62,000	103,000
Total Non-audit Fees	4,576,000	2,938,000	1,559,000
Total Fees	20,812,000	17,278,000	14,524,000



AUDITOR'S REPORT

	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020
Report Disclosed	Yes	Yes	Yes
Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion
Emphasis of Matter	No	No	No

EMPHASIS OF MATTER

Dec 31, 2022

Changes in Accounting Principles :

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for convertible debt in 2021.

Dec 31, 2021

Changes in Accounting Principles

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for convertible debt in 2021 and the manner in which it accounts for leases in 2019.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Dec 31, 2020

Changes in Accounting Principles

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019 and the manner in which it accounts for revenue from contracts with customers in 2018.

CONTROVERSIES & EVENTS

No major relevant controversies have been uncovered.



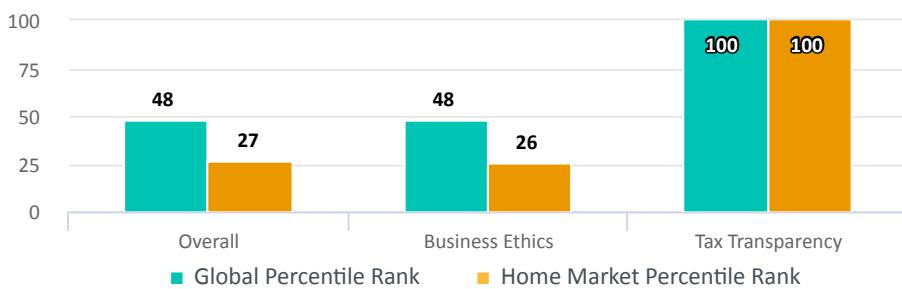
CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Corporate Behavior

0-10 Score	Change (since rating)	Quartile	Last score change date
6.1	0.0	•••	Jun 12, 2022

CORPORATE BEHAVIOR THEME AND KEY ISSUE RANKINGS



METHODOLOGY NOTE

This theme evaluates the extent to which companies may face ethics issues such as fraud, executive misconduct, corruption scandals, money laundering, anti-trust violations, or tax-related controversies.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

KEY AREAS OF CONCERN*

SCORING DEDUCTIONS

Business Ethics Policies & Practices

(-2.10)

Regular Audits of Ethical Standards

Employee Training on Ethical Standards

Business Ethics Risk & Controversies

(-1.80)

Corruption Risk Exposure & Controversies

Business Ethics Controversies

*Key areas of concern include flagged key metrics that represent the largest scoring deductions. Please review the full report to see a complete set of flagged key metrics.

CORPORATE BEHAVIOR SCORE HISTORY





BUSINESS ETHICS

KEY METRICS SCORING

	Deduction
BUSINESS ETHICS POLICIES & PRACTICES	-2.10
Regular Audits of Ethical Standards	-1.40
Employee Training on Ethical Standards	-0.70
BUSINESS ETHICS RISK & CONTROVERSIES	-1.80
Corruption Risk Exposure & Controversies	-0.60
Business Ethics Controversies	-1.20

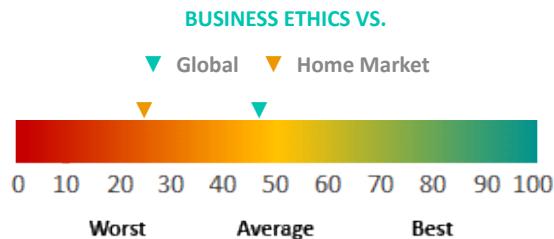
Note: Business Ethics Policies & Practices deductions as well as Business Ethics Risk & Controversies are capped at a maximum of -7.0. Cumulative deductions are capped at 10.

0-10 Score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
6.0	0.0	48th (Average)	26th (Below Average)

METHODOLOGY NOTE

Companies are evaluated on their oversight and management of business ethics issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]



BUSINESS ETHICS POLICIES & PRACTICES

Indicators	Company Practice	Best Practice	Deduction
Oversight for Ethics Issues	Board-level committee	Board-level committee or C-suite or Executive committee	0.00
Bribery and Anti-Corruption Policy	Detailed formal policy on bribery and anti-corruption	Detailed formal policy on bribery and anti-corruption	0.00
Regular Audits of Ethical Standards	No evidence	Audits of all operations at least once every three years	-1.40
Whistleblower Protection	Policy provides whistleblowers with protection from retaliation	Policy provides whistleblowers with protection from retaliation	0.00
Employee Training on Ethical Standards	Programs covering all permanent employees (excluding part-time and contractors)	Programs covering all employees (including part-time) and contractors	-0.70
Anti-Corruption Policy for Suppliers	NA	All suppliers are required to have anti-corruption policies and programs to verify compliance	0.00
Policies Related to Anti-Money Laundering	NA	Policy and implementation strategy articulated	0.00

*Business Ethics Policies & Practices deductions are capped at a maximum of -7.0.



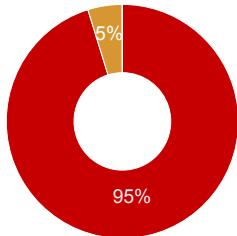
CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

CORRUPTION RISK EXPOSURE

Exposure to: Regulatory risks or lost market access due to corruption scandals or political and social instability
Business Types: Percentage of operations in business segments perceived most likely to pay or receive bribes

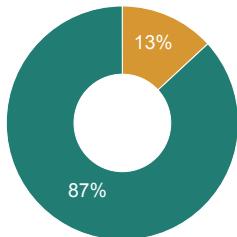
■ High Risk ■ Medium Risk ■ Low Risk



- Automobiles
- Semiconductors
- No exposure to low risk segments

Source: Bribe Payers Index (Transparency International); State Capture Index (Transparency International); Refinitiv; MSCI ESG Research; company disclosures

Business Locations: Percentage of operations in countries with high/moderate/low level of corruption and political instability, violence or terrorism



- No operations in markets with high risks
- China, other countries
- USA, Germany

Source: Corruption Perceptions Index (Transparency International); World Governance Indicators (World Bank); Refinitiv; MSCI ESG Research; company disclosures

CORRUPTION RISK EXPOSURE SCORING DEDUCTION KEY

% of operations in medium and high risk geographies	% of operations in high risk business segments	>=20% government ownership	<20% government ownership	No evidence of government ownership
20% or more	50% or more	-4.00	-2.60	-2.00
	Less than 50%	-1.20	-1.20	-1.20
Less than 20%	50% or more	-0.60	-0.60	-0.60
	Less than 50%	0.00	0.00	0.00

*The Corruption Risk and Controversies Deduction is based on the maximum of deductions from the corruption risk exposure and corruption controversies category listed below

BUSINESS ETHICS CONTROVERSIES

Controversy Cases

Category	Assessment	Headline	Status	Last Updated	Deduction
Business Ethics & Fraud	Moderate	US: Court settlement including USD 40 million penalty in SEC lawsuit related to CEO's social media posts; settlement challenged by CEO	Ongoing	January 2023	-1.2
	Moderate	Tesla Korea, South Korea: KRW 2.85 billion FTC penalty for allegedly misrepresenting and exaggerating the cold weather range of its vehicles	Concluded	January 2023	



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Category	Assessment	Headline	Status	Last Updated	Deduction
	Moderate	US: CEO allegedly under regulatory investigation for potential insider trading violations	Ongoing	February 2022	
	Moderate	United States: Investigations and proposed class action lawsuits over alleged misstatements of Model 3 vehicle production forecasts	Ongoing	February 2021	
Anticompetitive Practices	--	No ongoing controversies.	--	--	--
Corruption	--	No ongoing controversies.	--	--	--

*The maximum deductions from the Anticompetitive Practices and Business Ethics & Fraud categories are summed to arrive at the overall Business Ethics Controversies deduction, which is capped at a maximum of -7.0.



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

TAX TRANSPARENCY

TAX GAP ASSESSMENT

Indicators

Tax Gap

Estimated Effective Tax Rate	14.9%
Estimated Corporate Income Tax Rate	26.1%
Estimated Tax Gap	(11.2%)
Tax Gap Assessment	High Gap

Revenue

Foreign Revenue	50.2%
-----------------	-------

Confidence

Confidence Level of Estimation	Low
--------------------------------	-----

Involvement in Controversies

	NO
--	----

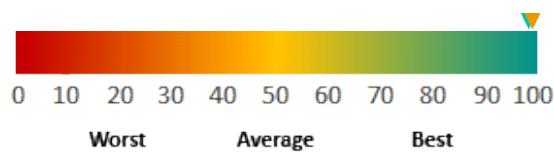
0-10 score	Change (since rating)	Global Percentile Rank	Home Market Percentile Rank
10.0	0.0	100th (Best In Class)	100th (Best In Class)

METHODOLOGY NOTE

Companies are evaluated on their estimated corporate tax gap (i.e. gap between estimated effective tax rate and estimated corporate income tax rate) and their involvement in tax-related controversies.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

TAX TRANSPARENCY VS.

TAX CONTROVERSIES

Controversy Cases

Category	Assessment	Headline	Status	Last Updated	Deduction
Tax Transparency	--	No ongoing controversies.	--	--	--

TAX CONTROVERSIES SCORING DEDUCTION KEY

Involvement in tax controversies	Estimated tax gap	Tax gap assessment	Deduction
Yes	Below 5%	Low	-0.80
	5-10%	Moderate	-1.40
	Above 10%	High	-2.00
No	Below 5%	Low	0.00
	5-10%	Moderate	0.00
	Above 10%	High	0.00

Tax related controversies are not considered for companies in Real Estate Management services or Mortgage REITs industries. Tax gap assessment is effectively low for companies with less than 5% of total revenue categorized as foreign.



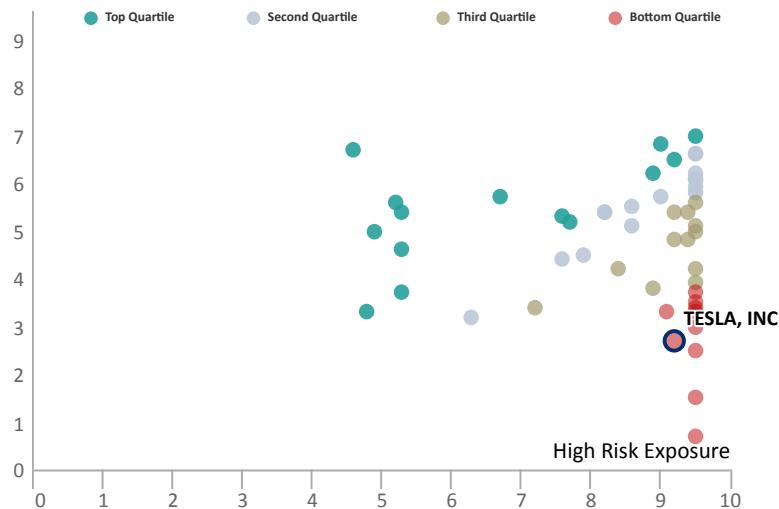
CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

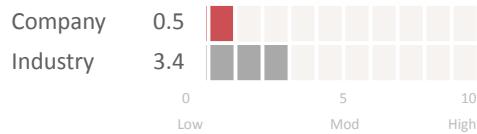
Product Safety & Quality

Score	Change (since rating)	Quartile	Weight	Last score change date
0.5	0.0	•	21.0%	Jun 15, 2023

Strong Risk Management



KEY ISSUE ASSESSMENT

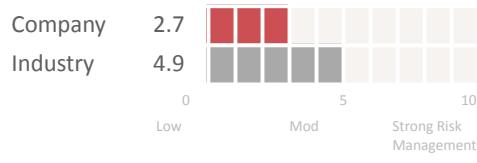


RISK EXPOSURE ASSESSMENT



Drivers of Risk Exposure

RISK MANAGEMENT ASSESSMENT

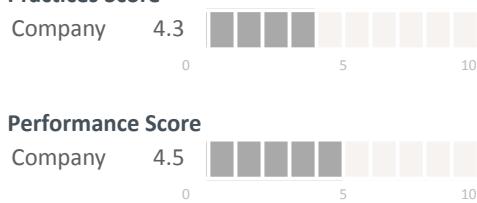


Drivers of Risk Management

Business Types



Practices Score



Performance Score



TOP 5 INDUSTRY LEADERS

Yamaha Motor Co., Ltd.	9.1
BAJAJ AUTO LIMITED.	7.4
HERO MOTOCORP LIMITED	7.1
TVS MOTOR COMPANY LIMITED	7.1
Yadea Group Holdings Ltd	6.3

BOTTOM 5 INDUSTRY LAGGARDS

Lucid Group, Inc	0.9
Ferrari N.V.	0.8
KIA CORPORATION	0.5
TESLA, INC.	0.5
SUBARU CORPORATION	0.0

METHODOLOGY NOTE

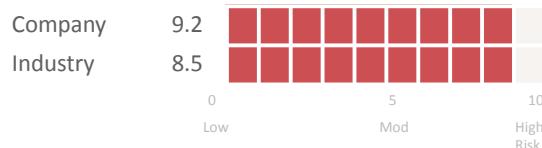
Companies are evaluated on their exposure to possible recalls or product safety concerns, the strength of their supply chain and sourcing systems, their quality management efforts in manufacturing and their responsible marketing practices.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]



EXPOSURE

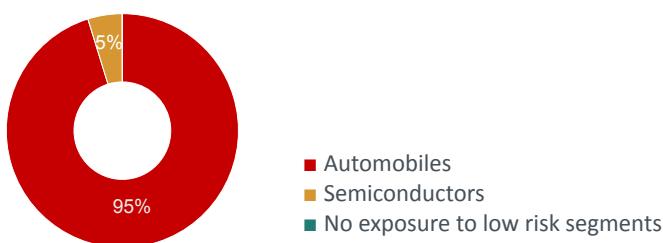
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of increased costs of implementing large scale product recalls, fulfill warranties; potential damage to brand value from loss of consumer trust, negative publicity

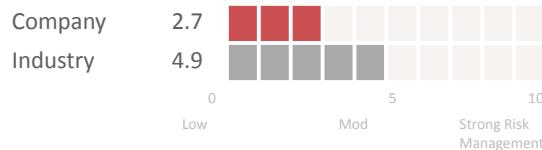
Business Types : Percentage of revenue from business segments facing elevated product and service quality risks: · Segments focusing on products that carry health risks (e.g., through injury, contamination, intoxication) · Segments targeting vulnerable populations (minors, low-income) · Segments providing public services such as education and healthcare · Segments relying heavily on government spending as a source of revenue



Source: Jayant R. Kale, et al., 2013, "Contracting with Nonfinancial Stakeholders and Corporate Capital Structure: The Case of Product Warranties," Journal of Financial and Quantitative Analysis, 48, no. 3: 699-727; Consumer Product Safety Commission [CPSC]; U.S. Food and Drug Administration [FDA]; Department of Agriculture; National Highway Traffic Safety Administration [NHTSA]; Federal Trade Commission [FTC]; Centers for Disease Control and Prevention [CDC]; Refinitiv; MSCI ESG Research; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score ²			
Supply chain and sourcing						
Membership in recognized industry-wide partnership(s) on supply chain/contractor risk evaluation and mitigation	General commitment to industry or external standards but not a formal participant	Formal participant	-	LOW	MID	TOP
Conducts supplier training on quality assurance						
Frequency of supplier training	Training is on an ad hoc as-needed basis only	Annual training	-	LOW	MID	TOP
Scope of supplier training	Some suppliers	All suppliers	-	LOW	MID	TOP
Certification program for suppliers						
Tier 1 - Direct supplier facilities and processes certified by company employees or third-party auditors	Yes	Yes	-	LOW	TOP	
Tier 2 - Indirect / sub supplier facilities and processes certified by company employees or third-party auditors	Not Disclosed	Yes	-	LOW	TOP	
Tier 3 - Ingredients / raw materials checked for quality on a regular basis	Not Disclosed	Yes	-	LOW	TOP	
Manufacturing and handling						
Extent of certification to a widely accepted product safety / quality standard (e.g. HACCP, ISO 9001, or equivalent)	No evidence	Most (over 80%) owned facilities are certified to widely accepted standards	-	LOW	MID	TOP
Measures and reports quantitative indicators related to service quality performance or customer protection (e.g. clinical quality reports, customer surveys)	Yes	Detailed, quantitative information on outcomes	-	LOW	MID	TOP
Conducts quality control / product safety training program for employees						
Scope of employee training	Some employees	All employees are trained	-	LOW	MID	TOP
Product testing						
Extent of product testing capacity	In-house testing	In-house testing	-	LOW	MID	TOP



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

- | **LOW** | MID | **TOP**

Scope of product testing

Precautionary testing for emerging quality/safety concerns

Precautionary testing for emerging quality/safety concerns

Product Recalls

Year	Severe (Class I)	Moderate (Class II)	Minor (Class III)	Number of units	Details
2022				5,830,793	
2021				353,003	
2020				175,993	
2019				82,852	
2018				123,000	
2017				66,000	
2016				90,000	
2015				90,000	
2014				29,222	
2013				1,228	

Warranty payments

Year	Amount (USD millions)	Details
2022	803	
2021	525	
2020	312	
2019	250	
2018	209.12	
2017	122.51	
2016	79	
2015	52.76	
2014	39.90	
2013	19.20	
2012	3.42	
2011	2.75	

CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Tesla has been flagged for involvement in controversial events or alleged misconduct.



Controversy Cases

Assessment	Headline	Status	Last Updated
Severe	United States: Allegations of safety issues in Autopilot technology and driver assistance systems following road accidents	Ongoing	May 2023
Moderate	US: NHTSA closed investigation into Tesla gaming feature due to lack of evidence of safety concerns; Concluded company disabled feature	Concluded	May 2023
Moderate	California, US: NHSTA investigation into an accident involving a Tesla vehicle and a parked fire truck; Ongoing one fatality recorded	Ongoing	May 2023
Moderate	Tesla Korea, South Korea: KRW 2.2 billion MOLIT penalty over alleged failure to meet safety standards	Concluded	May 2023
Moderate	Tesla Korea, South Korea: MOLIT investigation into alleged high-voltage battery failures in its Tesla Model S, Model X, Model 3, and Model Y MY2018-2021 vehicles	Ongoing	May 2023
Moderate	Tesla Korea, South Korea: KRW 1 billion MOLIT penalty over alleged failure to meet the motor vehicle safety standards on 1,518 Model S vehicles; no injuries reported	Concluded	September 2022
Moderate	France: Lawsuit over alleged unintended acceleration of a Model 3 vehicle resulting in fatal car accident	Ongoing	July 2022
Moderate	China: State Administration for Market Regulation criticism over customer complaints over alleged battery fires and quality issues with electric cars	Ongoing	February 2022
Moderate	New Jersey, United States: Complaint alleging wrongful death due to defective Model X vehicle causing catastrophic collision	Ongoing	February 2022
Moderate	Norway: Consumer lawsuit over alleged throttling of Tesla Model S charging speeds and battery capacities	Ongoing	December 2021
Moderate	United States: NHTSA investigation into Takata airbags with desiccated inflators installed on 30 million vehicles of multiple automakers	Ongoing	November 2021
Moderate	United States: NHTSA investigation over alleged touchscreen failures of approximately 250,000 units of Model S and Model X vehicles	Ongoing	November 2021
Moderate	California, US: USD 1.5 million proposed settlement over temporary reduction of maximum battery charging voltage in Model S vehicles	Ongoing	October 2021
Moderate	Germany, S. Korea, and United States: Lawsuits and criticisms over alleged misrepresentations of autopilot system	Ongoing	July 2021
Moderate	Denmark: Consumer lawsuit over alleged throttling of Tesla Model S charging speeds and battery capacities	Ongoing	July 2021
Moderate	S. Korea: Investigation into fatal accident involving Tesla Model X	Ongoing	March 2021
Moderate	United States: NTSB investigation and lawsuit over fatal fire involving a Model S vehicle; two deaths reported	Ongoing	January 2021
Minor	Tesla Model S, X, and Y MY2023 [Recall, US]: 1,337 vehicles due to alleged misaligned forward-facing camera, no injuries reported	Concluded	August 2023
Minor	California, US: Proposed class action lawsuits filed by customers alleging overcharging and exorbitant wait times for vehicle maintenance and repairs	Ongoing	July 2023
Minor	Tesla Model S and X MY2021-2023 [Recall, US]: 15,869 vehicles due to alleged front row seat belt issues, no injuries reported	Concluded	July 2023
Minor	Illinois, US: Proposed class action lawsuit over alleged false collision warnings in vehicles equipped with Automatic Emergency Braking and Forward Collision Warning systems	Ongoing	July 2023
Minor	Tesla Semi MY2023 [Recall, US]: 35 vehicles due to alleged parking brake rollaway issue, no injuries reported	Concluded	July 2023
Minor	Tesla Model 3 and Y MY2019-2021 [Recall, Canada]: 270 vehicles due to alleged loosening of front suspension side links when bolts come loose, no injuries reported	Concluded	July 2023
Minor	Tesla Semi MY2022 [Recall, US]: 36 vehicles due to alleged parking brake issue, no injuries reported	Concluded	July 2023
Minor	Tesla Model 3 MY2018-2020 [Recall, Canada]: 35,342 vehicles due to alleged potential wiring harness damage, no injuries reported	Concluded	July 2023
Minor	Tesla Cyberquad Model 914 [Recall, US]: 5,000 vehicles due to alleged non-compliance with safety standards, including mechanical suspension and maximum tire pressure, no injuries reported	Concluded	July 2023



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Assessment	Headline	Status	Last Updated
Minor	Tesla Model 3 and Model Y MY2020-2023 [Recall, US]: 321,628 vehicles due to alleged intermittent taillight failure, no injuries reported	Concluded	July 2023
Minor	Tesla Model Y MY2022-2023 [Recall, US]: 137 vehicles over alleged issue with steering wheel fastener, no injuries reported	Concluded	June 2023
Minor	Tesla Model 3 MY2018-2019 [Recall, Canada]: 24 vehicles due to alleged loose bolts, no injuries reported	Concluded	May 2023
Minor	Tesla Model Y MY2022-2023 [Recall, US]: 3,470 vehicles due to alleged improperly tightened seat frame bolts, no injuries reported	Concluded	May 2023
Minor	Tesla Model S MY2015-2020 [Recall, China]: 2,649 vehicles due to alleged secondary trunk lid latch misalignment, no injuries reported	Concluded	May 2023
Minor	Tesla Model X MY2023 [Recall, US]: 38 vehicles due to alleged weak camera signal that could prevent display of rearview image, no injuries reported	Concluded	May 2023
Minor	California, US: Proposed class action lawsuit over alleged automatic software updates that allegedly reduce driving range and cause battery problems in Model S and Model X	Ongoing	May 2023
Minor	Tesla Model S, X, 3, and 6 MY2019-2023 [Recall, China]: 1.09 million vehicles due to alleged potential safety risks, no injuries reported	Concluded	May 2023
Minor	Tesla Model Y [Recall, South Korea]: 13,210 vehicles due to alleged software problems in the rear lights, no injuries reported	Concluded	May 2023
Minor	Tesla Model S [Recall, South Korea]: 1,131 vehicles due to alleged a software error in the electronic power steering, no injuries reported	Concluded	May 2023
Minor	Tesla Model S and X [Recall, South Korea]: 2,539 vehicles due to alleged a software communication error, no injuries reported	Concluded	May 2023
Minor	Tesla Model S, X, 3, and Y MY2016-2023 [Recall, US]: 362,758 vehicles due to software defect in the Full Self-Driving Beta program, no injuries reported	Concluded	May 2023
Minor	Tesla Model 3 and Y Electric [Recall, China]: 435,132 vehicles due to potential problems with battery modules, seat belts, or system software, no injuries reported	Concluded	February 2023
Minor	Tesla Model 3 and two other models [Recall, South Korea]: 43,582 vehicles due to faulty window automatic reversal system, no injuries reported	Concluded	November 2022
Minor	South Korea: Civic group filed a complaint over alleged design flaws on hidden door handles of Model S and X vehicles in cases of power loss accidents; police dropped the investigation due to lack of evidence	Concluded	July 2022
Minor	Tesla Model Y and 3 [Recall, Worldwide]: 59,129 vehicles due to a fault in the automatic emergency call system; no injuries reported	Concluded	July 2022



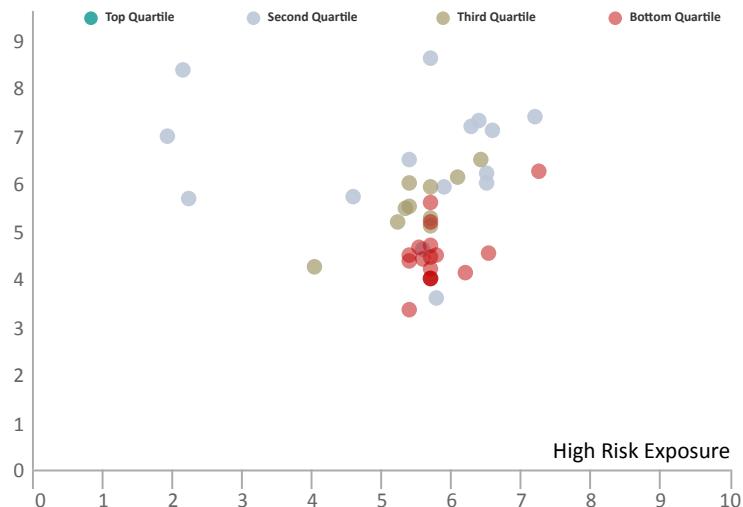
CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

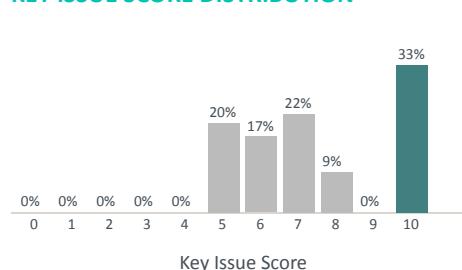
Product Carbon Footprint

Score	Change (since rating)	Quartile	Weight	Last score change date
10.0	0.0	•••	17.0%	May 10, 2021

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION *

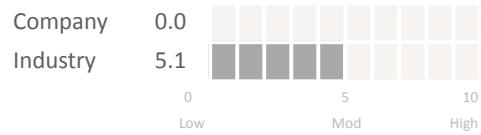


Automobile and Motorcycle manufacturing companies are not assessed on their upstream GHG emissions. Instead, the focus is on regulatory risk associated with downstream emissions, specifically vehicle fleet emissions. The assessment takes into consideration the type of vehicles being sold and into which markets, GHG emissions reduction targets, and regional fleet emissions performance. These indicators are currently unavailable for display on the report.

KEY ISSUE ASSESSMENT

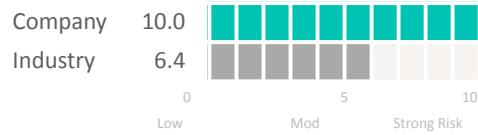


RISK EXPOSURE ASSESSMENT



Drivers of Risk Exposure

RISK MANAGEMENT ASSESSMENT



Drivers of Risk Management

Business Types



Practices Score



TOP 5 INDUSTRY LEADERS

Aima Technology Group Co., LTD.	10.0
BAJAJ AUTO LIMITED.	10.0
BYD COMPANY LIMITED	10.0
EICHER MOTORS LIMITED	10.0
HERO MOTOCORP LIMITED	10.0

BOTTOM 5 INDUSTRY LAGGARDS

GENERAL MOTORS COMPANY	5.0
TATA MOTORS LIMITED	5.0
Stellantis N.V.	4.9
TOFAS TURK OTOMOBIL FABRIKASI ANONIM SIRKETI	4.9
ISUZU MOTORS LIMITED	4.6

METHODOLOGY NOTE

Companies are evaluated on the carbon intensity of their products and their ability to reduce the carbon footprint in their supply chains or in the use of their products and services.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]

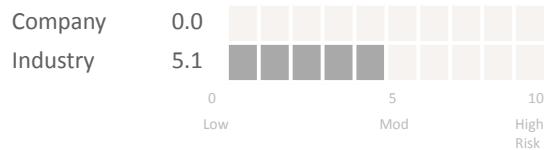


CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

EXPOSURE

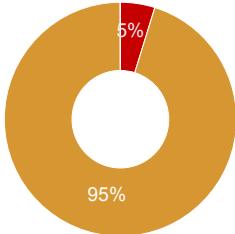
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of having to pay increased product purchasing costs (cost of goods sold) due to aggregate increase in input costs (primarily energy) throughout the upstream stages

Business Types : Percent of total revenue from products with large/moderate/low carbon footprint (carbon emissions attributed to upstream supply chain per economic value of output) For Automobile: Composition of product portfolio (as percent of total revenue) by vehicle type based on regulatory requirements for vehicle carbon emissions or fuel efficiency, (expressed as fleet average gCO2/km or mpg)

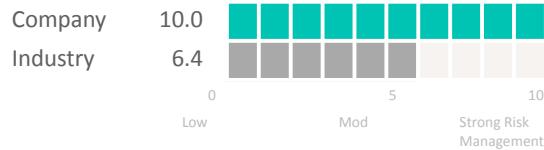


- Semiconductors
- Automobiles
- No exposure to low risk segments

Source: IERS' Comprehensive Environmental Data Archive (CEDA), Refinitiv, MSCI ESG Research, company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score ²
Risk Management			
Targets on measuring upstream carbon emissions	No targets	The company has already calculated the carbon footprint of its core products and production stages and has a plan for impact reduction	- LOW MID TOP
Company has carbon or energy reduction programs at the following stages			
Extent of carbon or energy reduction programs in raw materials production, including suppliers	No	All or core products	- LOW MID TOP
Extent of carbon or energy reduction programs in manufacturing operations, including suppliers' operations	No	All or core production facilities	- LOW MID TOP
Extent of carbon or energy reduction programs in transportation and logistics stages	General statement	Improvements in fleet, routes, AND load/packaging optimization	- LOW MID TOP
Extent of carbon or energy reduction programs in distribution centers / store operations	No	All or most stores and distribution centers	- LOW MID TOP



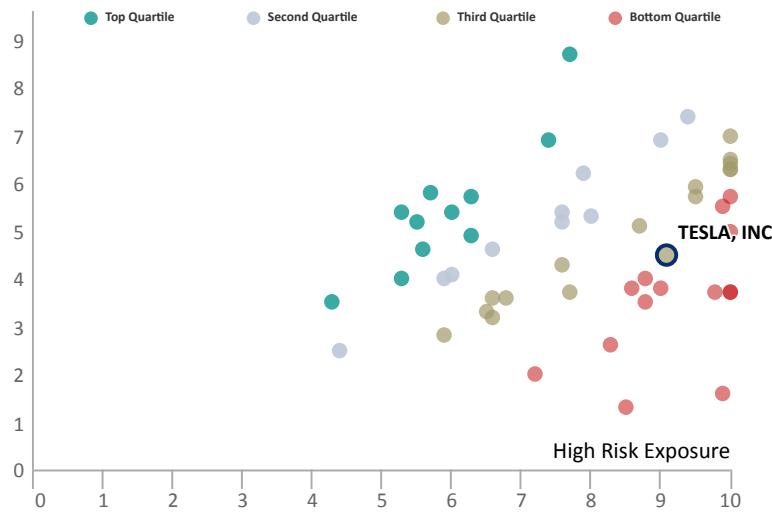
CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

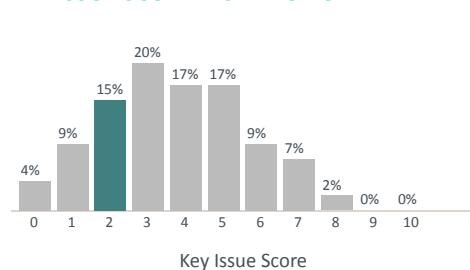
Labor Management



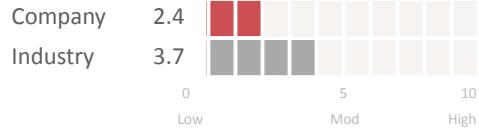
Strong Risk Management



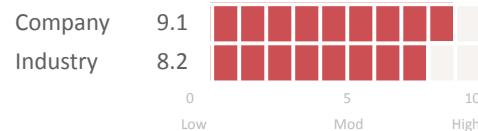
KEY ISSUE SCORE DISTRIBUTION *



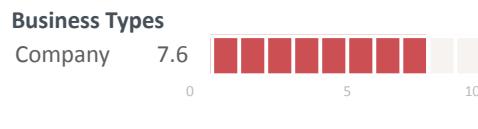
KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



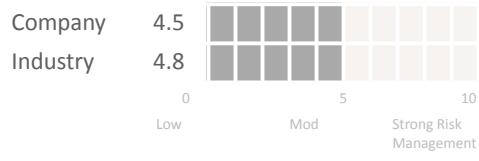
Drivers of Risk Exposure



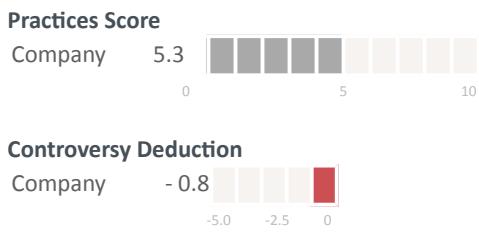
Business Locations



RISK MANAGEMENT ASSESSMENT



Drivers of Risk Management



TOP 5 INDUSTRY LEADERS

GEELY AUTOMOBILE HOLDINGS LIMITED	8.0
SUBARU CORPORATION	7.1
TOFAS TURK OTOMOBIL FABRIKASI ANONIM SIRKETI	7.1
EICHER MOTORS LIMITED	6.5
Yadea Group Holdings Ltd	6.4

BOTTOM 5 INDUSTRY LAGGARDS

BYD COMPANY LIMITED	0.9
Porsche Automobil Holding SE	0.7
VOLKSWAGEN AKTIENGESELLSCHAFT	0.7
HONDA MOTOR CO., LTD.	0.0
SAIC Motor Corporation Limited	0.0

METHODOLOGY NOTE

Companies are evaluated on the complexity of their workforce (size, labor intensity, and regions of operation), employee relations, strength of worker protections, and employee engagement efforts.

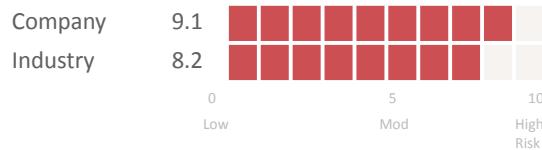
* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]





EXPOSURE

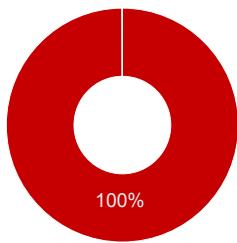
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of workflow disruptions due to labor unrest, or reduced productivity due to poor job satisfaction

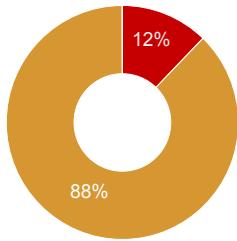
Business Types : Percentage of operations in business segments with high/moderate/low labor intensities, as measured by average sales per employee of industries



- Automobiles, Semiconductors
- No exposure to medium risk segments
- No exposure to low risk segments

Source: MSCI ESG Research; Refinitiv; company disclosures

Business Locations : Percentage of operations in countries with high/moderate/low likelihood of labor unrest (based on historic precedent)



- Germany
- China, USA, other countries
- No operations in markets with low risks

Source: International Labour Organization; Refinitiv; MSCI ESG Research; company disclosures

Additional Drivers of Exposure

Collective bargaining negotiation expected in next 12 months: **Not Disclosed**

Layoffs Events

Major Layoffs: **Yes**

Size and Composition of Workforce

Number of employees: **127,855**

Number of Employees

Year	Number of employees	Part time workers (%)	Contract or temporary workers (%)	Estimated Part time/contract %
2021	99,290			
2020	70,757			



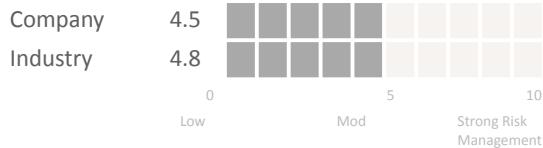
CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Year	Number of employees	Part time workers (%)	Contract or temporary workers (%)	Estimated Part time/contract %
2019	48,016			
2018	48,817			
2017	37,543			
2016	28,331			
2015	13,058			
2014	10,161			
2013	5,859			
2012	2,964			
2011	1,417			
2010	899			
2009	514			

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²		
Strategy					
Evidence of collective agreements	No	Yes	-	LOW	TOP
Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	Sector-leading number of employees eligible for ESOP and/or ESPP	Sector-leading number of employees eligible for ESOP and/or ESPP	-	LOW	MID TOP
Variable performance-based component to pay	No evidence of variable incentive pay for non-officer staff	Strong performance-based incentive pay structure covers all employees	-	LOW	MID TOP
Non-compensation benefits including pension and retirement	Benefits cover all employees	Benefits cover all employees	-	LOW	MID TOP

Performance

External recognition as employer of choice (last three years)	Yes, one award in the last year
Company witnessed strikes / lock-outs in the last three years	No

External recognition - details

Year	Awarding authority name	Title of the Award
2022	Forbes	#165 America's Best Large Employers 2022



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Year	Awarding authority name	Title of the Award
2021	Forbes	America's Best Employers 2021
2020	Forbes	Best Employers for New Grads 2020
2020	Forbes	Best Employers for Veterans 2020
2019	Forbes	Best Employers for Diversity 2019
2019	Forbes	Best Employers for Diversity 2019
2019	Forbes	America's Best Employers By State 2019
2019	Forbes	Best Employers for Women 2019
2019	Forbes	Top Regarded Companies 2019
2019	Forbes	World's Best Employers 2019
2019	Forbes	America's Best Employers 2019
2018	LinkedIn	Top 50 Companies to Work For
2018	Forbes	Best Employers for New Grads 2018
2018	Forbes	Top Regarded Companies 2018
2018	Forbes	World's Best Employers 2018
2018	Forbes	Best Employers for Women 2018
2018	Forbes	America's Best Employers 2018

Employee turnover

Year	Annual employee turnover (%)	Details
2022		
2021		
2020		
2019		
2018		
2017		

Employee Productivity

Year	Profit per employee (USD '000)
2022	98
2021	55
2020	10
2019	-18
2018	-19
2017	-52



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Year	Profit per employee (USD '000)
2016	-23
2015	-68
2014	-28

CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. The Tesla has been flagged for involvement in controversial events or alleged misconduct.

Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	Florida, US: NLRB ordered to stop violating employees' fundamental right to discuss wages, working conditions, or bring complaints to high level management	Concluded	June 2023
Moderate	California, New York, and Nevada, US: Lawsuits over alleged racial discrimination, harassment, and retaliation by supervisors and colleagues at factories	Ongoing	June 2023
Moderate	Germany and the Netherlands regulators investigation into data breach by former employee affecting 100,000 current and former employees, no financial damages reported	Ongoing	May 2023
Moderate	New York, US: Dozens of employees allegedly terminated over involvement in union activities at Buffalo plant	Ongoing	May 2023
Moderate	US: Allegations of labor and visa violations through subcontractors	Ongoing	December 2021
Moderate	Reports alleging CEO dismissed or threatened employees with termination over disagreements	Ongoing	October 2021
Moderate	US: National Labor Relations Board ordered CEO to delete the 2018 anti-union tweet and reinstate a terminated unionized employee	Ongoing	October 2021
Moderate	Germany: Authorities investigation into alleged possible violations of labor laws	Ongoing	June 2021
Moderate	Nevada, US: Lawsuit over alleged unfair dismissal of worker for reporting of theft of copper wires	Ongoing	May 2021
Minor	Massachusetts, US: Voluntary dismissal of lawsuit filed by former regional service manager alleging retaliatory termination after complaining about dangerous temperatures in bays at Peabody service shop	Concluded	August 2023
Minor	Shanghai, China: Factory employees complained of alleged 'unfair' reduction in monthly performance-related pay; CEO vowed to review employees' reports	Ongoing	July 2023
Minor	California, US: Proposed class action lawsuit alleging failure to provide timely or complete personnel records, including time and pay records, signed arbitration agreements, and grievances documents	Ongoing	July 2023
Minor	California, US: Proposed class action lawsuit over alleged failure to pay fair wages, provide meal, and rest breaks	Ongoing	June 2023
Minor	Tesla Energy Operations, California, US: Proposed class action lawsuit over alleged failure to pay proper wages, provide meal periods, reimburse work expenses, and other state labor law violations	Ongoing	June 2023
Minor	Nevada, US: Proposed class action lawsuit filed by two former employees over alleged failure to notify workers prior to layoffs as required by federal law	Ongoing	July 2022
Minor	California, US: Lawsuits filed by eight female employees over alleged sexual harassment by coworkers at Fremont factory	Ongoing	June 2022

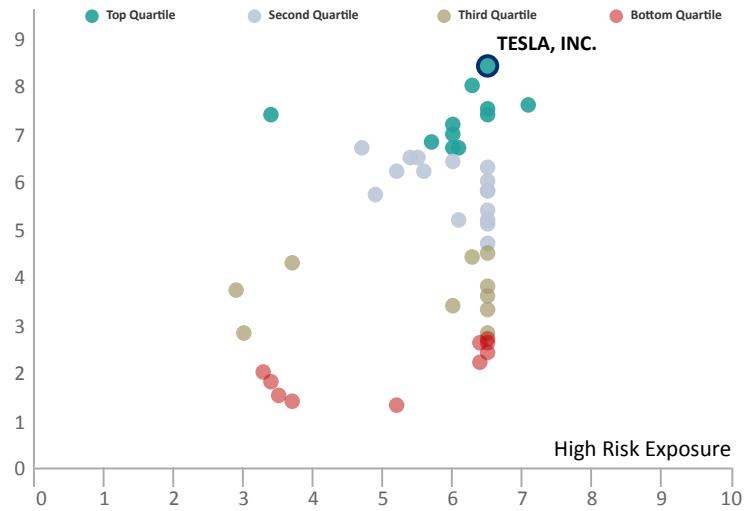


CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

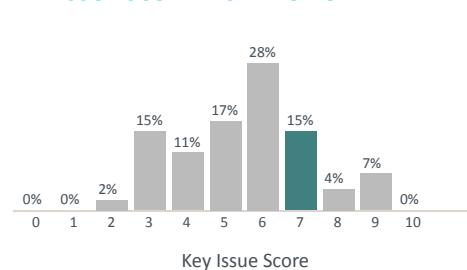
Opportunities in Clean Tech

Strong Risk Management

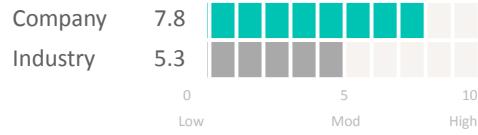


Score	Change (since rating)	Quartile	Weight	Last score change date
7.8	0.0	••••	13.0%	May 23, 2022

KEY ISSUE SCORE DISTRIBUTION *



KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



Drivers of Risk Exposure

RISK MANAGEMENT ASSESSMENT



Drivers of Risk Management

Business Types



Practices Score



Performance Score



TOP 5 INDUSTRY LEADERS

Li Auto Inc.	9.1
NIO INC.	9.1
XPENG INC.	9.1
Yadea Group Holdings Ltd	8.4
TESLA, INC.	7.8

BOTTOM 5 INDUSTRY LAGGARDS

TATA MOTORS LIMITED	3.0
HERO MOTOCORP LIMITED	2.9
ISUZU MOTORS LIMITED	2.9
TOFAS TURK OTOMOBIL FABRIKASI ANONIM SIRKETI	2.7
EICHER MOTORS LIMITED	2.2

METHODOLOGY NOTE

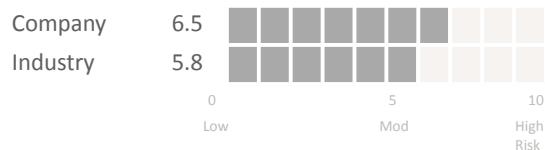
Companies are evaluated on their clean tech innovation capacity, strategic development initiatives, and revenue generated from clean technologies.

* [For symbols and terms used in this report, refer to the Glossary section at the end of the report]



EXPOSURE

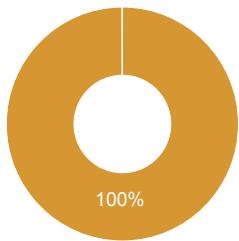
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Opportunity for business growth from capturing demand changes and enjoying early mover advantage or regulatory incentives

Business Types : Percentage of operations in business segments with high growth potential in clean tech markets

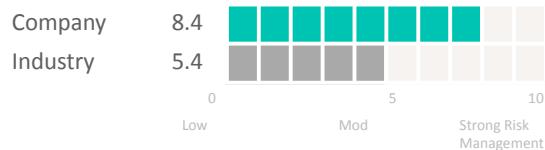


- No exposure to high opportunity segments
- Automobiles, Semiconductors
- No exposure to low opportunity segments

Source: MSCI ESG Research; Refinitiv; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score ²
Strategy			
Strategic focus on clean technology development	Cleantech innovation is the core strategy	Cleantech innovation is the core strategy	- LOW MID TOP
Targets to increase investment in clean tech	Yes	Yes	- LOW TOP

Programs & Initiatives

Number of patent families	278
---------------------------	-----

R&D Expense

Year	R&D (USD million)	R&D / Sales ratio
2022	3,075	3.77%
2021	2,593	4.82%
2020	1,491	4.72%
2019	1,343	5.46%
2018	1,460.37	6.80%
2017	1,378.07	11.72%
2016	782.83	11.18%
2015	717.90	17.74%
2014	464.70	14.53%
2013	231.98	11.52%
2012	273.98	66.30%
2011	208.98	102.32%
2010	93	79.66%
2009	19.28	17.22%
2008	53.71	364.36%

Performance

Score: nature of involvement in clean tech activities	10.00
---	-------

Renewables

Involvement in generation or development of solar power capacity	Non-core involvement (revenues <20%)
--	--------------------------------------

Power Management

Involvement in production or distribution of batteries	Non-core involvement (revenues <20%)
--	--------------------------------------



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Fuel Economy

Involvement in developing or distributing hybrid or electric vehicles

Pure play (revenues >50%)



APPENDIX

CONTENTS

ADDITIONAL ESG ISSUES

CONTROVERSIES DETAIL

ADDITIONAL CORPORATE GOVERNANCE CONTENT

KEY METRIC & SCORE CHANGES

CEO PAY CHARTS

DIRECTOR VOTES

SHAREHOLDER/MANAGEMENT PROPOSALS

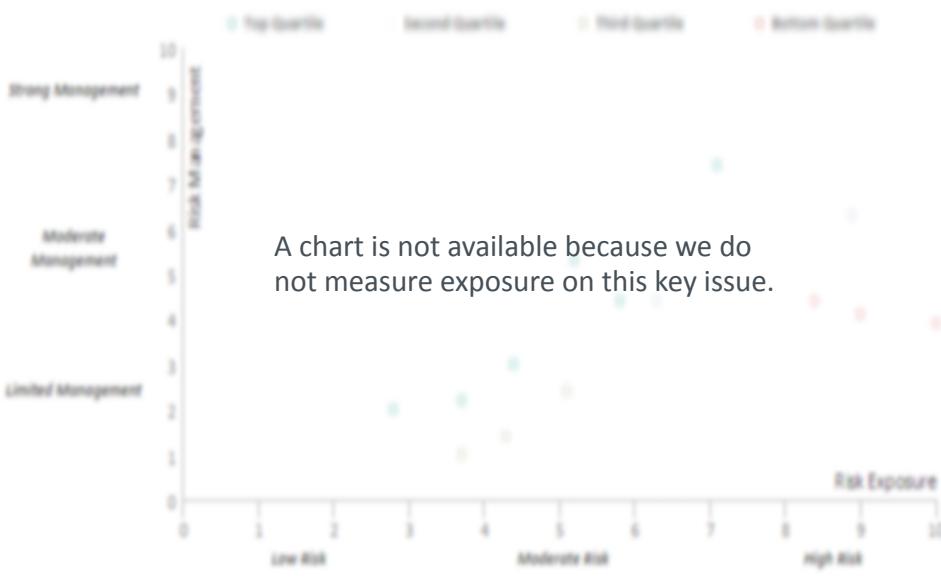
GOVERNANCE STANDARDS

DIRECTOR PROFILES

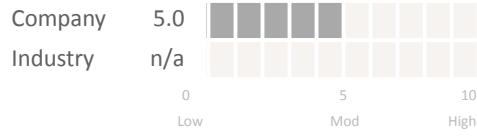


Anticompetitive Practices

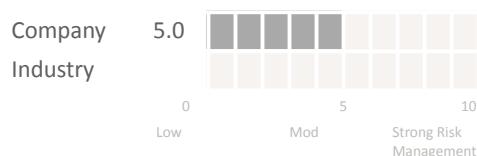
Score	Change (since rating)	Quartile	Weight	Last score change date
5.0	0.0	N/A		Jul 23, 2020



KEY ISSUE ASSESSMENT



RISK MANAGEMENT ASSESSMENT



Drivers of Risk Management



TOP 5 INDUSTRY LEADERS

Aima Technology Group Co., LTD.	5.0
BAJAJ AUTO LIMITED.	5.0
BYD COMPANY LIMITED	5.0
Chongqing Changan Automobile Company Limited	5.0
DONGFENG MOTOR GROUP COMPANY LIMITED	5.0

BOTTOM 5 INDUSTRY LAGGARDS

TATA MOTORS LIMITED	4.2
TOYOTA MOTOR CORPORATION	4.2
VOLKSWAGEN AKTIENGESELLSCHAFT	4.2
Bayerische Motoren Werke Aktiengesellschaft	3.7
Mercedes-Benz Group AG	3.7

METHODOLOGY NOTE

This issue evaluates the extent to which companies may face regulatory risks relating to anti-competitive practices. Companies successfully avoiding incident score "5", while companies that have faced controversies in the last three years score lower, based on the severity and type of controversy. This Key Issue is discontinued effective November 2020.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]



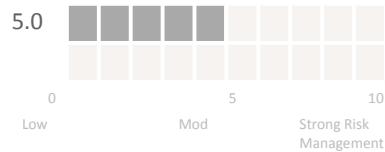
CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

MANAGEMENT

RISK MANAGEMENT ASSESSMENT

Company Industry



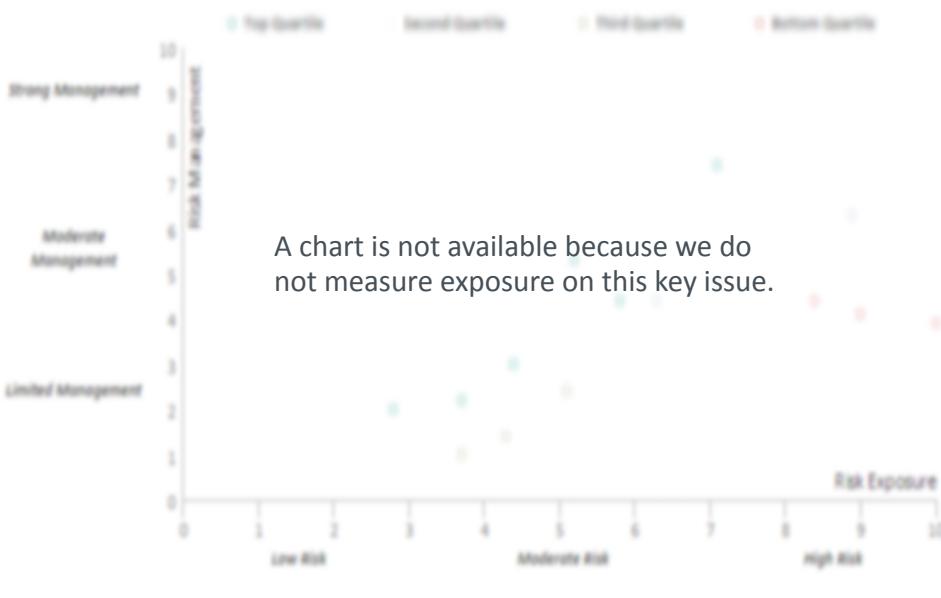


CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Business Ethics & Fraud

Score	Change (since rating)	Quartile	Weight	Last score change date
4.2	0.0	N/A		Jul 23, 2020



KEY ISSUE ASSESSMENT

Company	4.2	■■■■■
Industry	n/a	■■■■■
		0 Low 5 Mod 10 High

RISK MANAGEMENT ASSESSMENT

Company	4.2	■■■■■
Industry	n/a	■■■■■
		0 Low 5 Mod 10 Strong Risk Management

Drivers of Risk Management

Controversy Deduction	-0.8	■■■■■
Company	-0.8	■■■■■

TOP 5 INDUSTRY LEADERS

Aima Technology Group Co., LTD.	5.0
BAJAJ AUTO LIMITED.	5.0
BYD COMPANY LIMITED	5.0
Chongqing Changan Automobile Company Limited	5.0
DONGFENG MOTOR GROUP COMPANY LIMITED	5.0

BOTTOM 5 INDUSTRY LAGGARDS

TOYOTA MOTOR CORPORATION	3.3
NISSAN MOTOR CO., LTD.	2.5
Porsche Automobil Holding SE	2.5
Stellantis N.V.	2.5
VOLKSWAGEN AKTIENGESELLSCHAFT	2.5

METHODOLOGY NOTE

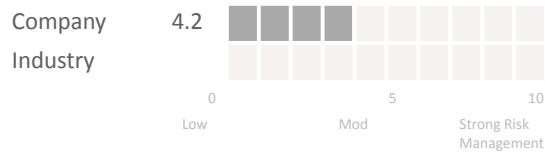
This issue evaluates the extent to which companies may face regulatory or legal risks or loss of investor confidence due to ethics issues such as fraud, executive misconduct, or insider trading. Companies successfully avoiding incident score "5", while companies that have faced controversies in the last three years score lower, based on the severity and type of controversy. This Key Issue is discontinued effective November 2020.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]



MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Controversy Cases

Assessment	Headline	Status	Last Updated
Moderate	US: Court settlement including USD 40 million penalty in SEC lawsuit related to CEO's social media posts; settlement challenged by CEO	Ongoing	May 2023
Moderate	Tesla Korea, South Korea: KRW 2.85 billion FTC penalty for allegedly misrepresenting and exaggerating the cold weather range of its vehicles	Concluded	May 2023
Moderate	US: CEO allegedly under regulatory investigation for potential insider trading violations	Ongoing	March 2022
Moderate	United States: Investigations and proposed class action lawsuits over alleged misstatements of Model 3 vehicle production forecasts	Ongoing	February 2021

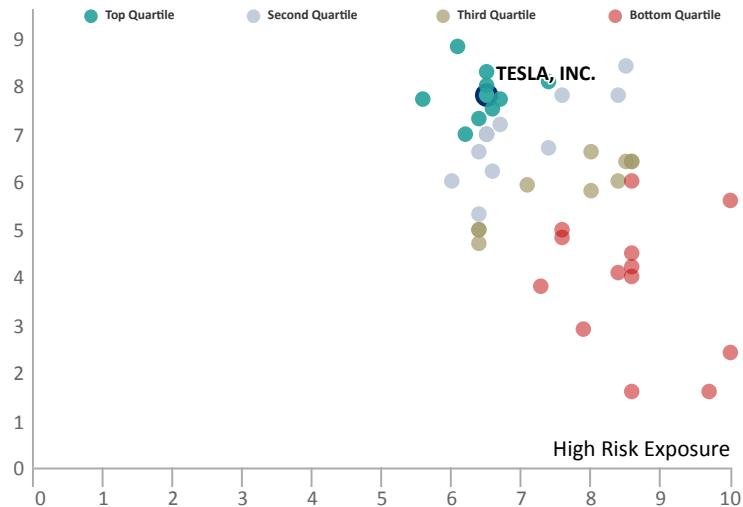


CCC | B | BB | BBB | A | AA | AAA

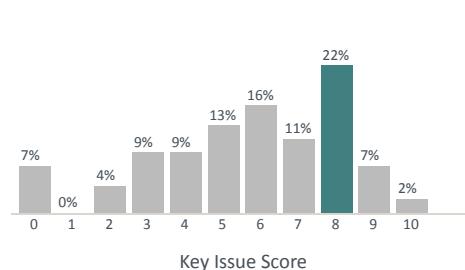
RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Corruption & Instability

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



TOP 5 INDUSTRY LEADERS

GENERAL MOTORS COMPANY	9.7
Dr. Ing. h.c. F. Porsche Aktiengesellschaft	9.1
VOLKSWAGEN AKTIENGESELLSCHAFT	8.8
HYUNDAI MOTOR COMPANY	8.5
TESLA, INC.	8.3

BOTTOM 5 INDUSTRY LAGGARDS

XPENG INC.	2.4
BAJAJ AUTO LIMITED.	2.0
Aima Technology Group Co., LTD.	0.0
Chongqing Changan Automobile Company Limited	0.0
DONGFENG MOTOR GROUP COMPANY LIMITED	0.0

METHODOLOGY NOTE

This issue evaluates the extent to which companies may face regulatory risks or lost market access due to corruption scandals or political and social instability. Scores are based on reliance on government contracts and operations in regions facing political instability or



CCC | B | BB | BBB | **A** | AA | AAA

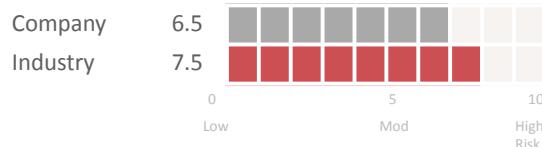
RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

high perceived corruption levels; anti-bribery policies, programs, and transparency; and controversies. This Key Issue is discontinued effective November 2020.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

EXPOSURE

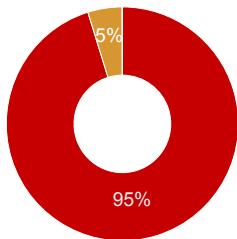
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Regulatory risks or lost market access due to corruption scandals or political and social instability

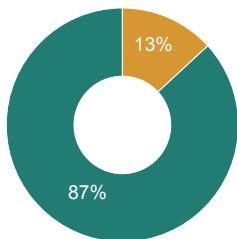
Business Types : Percentage of operations in business segments perceived most likely to pay or receive bribes



- Automobiles
- Semiconductors
- No exposure to low risk segments

Source: Bribe Payers Index (Transparency International); State Capture Index (Transparency International); Refinitiv; MSCI ESG Research; company disclosures

Business Locations : Percentage of operations in countries with high/moderate/low level of corruption and political instability, violence or terrorism



- No operations in markets with high risks
- China, other countries
- USA, Germany

Source: Corruption Perceptions Index (Transparency International); World Governance Indicators (World Bank); Refinitiv; MSCI ESG Research; company disclosures

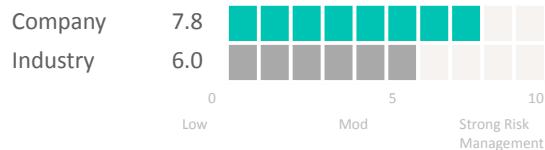
Additional Drivers of Exposure

Company is reliant on the government sectors for a major proportion: **No**



MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²			
Policies & Commitments						
Executive body responsible for managing business ethics and corruption issues	Board-level committee	Board-level committee	-	LOW	MID	TOP
Company's bribery and anti-corruption policy	Detailed formal policy on bribery and anti-corruption	Detailed formal policy on bribery and anti-corruption	-	LOW	MID	TOP
Business ethics policy covers facilitation payments	Policy sets guidelines on facilitation payments, but does not prohibit them	Policy prohibits facilitation payments	-	LOW	MID	TOP
Business ethics policy covers subsidiaries	Policy covers all subsidiaries	Policy covers all subsidiaries	-	LOW	MID	TOP

Programs & Structures

Scope of employee training on ethical standards	Programs covering all permanent employees (excluding part-time and contractors)	Programs covering all employees (including part-time) and contractors	-	LOW	MID	TOP
Provision of whistleblower protection	Policy provides whistleblowers with protection from retaliation	Policy provides whistleblowers with protection from retaliation	-	LOW	MID	TOP

CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. There is no evidence of the Tesla's current involvement in prominent controversial events or alleged misconduct.



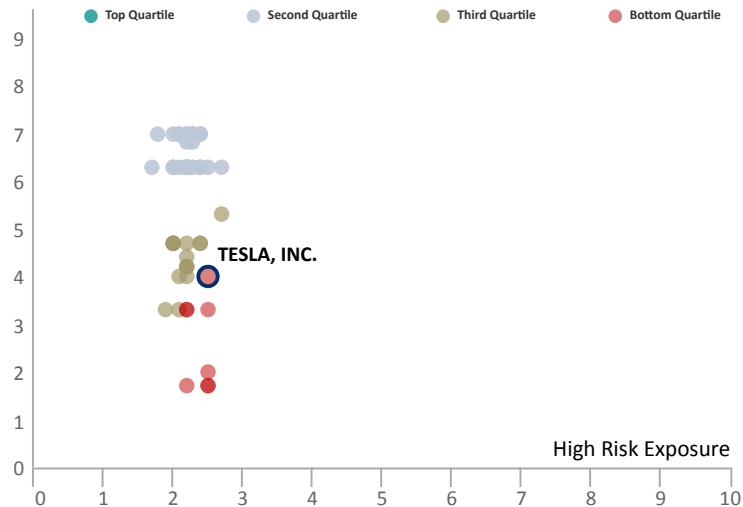
CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

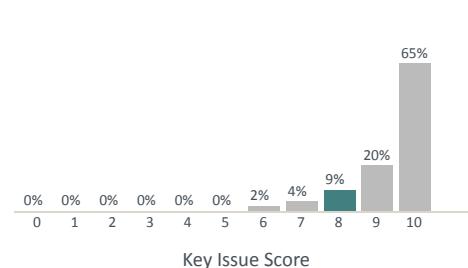
Carbon Emissions

Score	Change (since rating)	Quartile	Weight	Last score change date
8.5	▲ 0.7	•		Jun 16, 2022

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



TOP 5 INDUSTRY LEADERS

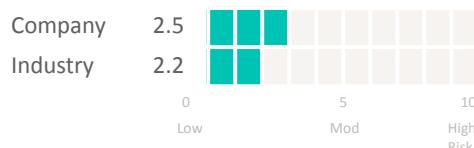
Bayerische Motoren Werke Aktiengesellschaft	10.0
Dr. Ing. h.c. F. Porsche Aktiengesellschaft	10.0
FORD MOTOR COMPANY	10.0
FORD OTOMOTIV SANAYI ANONIM SIRKETI	10.0
Ferrari N.V.	10.0

The company's business activities and the geographic distribution of its revenues suggest limited exposure to potential costs linked to carbon pricing or regulatory caps. Our analysis finds little evidence of mitigation capacity. The company therefore appears partially prepared to manage this risk. In the context of global industry peers, Tesla Motors ranks below average. Tesla Motors faces limited exposure to risks of compliance costs stemming from new or more stringent carbon regulations. We assess exposure based on the extent to which companies emit GHG in jurisdictions where regulations on carbon emissions are stringent or becoming more stringent, and the extent to which companies' main business activities are carbon-intensive based on the total GHG emissions relative to sales. Based on the company's reported revenue breakdown, carbon-or energy-intensive business lines do not account for a significant portion of its operations. Regions with stricter regulation of carbon emissions or energy efficiency, such as United States of America, represented 61.03% of Tesla Motors' revenues in the most recently available fiscal year. Overall, Tesla Motors has minimal policies and programs in place to manage these risks. We note the company lags in both current performance and targets for improvement.

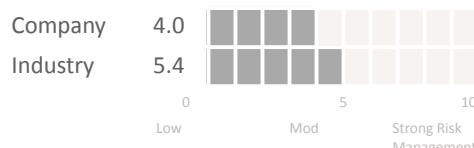
KEY ISSUE ASSESSMENT



RISK EXPOSURE ASSESSMENT



RISK MANAGEMENT ASSESSMENT



BOTTOM 5 INDUSTRY LAGGARDS

Chongqing Changan Automobile Company Limited	8.1
Li Auto Inc.	8.1
Aima Technology Group Co., LTD.	6.5
Lucid Group, Inc	6.5
RIVIAN AUTOMOTIVE, INC.	6.2

METHODOLOGY NOTE

Companies are evaluated on the carbon intensity of their operations and their efforts to manage climate-related risks and opportunities.

TESLA, INC. (TSLA)



CCC	B	BB	BBB	A	AA	AAA
-----	---	----	-----	---	----	-----

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Drivers of Risk Exposure



Drivers of Risk Management



*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

Business Locations

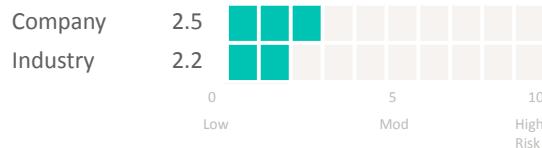


Performance Scoring



EXPOSURE

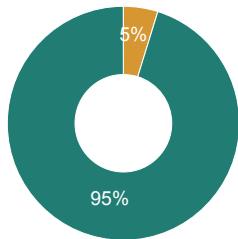
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risks of having to pay increased compliance costs tied to carbon emissions regulations

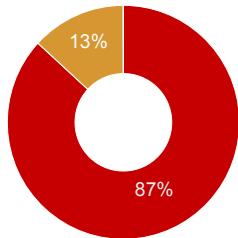
Business Types : Percentage of operations in business segments with high/moderate/low carbon intensity



- No exposure to high risk segments
 - Semiconductors
 - Automobiles

Source: IERS' Comprehensive Environmental Data Archive (CEDA); Air Emissions Accounts (Eurostat); Refinitiv; MSCI ESG Research; company disclosures

Business Locations : Percentage of operations in countries with strengthening or pending carbon emissions regulation



- USA, Germany
 - China, other countries
 - No operations in markets with low risks

Source: MSCI ESG Research; Refinitiv; company disclosures

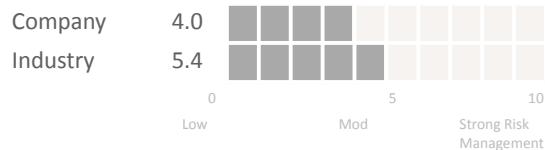


CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

MANAGEMENT

RISK MANAGEMENT ASSESSMENT



Description	Company Practice	Best Practice	Practices Score ²
-------------	------------------	---------------	------------------------------

Targets

Aggressiveness of the company's reduction target in the context of its current performance	No target	Aggressive target with a low base	-	LOW	MID	TOP
--	-----------	-----------------------------------	---	------------	-----	-----

Mitigation

Strength of Greenhouse Gas Mitigation Strategy (0-10 Score, 0=worst, 10=best)	7.00
---	------

Programs or actions to reduce the emissions intensity of core operations

Use of cleaner sources of energy	Some efforts	Aggressive efforts	-	LOW	MID	TOP
Energy consumption management and operational efficiency enhancements	Some efforts	Aggressive efforts	-	LOW	MID	TOP
CDP disclosure	No	Yes	-	LOW		TOP

Performance

Carbon Emissions Performance Relative to Peers (0-10 Score, 0=worst, 10=best)	5.00
---	------

GHG Emissions - metric tons CO2e

Year	Scope 1 Disclosed	Scope 1 Estimate Key	Scope 2 Disclosed	Scope 2 Estimate Key	Scope 1+2 Disclosed	Scope 3 (upstream)	Scope 3 (downstream)	Scope 3 (undefined)	Scope 1 Estimated	Scope 2 Estimated	Scope 1+2 Estimated	Scope 1+2 Estimate Key	GHG Emissions Details
2022	202,000.0	Reported	408,000.0	Reported	610,000.0	24,318,000.0	5,782,000.0					Reported	
2021	185,000.0	Reported	403,000.0	Reported	588,000.0		1,954,000.0					Reported	
2020		E.CSI		E.CSI					90,854.0	236,126.0	326,980.0	E.CSI	July - 2023 Emissions Estimation Update
2019		E.CSI		E.CSI					70,808.0	184,028.0	254,836.0	E.CSI	July - 2023 Emissions Estimation Update
2018		E.CSI		E.CSI					61,829.0	160,691.0	222,520.0	E.CSI	July - 2023 Emissions Estimation Update
2017		E.CSI		E.CSI					40,417.0	88,044.0	128,461.0	E.CSI	June-2022 Emissions Estimation Update
2016	E.Segmt-Moderately High		E.Segmt-Moderately High						53,016.0	114,310.0	167,326.0	E.Segmt-Moderately High	Feb-2018 Estimation Update
2015	E.Segmt-Moderately High		E.Segmt-Moderately High						42,255.0	73,676.0	115,931.0	E.Segmt-Moderately High	Jan-2017 Estimation Update (Segment)
2014	E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH						30,868.0	56,578.0	87,446.0	E.GICSSI - MODERATELY HIGH	Dec-2015 Estimation Update
2013	E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH						19,619.0	35,665.0	55,284.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Year	Scope 1 Disclosed	Scope 1 Estimate Key	Scope 2 Disclosed	Scope 2 Estimate Key	Scope 1+2 Disclosed	Scope 3 (upstream)	Scope 3 (downstream)	Scope 3 (undefined)	Scope 1 Estimated	Scope 2 Estimated	Scope 1+2 Estimated	Scope 1+2 Estimate Key	GHG Emissions Details
2012		E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH					4,151.0	7,320.0	11,471.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update
2011		E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH					2,051.0	3,618.0	5,669.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update
2010		E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH					1,173.0	2,068.0	3,241.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update
2009		E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH					1,124.0	1,983.0	3,107.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update
2008		E.GICSSI - MODERATELY HIGH		E.GICSSI - MODERATELY HIGH					148.0	261.0	409.0	E.GICSSI - MODERATELY HIGH	May 2022 Emission Estimation Update

GHG Emissions Intensity - metric tons CO2e / USD million sales

Year	GHG Intensity	GHG Intensity Details	GHG Intensity - Reported	GHG Intensity - Reported Details
2022	7.50		0.35	mtCO2e/vehicle
2021	10.90		0.50	mtCO2e/vehicle
2020	10.40			
2019	10.40			
2018	10.40			
2017	10.90			
2016	23.90			
2015	28.70			
2014	27.30			
2013	27.50			
2012	27.80			
2011	27.80			
2010	27.80			
2009	27.80			
2008	27.70			

Energy Consumption

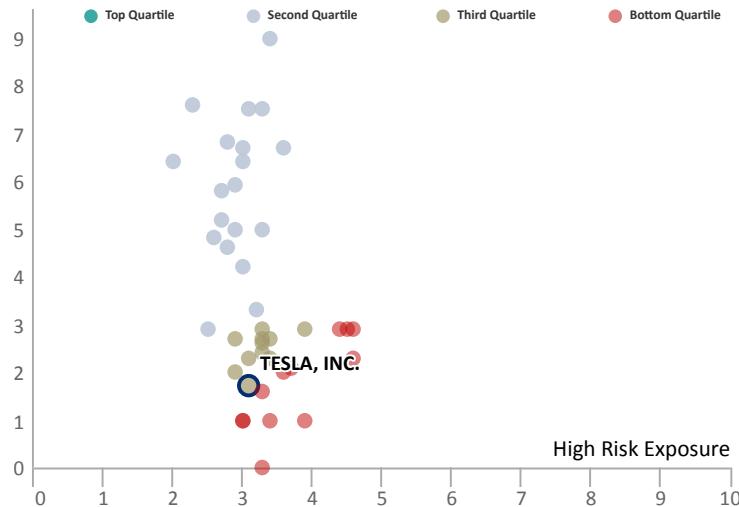
Year	Total energy consumption (reported)	Total energy consumption (MWh)	Energy intensity (reported)	Reported intensity details	Total energy consumption intensity	Energy consumption details
2020	2,613,000	2,613,000			82.86	Cumulative Energy Used
2019	1,765,000	1,765,000			71.81	Cumulative Energy Used
2018	1,140,000	1,140,000			53.12	Cumulative Energy Used



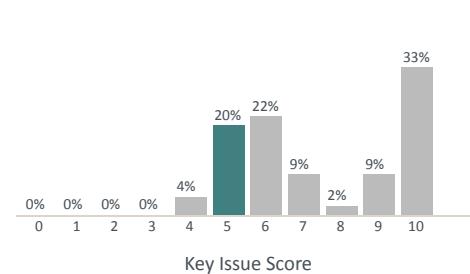
Water Stress

Score	Change (since rating)	Quartile	Weight	Last score change date
5.6	0.0	••	0.0%	May 19, 2022

Strong Risk Management



KEY ISSUE SCORE DISTRIBUTION*



TOP 5 INDUSTRY LEADERS

BYD COMPANY LIMITED	10.0
DONGFENG MOTOR GROUP COMPANY LIMITED	10.0
FORD MOTOR COMPANY	10.0
GEELY AUTOMOBILE HOLDINGS LIMITED	10.0
GENERAL MOTORS COMPANY	10.0

BOTTOM 5 INDUSTRY LAGGARDS

RIVIAN AUTOMOTIVE, INC.	5.0
HERO MOTOCORP LIMITED	4.7
Aima Technology Group Co., LTD.	4.6
TVS MOTOR COMPANY LIMITED	4.1
Great Wall Motor Company Limited	3.7

METHODOLOGY NOTE

Companies are evaluated on the water intensity of their operations, levels of water stress in their areas of operation and their efforts to manage water-related risks and opportunities.

*[For symbols and terms used in this report, refer to the Glossary section at the end of the report]

TESLA, INC. (TSLA)

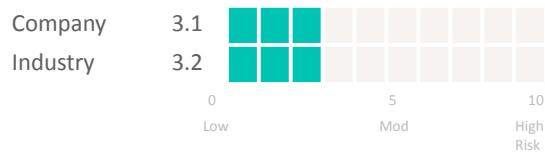


CCC B BB BBB A AA AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

EXPOSURE

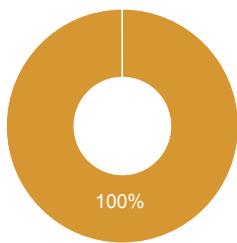
RISK EXPOSURE ASSESSMENT



Key Drivers of Risk Exposure

Exposure to: Risk of increased cost of input, disputes around access rights to key resources or operational disruptions to production processes requiring water as a critical input

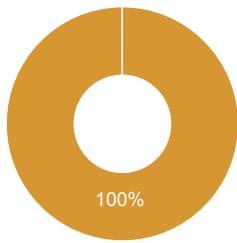
Business Types : Percentage of operations in business segments with high/moderate/low water intensity



- No exposure to high risk segments
 - Automobiles, Semiconductors
 - No exposure to low risk segments

Source: IERS' Comprehensive Environmental Data Archive (CEDA); MSCI ESG Research; Refinitiv; company disclosures

Business Locations : Percentage of operations in countries or regions with high/moderate/low percent of territory affected by oversubscription to water resources

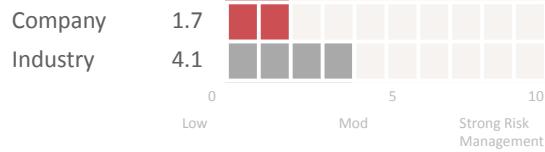


- No operations in markets with high risks
 - China, USA, other countries, Germany
 - No operations in markets with low risks

Source: WRI Aqueduct; Refinitiv; MSCI ESG Research; company disclosures

MANAGEMENT

RISK MANAGEMENT ASSESSMENT





Description	Company Practice	Best Practice	Practices Score ²
Governance and Strategy			
Implementation of Water Efficient Production Processes	0.00		
Evidence of Using Alternative Water Sources	No	Yes	- LOW TOP
Executive body responsible for water management strategy and performance:			
CSR or Sustainability Committees are responsible for water management strategy and performance	Yes	Yes	- LOW TOP
Performance			
Water Intensity Relative to Peers (0-10 Score, 0=worst, 10=best)		3.00	
Water Withdrawal Performance			
Year	Freshwater Withdrawal (m3)	Freshwater Withdrawal Intensity (m3/ USD million sales)	
2021			
2020			
2019			
2018			
Water Consumption Performance			
Year	Freshwater Consumption (m3)	Freshwater Consumption Intensity (m3/ USD million sales)	Details
2021			
2020			
2019			
2018			

CONTROVERSIES

All controversies are assessed as part of the annual review of a company's ESG rating. MSCI ESG Research tracks controversies for all companies on a regular basis. There is no evidence of the Tesla's current involvement in prominent controversial events or alleged misconduct.



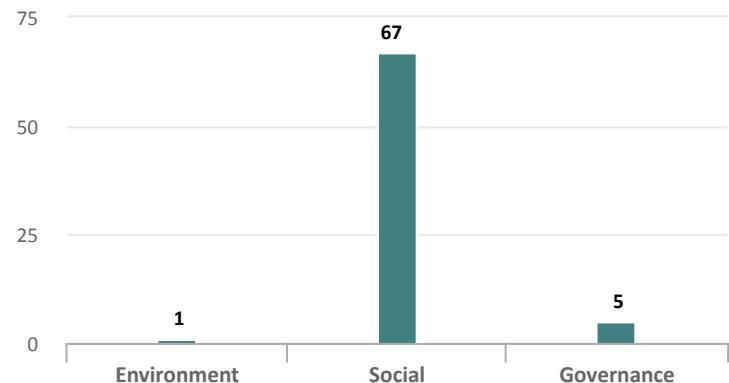
CONTROVERSIES DETAIL

Here you will find the narratives for all controversies relevant to the ESG Ratings issues covered for the company in addition to those controversies that do not map to the ESG Ratings issues.

CONTROVERSY CARD

	MOST SEVERE CONTROVERSY	CONTROVERSY COUNT
Environment		
Carbon Emissions	None	0
Product Carbon Footprint	None	0
Water Stress	None	0
Opportunities in Clean Tech	None	0
Social		
Labor Management	Moderate	16
Product Safety & Quality	Severe	42
Governance		
Corruption & Instability	None	0
Business Ethics & Fraud	Moderate	4
Anticompetitive Practices	None	0
Corporate Governance	None	0
Corporate Behavior	Moderate	4

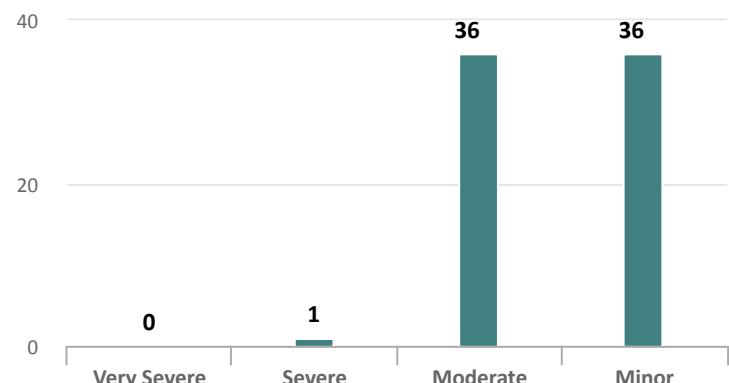
NUMBER OF CONTROVERSIES BY PILLAR



CONTROVERSIES

- **Very Severe:** Indicates an action by a company that results in a very large impact on society and/or the environment.
- **Severe:** Indicates an action by a company that results in a large impact on society and/or the environment.
- **Moderate:** Indicates an action by a company that results in a moderate impact on society and/or the environment.
- **Minor:** Indicates an action by a company that results in a low impact on society and/or the environment.
- **None:** There is no evidence that a company is involved in any controversy.

NUMBER OF CONTROVERSIES BY ASSESSMENT



ENVIRONMENTAL CONTROVERSIES

Moderate Controversies

Date: November 2020

Assessment: Moderate

Status: Ongoing

Germany: EUR 12 million penalty over alleged non-compliance with vehicle end-of-life rules on the collection of battery packs

In October 2020, Tesla Inc. disclosed in its quarterly report that its German subsidiary was penalized EUR 12 million (approximately USD 12 million) by the Federal Environmental Agency (Umweltbundesamt) over its alleged non-compliance with end-of-life battery rules related to market participation notifications and take-back obligations. The company has filed its objection against the penalty.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

UPDATES: 02 Nov 2020: Tesla fined \$14M in Germany for battery recycling violation. (AUTOMOTIVE NEWS)

26 Oct 2020: 10-Q. (SEC Filing)

Source: 02 Nov 2020 (AUTOMOTIVE NEWS)

SOCIAL CONTROVERSIES

Severe Controversies

Date: April 2023

Assessment: Severe

Status: Ongoing

United States: Allegations of safety issues in Autopilot technology and driver assistance systems following road accidents

In June 2022, the U.S. National Highway Traffic Safety Administration (NHTSA) reportedly upgraded its preliminary investigation into Tesla's driver assistance system "Autopilot" to an "engineering analysis" which covered Models S, X, Y and 3 vehicles. The NHTSA also requested further information from Tesla on unexpected braking incidents after citing that it had already received 750 consumer complaints of automatic emergency braking systems engaging for no apparent reason.

According to a June 2022 report by the NHTSA, Tesla reported the highest number of crashes among automakers with vehicles equipped with "level 2 advanced driver assistance systems".

In February 2022, the NHTSA opened an investigation into 354 complaints alleging unexpected braking in 2021-2022 Tesla Model 3 and Y vehicles equipped with Autopilot.

In October 2021, Investigators inquired with Tesla why recalls were not initiated when the Autopilot software was updated, in efforts to better track emergency vehicles that are parked. Alongside this, The NHTSA ordered Tesla to provide information over the "Full Self-Driving" software presently tested on public roads with some owners. Tesla responded to the demand of NHTSA over the Autopilot driver-assist system requesting for confidentiality with the business information.

In August 2021, NHTSA reportedly opened a safety probe into Tesla's driver assistance system, Autopilot, following 11 crashes involving emergency vehicles which have resulted in 17 injuries and one death. NHTSA said that most of the crashes occurred at night with emergency vehicle lights, flares or traffic cones present on the site.

In June 2021, Reuters reported the NHTSA had opened 30 investigations into vehicle accidents involving ten deaths since 2016 wherein Tesla's Autopilot were said to be in use.

In April 2021, the NHTSA, the U.S. National Transportation Safety Board (NTSB) and local authorities opened investigations into a fatal crash involving Tesla's Autopilot system in Texas wherein neither of the two vehicle occupants were found in the driver's seat. In May 2021, the NTSB noted in its preliminary report Traffic Aware Cruise Control may have been engaged, though Autosteer was not available on the part of the road where the accident occurred; both systems are required for Tesla's Autopilot to be engaged.

In October 2019, CNBC reported NHTSA was looking into reports of accidents involving the Smart Summon feature added to the Autopilot systems of Model 3 vehicles. The feature allowed owners to call their vehicles to their location from a parking spot without a driver.

Reuters reported in September 2019, Tesla's driver assistance system was engaged in at least three fatal crashes in 2018 involving Model 3, Model S and Model X vehicles. The NTSB reportedly cited driver errors, especially in the Autopilot design, as the probable cause for one of the accidents.

A CNBC report in August 2019 stated the NHTSA had sent a cease-and-desist letter to Tesla in October 2018 regarding potentially misleading safety claims on its Model 3 vehicle. The report said the matter was referred to the Federal Trade Commission's Bureau of Consumer Protection for another possible investigation.

In March 2019, the NHTSA, the NTSB, and local authorities reportedly opened investigations into a fatal accident involving a Model 3 in Florida. The two federal agencies were also said to be investigating several other Tesla crashes allegedly involving the use of Tesla's driver assistance system, including a fatal crash in California in March 2018.

Since 2016, Tesla has faced investigations by US authorities and lawsuits by consumers over vehicular accidents allegedly caused by safety issues in the Autopilot technology and driver assistance systems in its Model S, Model X and Model 3 vehicles.

UPDATES: 23 Apr 2023: Big Win for Tesla: Los Angeles Court Throws Out Lawsuit Seeking 3 Million Over Crash While in Autopilot. (IBTIMES SINGAPORE)

28 Oct 2022: Exclusive-Tesla Faces U.S. Criminal Probe Over Self-driving Claims-sources.. (INTERNATIONAL BUSINESS TIMES - US ED.)

16 Nov 2022: Tesla reports two new fatal crashes involving driver assistance systems, article with image. (REUTERS)

03 Oct 2022: United States: NHTSA Probes Tesla Crashes Involving Motorcyclist Fatalities. (MONDAQ BUSINESS BRIEFING)

09 Sep 2022: German authority's probe finds 'abnormalities' in Tesla autopilot - WirtschaftsWoche. (REUTERS)

31 Aug 2022: A Tesla owner is suing the electric vehicle maker, alleging his Model 3 stops for random obstacles in 'frightening and dangerous nightmare'. (BUSINESS INSIDER)

24 Aug 2022: Tesla Model Y complains about abnormal brakes after 10 days. (FINANCE SINA)

18 Aug 2022: U.S. seeks information from Tesla on in-car camera in Autopilot probe. (REUTERS)

15 Aug 2022: Tesla Reportedly Wins Autopilot & FSD Marketing Lawsuit In Germany. (MSN SOUTH AFRICA)

05 Aug 2022: US agency probes Tesla crashes that killed 2 motorcyclists. (ASSOCIATED PRESS FINANCIAL WIRE)



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

- 05 Aug 2022: California DMV Accuses Tesla of False Advertising. (WALL STREET JOURNAL)
- 18 Jul 2022: Tesla ordered by German court to reimburse a woman \$101,000 because her Autopilot was unreliable and kept making the car brake, report says. (BUSINESS INSIDER)
- 18 Jul 2022: U.S. investigates California Tesla crash that killed motorcyclist. (REUTERS)
- 20 Jul 2022: Jury: Tesla just 1% to blame for teen driver's fiery crash. (AP ASSOCIATED PRESS STATE & REGIONAL WIRES (EMBARGOED DATA))
- 08 Jul 2022: U.S. opens special probe into fatal Tesla pedestrian crash in California. (NDTV)
- 15 Jun 2022: Summary Report: Standing general order on crash reporting for level 2 advanced driver assistance systems. (US National Highway Traffic Safety Administration)
- 15 Jun 2022: Data likely shows Teslas on Autopilot crash more than rivals. (Associated Press)
- 09 Jun 2022: Tesla investigation deepens after more than a dozen US 'Autopilot' crashes. (The Guardian)
- 03 Jun 2022: U.S. safety regulators receive over 750 complaints of Teslas braking for no reason. (CBS News)
- 18 May 2022: U.S. agency opens probe into fatal Tesla crash that killed three. (Reuters)
- 22 Feb 2022: US Regulator Launches Probe Into Tesla 'Phantom Braking'. (SILICON.CO.UK)
- 21 Feb 2022: Tesla's Autopilot feature is being investigated by German regulators. (CNBC) Germany was reportedly assessing the technology's safety for use on German roads.
- 02 Feb 2022: Monet v. Tesla Inc., 5:22-cv-00681. (US District Court for the Northern District of California)
- 19 Jan 2022: First felony charges filed for fatal Tesla Autopilot crash. (CNET NEWS)
- 12 Jan 2022: UPDATE 2- California reviews whether Tesla's self-driving tests require regulatory oversight. (HAARETZ)
- 16 Dec 2021: UPDATE 1-U.S. Auto Safety nominee seeks to finish probes of Tesla crashes. (HAARETZ)
- 09 Dec 2021: NHTSA is discussing faulty Autopilot cameras with Tesla. (CNBC) Tesla reportedly decided to replace some repeater cameras on a goodwill basis for eligible customers but has not issued a recall.
- 17 Nov 2021: Tesla 2020 California Crash: US NTSB Closes Probe, No Action Taken. (Reuters) The NTSB noted that Autopilot was engaged but the driver put the Model 3 vehicle in override mode prior to the fatal accident.
- 13 Nov 2021: US opens probe into Tesla's Autopilot over emergency vehicle crashes. (CNN) The NHTSA was reportedly probing another California accident involving a 2021 Model Y in Full Self Driving Beta mode.
- 03 Nov 2021: Musk and an Autopilot critic sought as witnesses in Tesla crash trial. (Automotive News) Tesla continued to face a lawsuit alleging that its Autopilot system led to a 2019 fatal car accident in Florida.
- 25 Oct 2021: Tesla responds to Gov't request for autopilot information but requests confidentiality. (Newsweek)
- 21 Oct 2021: Fatal Tesla crash in Texas had a driver behind the wheel, probe finds. (CBC)
- 21 Oct 2021: Tesla's driving data-storage system decrypted by Dutch forensic lab: Group finds Autopilot data. (Mail Online UK)
- 13 Oct 2021: U.S. asks Tesla why it didn't recall Autopilot driving system. (Washington Times)
- 10 Oct 2021: Tesla puts Full Self-Driving beta on hold after Elon Musk expresses 'last minute concerns'. (Business Insider)
- 28 Feb 2021: 5 Texas cops are suing Tesla, alleging a car on Autopilot injured them at a traffic stop. (Business Insider)
- 20 Sep 2021: Tesla gets flak from US agency for 'basic safety issues' on Autopilot, FSD. (Hindustan Times) The US National Transportation Safety Board (NTSB) head reportedly criticized Tesla for testing Autopilot upgrades on public roads and for its potentially misleading 'Full Self-Driving' name for its driver assistance system.
- 14 Sep 2021: Tesla Autopilot to be compared with 12 other carmakers' systems in NHTSA probe. (CNBC)
- 04 Sep 2021: U.S. probing fatal Tesla crash that killed pedestrian. (Reuters) Police were investigating the said incident in New York City.
- 30 Aug 2021: Tesla on Autopilot crashes into parked police car in Florida, report says. (Automotive News) The police car reportedly had emergency lights on during the crash. No major injuries were reported.
- 18 Aug 2021: Senators call for federal probe into Tesla's Autopilot claims. (CNN)
- 17 Aug 2021: U.S. opens probe into Tesla's Autopilot over emergency vehicle crashes. (Reuters)
- 03 Aug 2021: Tesla engineers were quietly concerned with Elon Musk's early claims about the company's self-driving tech, according to a new book. (Business Insider)
- 26 Jul 2021: Wang v. Tesla, Inc., 1:20-cv-03040. (District Court, E.D. New York) Order on motion for leave to file.
- 20 Jul 2021: Consumer Reports says Tesla's Full Self-Driving software lacks safeguards. (Reuters)
- 09 Jul 2021: Tesla Vehicle Safety Report. (Tesla Inc.)
- 05 Jul 2021: Tesla Says Autopilot Makes Its Cars Safer. Crash Victims Say It Kills. (The New York Times) A crash victim's family filed a lawsuit against Tesla over allegations that its Model 3 vehicle's autopilot system was partly responsible for a motor accident that resulted in the death of a driver of another vehicle.
- 18 Jun 2021: U.S. safety agency probes 10 Tesla crash deaths since 2016. (Reuters)
- 27 May 2021: Tesla loses U.S. designation for some advanced safety features. (Reuters) The NHTSA said that the newer Model 3 and Y vehicles would not have the advanced safety features associated with radar sensors.



- 26 May 2021: Tesla Sued over Fatal Wreck Blamed on Autopilot System. (LAW360)
- 26 May 2021: Tesla doubles down on camera-based Autopilot amid growing scrutiny. (Reuters) Tesla reportedly announced that it would transition away from the use of radar sensors.
- 18 May 2021: Tesla in autopilot mode crashes into parked police car. (ABC News) There were no injuries reported on the incident in Washington, US.
- 17 May 2021: DMV probing whether Tesla violates state regulations with self-driving claims. (Los Angeles Times) The California Department of Motor Vehicles was reportedly investigating whether Tesla has misled consumers with its self-driving claims.
- 15 May 2021: Crash victim had posted videos riding in Tesla on Autopilot. (The Associated Press)
- 14 May 2021: Elon Musk says Tesla is pushing ahead with "full self-driving" a month after fatal crash. (CNN)
- 15 May 2021: Tesla Autopilot may have been engaged during crash in US, clarifies probe. (Hindustan Times)
- 10 May 2021: NTSB Issues Preliminary Report for Fatal, Texas, Tesla Crash. (National Transportation Safety Board)
- 23 Apr 2021: U.S. agency still gathering facts on Texas Tesla crash. (Reuters)
- 23 Apr 2021: Consumer Reports tricks Tesla to drive with no one at wheel. (The Associated Press)
- 21 Apr 2021: Tesla drives on Autopilot through a regulatory grey zone. (Reuters)
- 20 Apr 2021: Texas police to demand Tesla crash data as Musk denies Autopilot use. (Reuters)
- 19 Apr 2021: 2 dead in Tesla crash after car 'no one was driving' hits tree, authorities say. (NBC News)
- 30 Mar 2021: US safety agency says it will gather information on Tesla truck crash in New Jersey. (Reuters)
- 19 Mar 2021: U.S. safety agency reviewing 23 Tesla crashes, three from recent weeks. (Reuters)
- 17 Mar 2021: Tesla on autopilot drives into Michigan trooper's patrol car. (ABC News)
- 11 Feb 2020: Apple engineer killed in 2018 Tesla crash had complained about Autopilot. (CNBC)
- 08 Jan 2020: UPDATE 1-U.S. safety agency opens probe into fatal Tesla crash in Indiana. (Reuters)
- 31 Dec 2019: U.S. auto safety agency to investigate fatal Tesla crash in California. (Reuters)
- 13 Dec 2019: REFILE-U.S. agency probes 12th Tesla crash tied to possible Autopilot use. (Reuters)
- 09 Oct 2019: Consumer Reports calls Tesla automated parking 'glitchy'. (Reuters)
- 02 Oct 2019: Tesla's new Smart Summon feature is drawing scrutiny from US traffic safety agency as people use it in crowded parking lots. (CNBC)
- 04 Sep 2019: UPDATE 2-U.S. safety agency cites driver error, Tesla Autopilot design in crash report. (Reuters)
- 07 Aug 2019: Tesla received a cease-and-desist letter from US agency over Model 3 safety claims. (CNBC)
- 16 May 2019: Tesla's Autopilot system was engaged during fatal Florida crash in March: NTSB. (Reuters)
- 02 Mar 2019: U.S. agency probing two fatal Tesla crashes in Florida since last Sunday. (Reuters)

Source: 23 Apr 2023 (IBTIMES SINGAPORE)

Moderate Controversies

Date: June 2023

Assessment: Moderate

Status: Concluded

Florida, US: NLRB ordered to stop violating employees' fundamental right to discuss wages, working conditions, or bring complaints to high level management

In April 2023, Reuters reported that the U.S. National Labor Relations Board (NLRB) ordered a Tesla service center in Florida to stop violating the fundamental rights of its employees by allegedly preventing them from discussing their wages and working conditions or bringing complaints to high level management. The NLRB ordered the center to post a notice of the violations at the service center and email it to all employees. The ruling came after a technician filed a complaint against Tesla with the NLRB in 2022.

UPDATES: 07 Jun 2023: NLRB Deems Tesla Collision Center's Wage Talk Ban Unlawful. (LAW360)

26 Apr 2023: Tesla broke U.S. labor law by silencing workers, official rules. (Reuters)

Source: 07 Jun 2023 (LAW360)

Date: June 2023

Assessment: Moderate

Status: Ongoing

California, New York, and Nevada, US: Lawsuits over alleged racial discrimination, harassment, and retaliation by supervisors and colleagues at factories

Since 2018, more than 287 former African-American employees have filed multiple lawsuits against Tesla, Inc. (Tesla) for alleged racial discrimination, harassment, and retaliation at its factories in California, New York, and Nevada.

California

Since November 2018, more than 280 employees have filed class action lawsuits against Tesla over alleged racial discrimination, harassment, and retaliation by supervisors and colleagues at the California plant.

In November 2018, according to the New York Times, more than 24 current and former employees of Tesla and its contractors also reported complaints of racial discrimination at the Fremont factory. The allegations included discrimination in job advancement, use of racially discriminatory language and drawings in the factory and harassment by assigning unskilled tasks and death threats among others and improper handling of the complaints. Further, four employees reported that they were improperly terminated while an employee quit his job at Tesla due to alleged discrimination and/or retaliation.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

In October 2021, a California federal jury ordered Tesla to pay USD 137 million in compensation to a African-American former elevator operator at Tesla's Fremont factory who claimed that Tesla failed to address racial discrimination he faced from other employees and a supervisor from 2015 to 2016.

Following the awarded USD 137 million in damages over the discrimination case, a former contractor of Tesla filed a lawsuit against the company over alleged subjection to discriminatory behavior, including sexual harassment. The employee, who was contracted to work in the Fremont, California plant, was dismissed from work due to purported attendance problems during the California wildfires and COVID-19 impact.

In November 2021, Automotive News reported that Tesla filed an appeal against the USD 137 million award in a former employee's discrimination lawsuit.

In February 2022 the Department of Fair Employment and Housing (DFEH) of California filed a putative class action lawsuit against Tesla alleging that the company engaged in discrimination and harassment against its workers based on race, retaliated against workers who internally reported the harassment, and failing to prevent harassment. Prior to the lawsuit the DFEH investigated multiple complaints from Tesla workers for three years alleging that African-American employees were harassed and discriminated in terms of employment conditions including assignment, discipline, promotion, and termination. The investigation also found that the African-American workers purportedly had to waive certain rights, forums and procedures as conditions of employment and benefits. DFEH claimed that attempts to resolve the dispute without litigation failed.

Tesla in a public blog, denied the allegations, claiming that the lawsuit was unfair and counterproductive, and asserted that its workplace was safe, respectful, fair, and inclusive.

In April 2022, a California federal judge upheld the October 2021 jury verdict against Tesla but reduced the awarded amount from USD 137 million to USD 15 million. The federal judge later ordered for a new trial in June 2022, after the plaintiff turned down the USD 15 million award.

In June 2022, fifteen African-American current and former employees filed a lawsuit in a California state court against Tesla alleging they were regularly subject to racist comments and behavior by colleagues, managers and human resources staff. Most of the alleged discrimination reportedly occurred at the Fremont factory.

In April 2023, the San Francisco Chronicle reported that the California Civil Rights Department filed a lawsuit against Tesla for allegedly refusing to discuss its treatment of racial minorities, women and disabled people at its facilities in California.

In May 2023, the International Business Times reported that a federal jury in San Francisco ordered Tesla to pay USD 3.2 million to a former African-American employee after the company failed to prevent severe racial harassment at its assembly plant in California.

In May 2023, a former African-American human resources manager filed a lawsuit against Tesla, alleging that she was fired after she refused to illegally fire a Latina employee targeted by a white manager at the Fremont plant.

In June 2023, approximately 240 African-American former employees, including contractors, filed a motion in California state court to join a discrimination lawsuit against Tesla for alleged racial discrimination, harassment, and retaliation by supervisors and colleagues at the Fremont factory.

New York

In November 2019, six African American and Hispanic former employees from Tesla's solar panel factory in Buffalo City filed a complaint which allegedly prevented them from being promoted. The New York Attorney General's Office is carrying out an investigation into this matter.

Nevada

In February 2022, an African-American construction manager filed a lawsuit against Tesla in Alameda County Superior Court, alleging that he was fired for reporting safety violations and racial discrimination at Tesla's battery factory in Nevada.

UPDATES: 06 Jun 2023: Nearly 240 Black Workers Want To Join Class-Action Lawsuit Against Tesla. (BET.COM)

22 May 2023: Jury Orders Tesla To Pay \$3.2 Million To Black Ex-worker In US Race Bias Case. (INTERNATIONAL BUSINESS TIMES NEWS)

09 May 2023: Suit: Tesla fired 'angry Black woman' after refusal to ax worker. (SFGATE)

15 Apr 2023: Tesla allegedly defying state probe. (THE SAN FRANCISCO CHRONICLE (CALIFORNIA))

28 Feb 2023: Tesla Wants Feces Evidence Nixed From Racial Bias Retrial. (LAW360)

07 Jan 2023: Judicial Council of California Issues Opinion in Marcus Vaughn Vs. Tesla Case. (TARGETED NEWS SERVICE)

05 Jan 2023: Minority Tesla staff get favorable ruling. (THE SAN FRANCISCO CHRONICLE (CALIFORNIA))

16 Dec 2022: Racism lawsuit against Tesla gaining momentum in California. (THE PENINSULA)

15 Dec 2022: Racism lawsuit against Tesla gaining momentum in California. (QATAR PENINSULA)

18 Oct 2022: Tesla seeks full retrial in factory worker's race bias lawsuit. (REUTERS)

17 Oct 2022: Tesla Wants Full Redo In Bias Case That Yielded \$137M Verdict. (LAW360)

22 Sep 2022: Tesla countersues California agency behind race bias lawsuit, article with gallery. (REUTERS)

24 Aug 2022: Tesla to urge dismissal of California agency's race bias lawsuit, article with gallery. (REUTERS)

22 Jun 2022: Black former Tesla contractor turned down \$15 million award in racial harassment suit, likely setting up new trial. (CNN)

02 Jul 2022: Tesla hit by new lawsuit alleging racial abuse against Black workers. (Reuters)

27 Jun 2022: Judge orders new trial in Tesla worker's race bias lawsuit. (Reuters)

21 Jun 2022: Tesla ex-worker rejects \$15M payout in race bias lawsuit. (New York Post)

08 Jun 2022: Tesla cannot pause race bias case as it challenges agency's powers. (Reuters)



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

- 19 Apr 2022: Tesla Goes on Offensive in California Race Discrimination Suit. (Charlotte Observer)
- 14 Apr 2022: A judge upheld a Black former Tesla worker's racial discrimination claim but cut his payout from \$137 million to \$15 million. (Business Insider)
- 18 Mar 2022: Tesla: White workers tormented Black war-blast victim with rocket-warning sounds, suit claims. (SILICONVALLEY.COM)
- 05 Mar 2022: Tesla runs a 'racially segregated workplace,' California claims in suit. (HR DIVE)
- 22 Feb 2022: Tesla hit by another lawsuit over racism by ex-worker. (Reuters)
- 09 Feb 2022: DFEH v. Tesla, Inc. et al., 22CV006830. (Superior Court of California, County of Alameda)
- 01 Feb 2022: Barker v. Tesla, Inc. et al., 22CV006357. (Superior Court of California, County of Alameda)
- 08 Dec 2021: Tesla is still blind to racial discrimination, indicates a former worker. (HINDUSTAN TIMES)
- 17 Nov 2021: Tesla challenges 'staggering' \$137 million award in racism case. (Automotive News)
- 12 Oct 2021: A former Tesla contractor alleges she was discriminated against at the same California factory involved in this month's \$137 million verdict over racist abuse. (Business Insider)
- 06 Oct 2021: Tesla faces investor test after big jury award over racism. (Reuters)
- 05 Oct 2021: Jury orders Tesla to pay \$137 million to former employee over racist treatment. (New York Times)
- 01 Oct 2021: Tesla Jury Told of Psychological Injury Suffered By Ex-Worker. (LAW360)
- 28 Sep 2021: Racial Slurs at Tesla Prompted Only Verbal Warning, Jury Told. (LAW360)
- 25 Sep 2021: Tesla Can't Exclude Juror Based on Race, Judge Rules. (LAW360)
- 09 Aug 2021: Tesla told to pay \$1 million to a Black former employee who said supervisors called him the N-word. After he confronted one of them he was made to work longer hours, he said. (Business Insider) The case, which involved a Black former employee, was reportedly settled in arbitration.
- 06 Jul 2021: A Tesla factory worker said he was called the N-word '100 times' by coworkers, according to a sworn testimony. (Business Insider)
- 09 Sep 2020: Tesla's employee arbitration policy comes under fire from activist investor. (Automotive News)
- 22 May 2020: Case Number: 3:17-cv-06748-WHO. (United States District Court, Northern District of California) A California district judge allowed three other workers and the son of the plaintiff in one of the lawsuits to testify about alleged racial harassment incidents at a Tesla factory in Fremont.
- 04 Mar 2020: Tesla Staffing Co. Settles Workers' 'Jim Crow' Culture Suit. (LAW360)
- 14 Jan 2020: Tesla Employees Suing Workplace Seek Discovery Sanctions for Failure to Release Names. (American Lawyer - Law.com)
- 26 Nov 2019: African-American and Hispanic former Tesla employees allegedly said they heard racial slurs and were passed over for promotions that went to less-qualified white colleagues at Tesla's Buffalo.... (Business Insider)
- 30 Nov 2018: Menial Tasks, Slurs and Swastikas: Many Black Workers at Tesla Say They Faced Racism. (The New York Times)
- 13 Nov 2017: Tesla a 'hotbed for racist behaviour' black workers claim in suit. (The Sydney Morning Herald)
- 19 Oct 2017: BUSINESS BEAT ; 3 black workers at Tesla file bias suit ; Contract employees allege they endured racial abuse and slurs. (Los Angeles Times)

Source: 06 Jun 2023 (BET.COM)

Date: May 2023

Assessment: Moderate
Status: Concluded

US: NHTSA closed investigation into Tesla gaming feature due to lack of evidence of safety concerns; company disabled feature

In May 2023, the Independent reported that the U.S. National Highway Traffic Safety Administration (NHTSA) had closed its investigation into Tesla's gaming feature, which allowed video games to be played while the vehicles were in motion. The NHTSA disclosed on its website that it found no evidence of a safety defect or failure to comply with federal regulations. It also disclosed that Tesla disabled the video game feature in its electric vehicles in December 2021 to improve safety and productivity.

Tesla had responded that the feature was designed for passenger use only, and that the design didn't pose an unreasonable risk of driver distraction. The company said no collisions have been reported during a year of use of the feature.

UPDATES: 30 May 2023: US ends probe into Tesla allowing video games while vehicles are moving, says feature was disabled. (THE INDEPENDENT)

Source: 30 May 2023 (THE INDEPENDENT)

Date: May 2023

Assessment: Moderate
Status: Ongoing

Germany and the Netherlands regulators investigation into data breach by former employee affecting 100,000 current and former employees, no financial damages reported

In May 2023, Düsseldorfer Grid News reported that German and the Netherlands data protection authorities launched investigations into Tesla after German union IG Metall raised concerns about a data breach involving more than 100,000 current and former employees' home addresses, salaries, and some technical documents. According to the report, Tesla suspected that a former employee allegedly misused his access as a service technician to leak the information. IG Metall demanded that the CEO and the management immediately and fully inform the employees of any data breaches. The company planned to take legal action against the former employee. There were no financial damages reported.



UPDATES: 30 May 2023: IG Metall demands clarification from Tesla regarding violation of employees' data protection rights. (GERMAN NEWS (ENGLISH LANGUAGE))

Source: 30 May 2023 (GERMAN NEWS (ENGLISH LANGUAGE))

Date: May 2023

Assessment: Moderate

Status: Ongoing

Germany and the Netherlands regulators investigation into data breach by former employee affecting customers and business partners, no financial damages reported

In May 2023, Düsseldorfer Grid News reported that German and the Netherlands data protection authorities launched investigations into Tesla after German union IM Metall raised concerns about a data breach involving a lot of sensitive and personal information about customers and business partners. According to the report, Tesla suspected that a former employee allegedly misused his access as a service technician to leak the information. The company planned to take legal action against the former employee. There were no financial damages reported.

UPDATES: 30 May 2023: IG Metall demands clarification from Tesla regarding violation of employees' data protection rights. (GERMAN NEWS (ENGLISH LANGUAGE))

Source: 30 May 2023 (GERMAN NEWS (ENGLISH LANGUAGE))

Date: March 2023

Assessment: Moderate

Status: Ongoing

Germany: Residents protest over proposed Gigafactory's potential adverse impact on water supply

In January 2020, a group of around 250 residents from the village of Gruenheide in Berlin, Germany protested against the proposed Gigafactory of Tesla Inc. in the area due to potential adverse impact on water supply. The protest came after a water association warned that the factory could pose serious problems with wastewater disposal and drinking water supply as it would need more than 300 cubic meters of water per hour which would drain local reserves. The residents also expressed concerns on the deforestation of around 300 hectares for the factory's construction and its impact on wildlife which include birds, insects, and bats.

In June 2020, the Irish Times reported that according to the economy minister in the state of Brandenburg, where the proposed Tesla facility would be located, the company would present a new plan to address related environmental concerns by reducing the amount of fresh water required and wastewater produced.

In March 2022, the state of Brandenburg reportedly granted a building permit for the construction of the Tesla facility. The company would be required to meet certain conditions before an operating permit can be issued. In the same month, the Frankfurt Oder administrative court found procedural errors in the local water utility's licensing decision for water supply arrangement for the facility.

In March 2023, a number of protesters attacked a Tesla store in the center of Berlin in protest against the Gigafactory.

UPDATES: 26 Mar 2023: Anti-Giga Berlin Protesters Vandalize Tesla Store In Germany. (MSN PHILIPPINES)

05 Mar 2022: Tesla's long-delayed German gigafactory gets conditional green light. (Reuters)

24 Feb 2022: Tesla faces day of reckoning on water supply for planned German plant. (Reuters)

10 Dec 2020: UPDATE 1-Court rejects bid to stop Tesla felling trees for German plant. (Reuters)

08 Dec 2020: Tesla: German court halts factory plan over snake and lizard habitats. (BBC)

09 Oct 2020: A côté de Berlin, des militants écologistes veulent stopper le chantier de la Gigafactory de Tesla. [Near Berlin, environmental activists want to stop the Tesla Gigafactory construction site] (Le Monde)

23 Sep 2020: Tesla faces local backlash over Germany plant as hearing begins. (Hindustan Times)

05 Jun 2020: Tesla to allay environmental fears and rework Berlin car factory plans. (The Irish Times)

17 Feb 2020: Court orders Tesla to stop chopping down trees to build its German Gigafactory in victory for green campaigners. (MAIL ONLINE UK) Tesla was asked to stop clearing while the court permission was pending.

20 Jan 2020: Germans are slamming Elon Musk's plans to clear 740 acres of forest for a \$45.36 million Tesla factory. (BUSINESS INSIDER US)

19 Jan 2020: "You're stealing our water": Germans protest against Tesla gigafactory. (Reuters)

Source: 26 Mar 2023 (MSN PHILIPPINES)

Date: February 2023

Assessment: Moderate

Status: Ongoing

California, US: NHSTA investigation into an accident involving a Tesla vehicle and a parked fire truck; one fatality recorded

In February 2023, the Wall Street Journal reported that the U.S. National Highway Traffic Safety Administration (NHTSA) launched an investigation into Tesla Inc. following the death of a Tesla driver after an accident in the San Francisco Bay Area. The driver was killed after his vehicle crashed into a parked fire truck on an interstate highway. The cause of the crash was under investigation.

UPDATES: 20 Feb 2023: Tesla Crashes Into Firetruck in Fatal Accident. (The Wall Street Journal)

Source: 20 Feb 2023 (The Wall Street Journal)

Date: February 2023

Assessment: Moderate

Status: Ongoing

New York, US: Dozens of employees allegedly terminated over involvement in union activities at Buffalo plant

In February 2023, Reuters reported that the union, Workers United filed a complaint with the National Labor Relations Board (NLRB) against Tesla for allegedly terminating dozens of employees who participated in a campaign to form a union at its Buffalo plant in New York. The filing came after Tesla allegedly fired more than 30 employees at its Buffalo plant as part of a six-month performance review cycle. The union claimed that several of the terminated employees had been involved in union discussions, and at least one had been a member of the union's organizing committee.



UPDATES: 17 Feb 2023: Tesla says it laid off 4% New York employees before union campaign. (Reuters)

16 Feb 2023: Tesla fires employees in retaliation to union campaign - complaint. (Reuters)

Source: 17 Feb 2023 (Reuters)

Date: January 2023

Assessment: Moderate

Status: Ongoing

Tesla Korea, South Korea: MOLIT investigation into alleged high-voltage battery failures in its Tesla Model S, Model X, Model 3, and Model Y MY2018-2021 vehicles

In January 2023, the Korea Times reported that the Korean Ministry of Land, Infrastructure, and Transportation (MOLIT) launched an investigation into alleged high-voltage battery failures in Tesla Model S, X, 3, and Y MY2018-2021 vehicles in South Korea. The investigation came after Tesla customers criticized Tesla Korea following a series of high-voltage battery failures, while one of its electric vehicles caught fire while being repaired at a service center. No injuries were reported.

UPDATES: 11 Jan 2023: Tesla criticized for battery fire, malfunctions. (The Korea Times)

Source: 11 Jan 2023 (the Korea Times)

Date: January 2023

Assessment: Moderate

Status: Concluded

Tesla Korea, South Korea: KRW 2.2 billion MOLIT penalty over alleged failure to meet safety standards

In January 2023, Korea JoongAng Daily reported that the Ministry of Land, Infrastructure and Transport (MOLIT) imposed a penalty of KRW 2.2 billion (approximately USD 1.78 million) on Tesla Korea, a subsidiary of Tesla, for five violations of the Motor Vehicle Management Act, including a seat belt chime problem in its 30,333 Tesla vehicles from January to June 2022 in South Korea.

UPDATES: 10 Jan 2023: Korea fines 12 carmakers and importers for safety violations. (Korea JoongAng Daily)

Source: 10 Jan 2023 (Korea JoongAng Daily)

Date: January 2023

Assessment: Moderate

Status: Concluded

Tesla Korea, South Korea: KRW 2.85 billion FTC penalty for allegedly misrepresenting and exaggerating the cold weather range of its vehicles

In January 2023, the Korea Herald reported that the Korean Fair Trade Commission (FTC) imposed a penalty of KRW 2.85 billion (approximately USD 2.23 million) on Tesla Korea, a subsidiary of Tesla, for allegedly misrepresenting and exaggerating the cold weather range of its vehicles in August 2019. The FTC found that the range of Tesla's electric vehicles in cold weather was less than 50% of the advertised range. The FTC stated that Tesla Korea also failed to disclose to customers the reduced range of its electric vehicles in low temperatures.

UPDATES: 03 Jan 2023: Tesla slapped with W2.85b in fines for misleading ads. (The Korea Herald)

Source: 03 Jan 2023 (The Korea Herald)

Date: September 2022

Assessment: Moderate

Status: Concluded

Tesla Korea, South Korea: KRW 1 billion MOLIT penalty over alleged failure to meet the motor vehicle safety standards on 1,518 Model S vehicles; no injuries reported

In September 2022, the Korea Ministry of Land, Transport and Maritime Affairs (MOLIT) imposed a penalty of KRW 1 billion (approximately USD 726,270) on Tesla Korea, a subsidiary of Tesla, over alleged failure to meet the motor vehicle safety standards on 1,518 Model S vehicles in South Korea. The MOLIT stated that the vehicles did not lock properly due to improper installation of the bonnet latch device. There were no injuries reported.

UPDATES: 02 Sep 2022: Korea fines imposed on 17 auto companies for non-compliance with safety standards. (Hankyung News)

Source: 02 Sep 2022 (Hankyung News)

Date: May 2022

Assessment: Moderate

Status: Ongoing

France: Lawsuit over alleged unintended acceleration of a Model 3 vehicle resulting in fatal car accident

In December 2021, a taxi rental firm in Paris, France suspended its Tesla Model 3 fleet after one of its vehicles was reportedly involved in a car crash which resulted in one death, three serious injuries and 17 minor injuries. The taxi driver involved was placed under investigation for manslaughter by local authorities. Tesla said that it found no evidence of technical problems in the vehicle involved.

In March 2022, the driver involved in the crash filed a criminal complaint with public prosecutors against Tesla alleging that his vehicle accelerated without warning and he was unable to activate the brakes.

UPDATES: 02 May 2022: Conducteurs victimes «d'accélérations involontaires» : Tesla réfute les accusations de défaillance technique. [Driver victim of "involuntary acceleration" : Tesla refutes accusations of technical failure]. (Le Parisien)

21 Mar 2022: Paris taxi driver files lawsuit against Tesla after fatal crash. (Reuters)

16 Dec 2021: Tesla told France there was no sign of technical fault in Paris crash. (Reuters)

16 Dec 2021: Runaway Tesla in Paris crash had no technical fault, claims the EV company. (Hindustan Times)

Source: 02 May 2022 (Le Parisien)



Date: January 2022

Assessment: Moderate

Status: Ongoing

China: Allegations of suppliers employing ethnic minorities through labor-transfer programs

In December 2020, the non-profit group Tech Transparency Project (TTP) reported that Tesla's supplier Lens Technology, Co., Ltd, a manufacturer of optical lenses and electronic parts products, allegedly employed Uyghur and other ethnic minorities as part of the Chinese government's labor transfer programs. Similar allegations were made in an investigative report published by the Helena Kennedy Centre for International Justice (HKCIJ) of UK's Sheffield Hallam University in May 2021, that named multiple solar energy industry companies and their polysilicon suppliers, including Trina Solar, a supplier of Tesla's subsidiary Solar City, in connection to their participation in such labor transfer programs.

According to various reports, since 2017, more than one million Uyghurs, Kazakhs and other ethnic minorities have been detained in 're-education camps'. The camps were reportedly being monitored by cameras, guarded by armed police and walled with barbed wires. In addition, the reports cited allegations that the Uyghurs were forced to carry out manual labor in the camps for various production supply chains that provide raw materials allegedly sourced by a number of manufacturing and retail companies globally. Reports also alleged the use of coercion in placement of Uyghur workers across the country through labor transfer programs.

UPDATES: 05 Jan 2022: Activists urge Tesla to close new Xinjiang showroom. (Associated Press)

14 May 2021: China uses Uyghur forced labour to make solar panels, says report. (BBC)

01 May 2021: In Broad Daylight: Uyghur Forced Labour and Global Solar Supply Chains. (Helena Kennedy Centre for International Justice, Sheffield Hallam University)

14 Jan 2021: Apple linked to forced labor in China, again. (DANWATCH)

29 Dec 2020: Apple's longtime supplier accused of using forced labor in China. (The Washington Post)

Source: 05 Jan 2022 (Associated Press)

Date: December 2021

Assessment: Moderate

Status: Ongoing

New Jersey, United States: Complaint alleging wrongful death due to defective Model X vehicle causing catastrophic collision

In December 2021, the bereaved family of a man who died following a catastrophic collision filed a complaint against Tesla, Inc. alleging wrongful death in relation to selling defective Model X vehicles causing unprompted acceleration. The family sought punitive damages.

UPDATES: 10 Dec 2021: Tesla hit with acceleration defect suit over fatal NJ crash. (LAW360)

Source: 10 Dec 2021 (LAW360)

Date: December 2021

Assessment: Moderate

Status: Ongoing

Norway: Consumer lawsuit over alleged throttling of Tesla Model S charging speeds and battery capacities

In May 2021, Nettavisen reported that a Norwegian court ordered Tesla to pay 30 vehicle owners NOK 136,000 (approximately USD 16,000) each in relation to their complaints filed in December 2020 which alleged that a software update in 2019 reduced the charging speed and battery capacities of MY 2013-2015 Tesla Model S vehicles. The court was ordered to pay by the 31st of May or appeal the case to the Oslo Conciliation Board by the 17th of June.

In December 2021, Electrek, citing Dagens Næringsliv, reported that Tesla was ordered by a Norwegian court to compensate 31 vehicle owners NOK 130,000 each (approximately USD 14,000) following a retrial. Tesla reportedly intended to file an appeal against the decision with a Norwegian district court.

UPDATES: 01 Dec 2021: Tesla is again found guilty of throttling charging speed, asked to pay \$14,000 to owners in retrial. (Electrek)

01 Dec 2021: Tesla må betale 31 norske kunder 130.000 kroner etter å ha senket ladehastigheten – elbilsekskapet mente det hadde gjort bilene bedre, vil anke. [Tesla must pay 31 Norwegian customers 130,000 kroner after lowering the charging speed - the electric car company thought it had made the cars better, will appeal. (Dagens Næringsliv)]

25 May 2021: Tesla fined in Norway over battery issues. (BBC)

21 May 2021: Tesla dømt i retten - risikerer milliardutbetaling til norske elbil-eiere. [Tesla convicted in court - risks paying billions to Norwegian electric car owners]. (Nettavisen)

Source: 01 Dec 2021 (Electrek); 01 Dec 2021 (Dagens Næringsliv)

Date: November 2021

Assessment: Moderate

Status: Ongoing

US: Allegations of labor and visa violations through subcontractors

Since 2016, Tesla has faced allegations that its contractor, Eisenmann, employed low-paid, migrant workers from Eastern Europe recruited through another subcontractor under questionable visas and then sent to work at Tesla's Fremont, California facility. The allegations surfaced after a Slovenian worker at Tesla's paint shop filed a serious injury lawsuit after falling three stories from the roof while at work. The lawsuit provided details on the workers' wages which amounted to USD 5 per hour instead of the committed USD 12.70 per hour. Workers were also allegedly not compensated for overtime, where they worked 60-70 hours per week. The plaintiff also claimed that he was issued a B1 visa to work in the US as a supervisor with specialized skills but was instead made to do menial jobs, including lifting and installing heavy pipes at the Tesla facility.

According to a May 2016 Mercury News report, Tesla's subcontractors hired 140 workers, mostly from Slovenia and Croatia, to build a new paint shop.

In September 2021, Law360 reported that a California Northern District Court judge denied the workers' bid for default judgement against certain unresponsive overseas contractors but would allow them to amend the motion. The other parties were said to be finalizing a settlement.



In November 2021, the California Northern District Court, in a separate lawsuit, dismissed wage and hour claims filed by a subcontractors' construction workers against Eisenmann and Tesla but allowed certain claims related to coerced labor to proceed. According to the plaintiffs who were hired by Vuzem (the subcontractor), Eisenmann and Tesla benefitted from labor which was obtained through Vuzem's alleged use of coercive practices such as using threats of violence or economic reprisal to force workers into performing hazardous work.

UPDATES: 19 Nov 2021: Maslic, et al. v. ISM Vuzem D.O.O., et al., 5:21-cv-02556. (California Northern District Court)

21 Sep 2021: Judge Grants Tesla Workers 1 Last Try in FLSA Suit. (LAW360)

03 Oct 2018: Tesla must defend lawsuit alleging abuse of foreign workers. (Reuters) The District Judge in California reportedly dismissed five of the seven claims in the ongoing lawsuit against Tesla alleging that the company was aware of deportation threats to employees if injuries or shift complaints were reported. Tesla also reportedly terminated its contract with subcontractor ISM Vuzem, following an internal inquiry.

06 Aug 2017: State Department aware of reports of illegal foreign labor at US auto plants ; List includes South Carolina's BMW, Volvo. (THE GREENVILLE NEWS (SOUTH CAROLINA)) A CBS News investigative report alleged that more than 200 Eastern Europeans with B1/B2 visas were illegally used as construction workers in auto plants in the U.S., including those of Tesla.

16 May 2016: Tesla to "ensure that the right thing happens" after report details subcontractor working conditions. (SILICON VALLEY BUSINESS (CALIFORNIA)) Tesla stated that it will investigate the incident with its subcontractors Eisenmann and Vuzem. The company also stated that if proven true, it will take action to rectify it and will make sure that everyone gets fair treatment.

Source: 19 Nov 2021 (California Northern District Court)

Date: October 2021

Assessment: Moderate

Status: Ongoing

US: National Labor Relations Board ordered CEO to delete the 2018 anti-union tweet and reinstate a terminated unionized employee

In July 2013, it was reported that the National Labor Relations Board (NLRB) complaint alleged that Tesla's chief executive officer (CEO) violated labor laws by dissuading his employees from forming a union. According to a June 2018 filing, the NLRB stated that it had found evidence that at a meeting in mid-2017, CEO while requesting for employee feedback on workplace safety implied that their safety complaints would be addressed if they abstained from their union organizational activities.

According to the Guardian in September 2018, the NLRB was reviewing multiple complaints of similar allegations related to anti-union practices at the company, including employees terminated for supporting the union.

In October 2019, a federal administrative judge ruled that Tesla violated labor laws for allegedly preventing factory employees from forming a union in 12 different occasions. The judge found the company prohibited employees from distributing union organizing leaflets within the Fremont facility's premises and interrogated, disciplined and terminated them for union activity. The judge also cited a statement from the CEO which allegedly implied employees would lose their stock options should they vote to unionize. To remedy the violations, the judge ordered Tesla to offer reinstatement and back pay to a terminated pro-union employee, revoke a warning issued to another union supporter, and circulate notices informing employees of their union rights and the company's labor violations. The CEO was also required to read aloud the same notice to employees at a meeting with the widest possible attendance at the Fremont facility.

In March 2021, the NLRB ruled that Tesla repeatedly violated U.S. labor law, including by terminating a union activist. The NLRB ordered the CEO to delete the 2018 anti-union tweet, and to reinstate a terminated unionized employee.

UPDATES: 07 Oct 2021: UAW backs NLRB's Tesla union-busting findings at 5th Circ. (Law360)

30 Sep 2021: NLRB defends Tesla union-busting findings at 5th Circ. (Law360)

11 Aug 2021: NCLA files amicus brief in NLRB lawsuit alleging Tesla CEO tweet was unfair labor practice. (New Civil Liberties Alliance)

03 Apr 2021: Tesla files a petition against U.S. labor board order. (Reuters)

29 Mar 2021: Tesla ordered to reinstate fired employee, have Musk delete anti-union tweet from 2018. (SILICON VALLEY BUSINESS (CALIFORNIA))

26 Mar 2021: Tesla broke law with Musk's tweet threat, labor regulator rules. (Los Angeles Times)

13 Feb 2021: NLRB invites briefs on uniform policy precedent. (Law360)

07 Feb 2020: NLRB prosecutor goes after Tesla for silencing workers. (Law360)

02 Oct 2019: USA: Administrative court finds Tesla's actions against unionizing violates federal labor law. (Business & Human Rights Resource Centre (Main))

20 Sep 2019: Tesla was required by the National Labor Relations Board to post signs at its Fremont factory saying its workers can unionize following accusations that it tried to discourage unionization efforts. (Business Insider)

26 Sep 2018: Tesla's former HR chief suggested giving management jobs to UAW supporters, complaint claims. (SILICON VALLEY BUSINESS (CALIFORNIA))

25 Sep 2018: Tesla worker says Musk summoned him to meeting, ripped union. (LiveMint)

10 Sep 2018: Tesla workers speak out: 'Anything pro-union is shut down really fast'. (The Guardian)

13 Jul 2018: Musk coerced Tesla workers into not forming a union, National Labor Relations Board claims. (SILICON VALLEY BUSINESS (CALIFORNIA))

Source: 07 Oct 2021 (Law360)



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

Date: October 2021

Assessment: Moderate

Status: Ongoing

China: State Administration for Market Regulation criticism over customer complaints over alleged battery fires and quality issues with electric cars

In February 2021, China's State Administration for Market Regulation's officials, along with several government ministries, met with executives from Tesla following reports and customer complaints of alleged unusual acceleration, battery fires, and other quality issues with Tesla's electric cars. The regulators advised Tesla to operate in accordance with Chinese laws and protect customer rights. Tesla stated it would investigate the reports from customers and abide by Chinese laws and regulations.

In October 2021, the National Highway Traffic Safety Administration (NHTSA) dismissed a petition to open a formal investigation into fires concerning Tesla vehicles that occurred in China in 2019, according to a federal filing.

UPDATES: 05 Oct 2021: U.S. government rejects 2019 petition to investigate Tesla vehicle fires. (Reuters)

08 Feb 2021: Chinese regulators reprimand Tesla over growing complaints about its cars. (The New York Times)

08 Feb 2021: China: Tesla summoned after problems on its cars. (LE SOIR)

Source: 05 Oct 2021 (Reuters)

Date: October 2021

Assessment: Moderate

Status: Ongoing

California, US: USD 1.5 million proposed settlement over temporary reduction of maximum battery charging voltage in Model S vehicles

In July 2021, Reuters reported that Tesla, Inc. (Tesla) agreed to pay USD 1.5 million to settle a customer class action lawsuit over Tesla's temporary reduction of maximum voltage for the charging of batteries in certain Model S vehicles. In a complaint filed with the United States District Court for the Northern District of California (California Northern District Court) in August 2019, the plaintiff alleged that the voltage limit reduced battery capacities and increased charging times for the said vehicles.

According to a July 2021 court document, 1,743 vehicles were affected by the voltage limit from a 2019 software update until its full restoration following a March 2020 update. The proposed settlement was pending preliminary approval by the California Northern District Court.

UPDATES: 04 Oct 2021: NHTSA rejects petition to probe Tesla battery software. (Hindustan Times)

03 Aug 2021: Tesla was wrong in reducing Model S' voltage, admits Elon Musk. (Hindustan Times)

30 Jul 2021: Tesla agrees to pay \$1.5 mln to settle claims over battery voltage reduction. (Reuters)

28 Jul 2021: Rasmussen v. Tesla Inc., 5:19-cv-04596. (California Northern District Court)

26 Jan 2021: Robert Fish v. Tesla, Inc., 8:21-cv-00060. (California Central District Court)

07 Aug 2019: Rasmussen v. Tesla Inc., 5:19-cv-04596. (California Northern District Court)

Source: 04 Oct 2021 (Hindustan Times)

Date: September 2021

Assessment: Moderate

Status: Ongoing

United States: NHTSA investigation into Takata airbags with desiccated inflators installed on 30 million vehicles of multiple automakers

In September 2021, the U.S. National Highway Traffic Safety Administration (NHTSA) launched an investigation into approximately 30 million vehicles manufactured by multiple automakers, including Tesla, Inc., in order to evaluate safety risk in relation to desiccant, a drying agent, on Takata airbag inflators. The NHTSA said there had been no rupture incident reported thus far for airbag inflators with desiccants.

UPDATES: 21 Sep 2021: U.S. opens new probe into 30 million vehicles with Takata airbag inflators. (Reuters)

20 Sep 2021: United States: Road safety investigates airbags in 30 million vehicles. (LESECHOS.FR)

Source: 21 Sep 2021 (Reuters)

Date: September 2021

Assessment: Moderate

Status: Ongoing

United States: NHTSA investigation over alleged touchscreen failures of approximately 250,000 units of Model S and Model X vehicles

In June 2020, the United States National Highway Traffic Safety Administration (NHTSA) stated it had launched an investigation against Tesla following 11 complaints alleging media-control unit failures which led to defects in the touchscreen features of 63,000 Tesla Model S vehicles. According to the agency, allegations of unit failure also resulted in the loss of several features of the Model S vehicle, including navigation, web browsing and loss of the rear-camera image display in reverse gear.

In November 2020, Tesla stated it would have a "Warranty Adjustment Program" for vehicles affected by the defective touchscreen features. The program is only applicable to Model S and Model X vehicles built before March 2018. Moreover, the NHTSA stated it would expand its investigation on the affected Tesla vehicles.

In January 2020, the NHTSA requested for Tesla to issue a formal recall of 158,000 units of MY2012-2018 Model S and Model X vehicles due to the identified issues.

In February 2021, Tesla stated it would issue a formal recall of 36,126 units of MY2013-2018 Model S and Model X vehicles due to touchscreen failures.

UPDATES: 04 Sep 2021: Tesla agrees to recall almost 135,000 vehicles for touchscreen defect. (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH))

05 Feb 2021: Tesla to recall 36,126 Model S and X vehicles in China over touchscreen failures. (CNBC)

03 Feb 2021: Tesla to fix touch screens, ending spat with US regulators. (MAINICHI JP)

02 Feb 2021: Tesla recalls vehicles over failing touchscreens. (BBC)



13 Jan 2021: Tesla asked to recall Model S, Model X over touchscreen failures. (CNET NEWS)

27 Nov 2020: U.S. agency opens probe into 115,000 Tesla vehicles over suspension issue. (Reuters)

11 Nov 2020: Tesla to fix Model S, Model X touchscreens that go blank. (MSN SOUTH AFRICA)

24 Jun 2020: US investigates 63,000 Tesla cars over touchscreen failures. (AL JAZEERA)

Source: 04 Sep 2021 (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH)); 05 Feb 2021 (CNBC)

Date: August 2021

Assessment: Moderate

Status: Ongoing

Reports alleging CEO dismissed or threatened employees with termination over disagreements

In August 2021, Business Insider reported that a Wall Street Journal reporter wrote a book which contained anecdotes of Tesla's CEO appearing to dismiss or threaten employees with termination over disagreements on various matters related to Tesla's business and its products. According to the report, some employees have claimed that the CEO was often prone to purportedly unpredictable and humiliating outbursts which were sometimes directed at employees and other executives. Tesla's CEO reportedly denied some of the claims raised in his social media posts including allegations that he dismissed employees out of anger.

UPDATES: 03 Aug 2021: Elon Musk ruthlessly cleaned house of any Tesla workers who disagreed or got in his way, a new book says (TSLA). (Business Insider)

03 Aug 2021: 'I've got to launch the f----- rocket!': Elon Musk's fits of rage against employees documented in new book about Tesla's history. (Business Insider)

Source: 03 Aug 2021 (Business Insider)

Date: June 2021

Assessment: Moderate

Status: Ongoing

Denmark: Consumer lawsuit over alleged throttling of Tesla Model S charging speeds and battery capacities

In March 2021, Politiken reported that 75 Danish vehicle owners have filed a lawsuit against Tesla over alleged battery issues with their Model S vehicles following a 2019 software update.

In June 2021, Ingeniøren reported that a Danish law firm was inviting affected vehicle owners to join the class action. The solicitation was aimed at MY2013-2016 Model S owners who have experienced issues with reduced battery capacities and longer charging times using Tesla Supercharger stations after installing a software update between April and December 2019.

UPDATES: 21 Jun 2021: Batteriet blev forringet: Danske Tesla-ejere lægger sag an. [Battery deteriorated: Tesla owners sue] (INGENIØREN)

06 Mar 2021: 75 danskere hiver elbilsgigant i retten: Steen Andersen skal »aldrig have en Tesla igen«. [75 Danes sue electric car giant in court: Steen Andersen must "never have a Tesla again"] (Politiken)

Source: 21 Jun 2021 (INGENIØREN)

Date: May 2021

Assessment: Moderate

Status: Ongoing

China: Authorities banned military and state employees from using Tesla vehicles amid data security concerns

In March 2021, Chinese military and state employees were restricted from using Tesla vehicles due to data security concerns. According to the report, Chinese government officials were concerned that data collection by in-car cameras installed on its Tesla vehicles can lead to leaks of confidential information.

UPDATES: 26 May 2021: Tesla sets up data center in China amid spying concerns. (CNN Business)

13 May 2021: China clamps down on auto data collection by Tesla and others. (Nikkei Asia)

12 Apr 2021: Tesla Says Its In-Car Cameras Aren't Activated in China. (The Wall Street Journal)

19 Mar 2021: China bans use of Tesla by military, citing security concerns. (Nikkei Asia)

Source: 26 May 2021 (CNN Business)

Date: May 2021

Assessment: Moderate

Status: Ongoing

Nevada, US: Lawsuit over alleged unfair dismissal of worker for reporting of theft of copper wires

In May 2021, a former worker at a Tesla factory filed a lawsuit in the Nevada District Court against the company for his alleged unfair dismissal after reporting the theft of copper wires at the facility to local law enforcement and upper management in June 2018. The worker claimed that his termination was done to cover up the incident as the information may be leaked to the media and shareholders.

UPDATES: 23 May 2021: Tesla faces lawsuit as employee claims he was terminated wrongfully. (HINDUSTAN TIMES)

Source: 23 May 2021 (HINDUSTAN TIMES)

Date: May 2021

Assessment: Moderate

Status: Ongoing

Germany, S. Korea, and United States: Lawsuits and criticisms over alleged misrepresentations of autopilot system

In October 2018, a customer filed a lawsuit against Tesla, Inc. in Florida alleging that the representation of the Autopilot system in its Model S Vehicle was misleading as it failed to detect a standstill car on the road and lead to the car crash. The lawsuit stated that the crash caused fractured vertebrae and the individual further developed cognitive problems after the crash.

In July 2019, consumer groups including the Consumer Watchdog and the Center for Auto Safety urged the Federal Trade Commission and Department of Motor Vehicles to start an investigation into alleged deceptive advertising of Tesla's Autopilot feature after several incidents, including deaths, have resulted from the alleged false representation.



In November 2019, Germany's Office for the Prevention of Unfair Competition filed a lawsuit at Munich District Court against Tesla's misrepresentation about the Autopilot system. The German authority criticized that human-assisted driving could not qualify as autonomous driving. In July 2020, the Munich District Court banned Tesla from making misleading statements relating its driver assistance systems to autonomous driving.

In July 2020, the Korea Herald reported that the Korea Fair Trade Commission (FTC) launched an investigation into allegations of misleading advertisement of Tesla's Autopilot system. The FTC probe was said to have followed after a complaint was filed by a nonprofit group, Citizens United for Consumer Sovereignty.

In May 2021, the Department of Motor Vehicles of California was reportedly investigating whether Tesla has misled consumers with its full self-driving claims.

UPDATES: 18 May 2021: Tesla under review by California DMV over whether it misleads consumers with full self-driving claims. (Business Insider)

19 Jul 2020: Korean watchdog to examine Tesla's ad for autopilot. (The Korea Herald)

14 Jul 2020: German court bans Tesla ad statements related to autonomous driving. (Reuters)

29 Oct 2019: Wettbewerbszentrale verklagt Tesla. [Competition headquarters sued Tesla] (Frankfurter Allgemeine Zeitung)

25 Jul 2019: Consumer Watchdog, Center for Auto Safety Urge DMV, AG, & FTC to Investigate Tesla for Deceptive Practices. (Consumer Watchdog)

31 Oct 2018: Tesla's Autopilot blamed for crash; Automaker is sued by driver whose Model S struck a disabled car. (Los Angeles Times)

Source: 18 May 2021 (Business Insider)

Date: May 2021

Assessment: Moderate

Status: Ongoing

Germany: Authorities investigation into alleged possible violations of labor laws

In May 2021, Germany's State Office for Occupational Safety started an investigation at the construction site of Tesla, Inc.'s factory at Gruenheide over possible violation of labor laws. The regulator specifically aimed to check the working hours and conditions of the construction workers.

UPDATES: 04 May 2021: Authorities open labour probe at German Tesla site -Business Insider. (REUTERS)

Source: 04 May 2021 (REUTERS)

Date: March 2021

Assessment: Moderate

Status: Ongoing

California, United States: Worker criticisms over alleged lack of safety measures against COVID-19 for employees at the Fremont factory

Since June 2020, Tesla has been subject to criticism for its alleged inadequate COVID-19 preventive measures at its Fremont factory and decisions to resume operations against Alameda County authorities' initial orders to halt non-essential businesses.

In March 2021, according to a Washington Post report citing county documents, approximately 450 workers in the said facility have tested positive for COVID-19 from May to December 2020.

UPDATES: 13 Mar 2021: Hundreds of covid cases reported at Tesla plant following Musk's defiant reopening, county data shows. (The Washington Post)

17 Jul 2020: Tesla's Musk reopens Calif. factory, defying county orders and daring officials to arrest him. (The Nation)

14 Jul 2020: Coronavirus 'exposure' spike at Tesla Fremont factory: Report. (Fox Business)

01 Jul 2020: Workers: Tesla threatens firing if they don't return to jobs. (Associated Press)

13 Jun 2020: Tesla Could Be Failing To Protect Workers From Coronavirus. (International Business Times)

02 Jun 2020: Tesla workers allege profits over health ; Safety not a concern at factory, protester says; Tesla worker criticizes factory safety. (The San Francisco Chronicle)

Source: 13 Mar 2021 (The Washington Post)

Date: December 2020

Assessment: Moderate

Status: Ongoing

United States: NTSB investigation and lawsuit over fatal fire involving a Model S vehicle; two deaths reported

In May 2018, the U.S. National Transportation Safety Board (NTSB) launched an investigation into a crash involving a Tesla Model S vehicle which caught fire, killing two teenagers in Fort Lauderdale, Florida. The vehicle's lithium-ion battery reportedly caught fire after the vehicle spun out of control at high speeds and crashed into a wall.

In January 2019, Tesla faced a lawsuit over the death of the teenagers due to the vehicle's allegedly defective battery. The lawsuit also included claims of negligence by the company for its alleged removal of a speed limit device and failure to disclose the battery defect to customers.

In December 2019, the NTSB concluded that the possible cause of the crash was due to high-speed levels.

UPDATES: 28 Dec 2020: A Tesla Model S erupted "like a flamethrower." It renewed old safety concerns about the trailblazing sedans.. (WASHINGTON POST)

23 Mar 2020: Tesla fatal Model 3 crash: Autopilot's 'operational design' condemned. (ZDNET)

26 Feb 2020: February 25, 2020: Consumer Reports calls for major safety improvements across the industry after NTSB makes new findings in Tesla investigation. (NEWS BITES - PRIVATE COMPANIES)

26 Feb 2020: Tesla to face fresh Autopilot scrutiny after company snubs NTSB. (AUTOMOTIVE NEWS)

21 Dec 2019: 2018 Tesla car-crash likely occurred as speed was 187 kmph: US NTSB. (NEWS POINT)



- 08 Jan 2019: Tesla sued for passenger death due to defective battery. (Reuters)
 - 27 Jun 2018: US Investigators Says Tesla Battery Ignited Twice After Fatal Wreck. (ALLIANCE NEWS)
 - 10 May 2018: Autopilot was not engaged during Florida Model S crash - Tesla. (Channel NewsAsia)
 - 10 May 2018: Teenagers killed in fire after Tesla crashes, battery bursts into flames. (Australian Broadcasting Corporation (ABC))
 - 10 May 2018: U.S. Safety Investigators Examine Another Fatal Tesla Crash. (The Wall Street Journal)
- Source:** 28 Dec 2020 (WASHINGTON POST)

Date: December 2020
Assessment: Moderate
Status: Ongoing

S. Korea: Investigation into fatal accident involving Tesla Model X

In December 2020, the South Korean transportation safety authorities opened an investigation into a vehicular accident involving a Tesla Model X vehicle which resulted in the death of one passenger, and injuries to the driver and a pedestrian. Authorities were looking into possible issues including sudden unintended acceleration, battery problems, and door lock system.

UPDATES: 25 Dec 2020: S. Korea's transport agency launches probe into Tesla Model X accident. (KOREA NEWS GAZETTE)

Source: 25 Dec 2020 (KOREA NEWS GAZETTE)

Minor Controversies

Date: July 2023

Tesla Model S and X MY2021-2023 [Recall, US]: 15,869 vehicles due to alleged front row seat belt issues, no injuries reported

UPDATES: 20 Jul 2023: Tesla recalls some Model X, Model S cars for seat belt issues; 16,000 vehicles affected. (USA TODAY ONLINE)

Source: 20 Jul 2023 (USA TODAY ONLINE)

Date: July 2023

Tesla Model S, X, and Y MY2023 [Recall, US]: 1,337 vehicles due to alleged misaligned forward-facing camera, no injuries reported

UPDATES: 14 Jul 2023: NHTSA CAMPAIGN NUMBER: 23V489000 Forward-Facing Camera Misaligned. (NHTSA)

Source: 14 Jul 2023 (NHTSA)

Date: June 2023
Assessment: Minor
Status: Concluded

Tesla Semi MY2022 [Recall, US]: 36 vehicles due to alleged parking brake issue, no injuries reported

UPDATES: 19 Jun 2023: Tesla Has More Awful News About Its Semi Trucks. (MIAMI HERALD)

Source: 19 Jun 2023 (MIAMI HERALD)

Date: June 2023
Assessment: Minor
Status: Concluded

California, US: Proposed class action lawsuit over alleged unauthorized employee access and use of customers' videos and images from in-car cameras for entertainment purposes

UPDATES: 06 Jun 2023: Tesla Wants 'Hastily-Filed' Camera Recording Suit Tossed. (LAW360)

Source: 06 Jun 2023 (LAW360)

Date: June 2023

Tesla Model Y MY2022-2023 [Recall, US]: 137 vehicles over alleged issue with steering wheel fastener, no injuries reported

UPDATES: 05 Jun 2023: U.S Auto Recall: TeslaRecalls 2022-2023 Model Y vehicles. (AUTOCAR INDIA)

Source: 05 Jun 2023 (AUTOCAR INDIA)

Date: May 2023
Assessment: Minor
Status: Ongoing

US: Allegations of unauthorized employee access and use of sensitive customer videos and images from in-car cameras

UPDATES: 22 May 2023: Special Report - Tesla Workers Shared Sensitive Images Recorded By Customer Cars. (INTERNATIONAL BUSINESS TIMES NEWS)

Source: 22 May 2023 (INTERNATIONAL BUSINESS TIMES NEWS)

Date: May 2023
Assessment: Minor
Status: Ongoing

California, US: Proposed class action lawsuits filed by customers alleging overcharging and exorbitant wait times for vehicle maintenance and repairs

UPDATES: 19 May 2023: TESLA INC: Monopolizes Electric Vehicle Market, Doyle Suit Alleges. (CLASS ACTION REPORTER)

17 Mar 2023: Tesla accused in consumer suit of monopolizing repairs, parts. (Buffalo News)

Source: 19 May 2023 (CLASS ACTION REPORTER)

Date: May 2023
Assessment: Minor
Status: Ongoing

California, US: Proposed class action lawsuit over alleged automatic software updates that allegedly reduce driving range and cause battery problems in Model S and Model X

UPDATES: 14 May 2023: Tesla OTA updates reducing driving range purposely? Lawsuit filed against company. (TIMES OF INDIA)



Source: 14 May 2023 (TIMES OF INDIA)

Date: May 2023

Assessment: Minor
Status: Concluded

Tesla Model S, X, 3, and 6 MY2019-2023 [Recall, China]: 1.09 million vehicles due to alleged potential safety risks, no injuries reported

UPDATES: 12 May 2023: Tesla to recall 1.1 million cars in China over potential safety risks, Chinese regulator says. (CNN)

Source: 12 May 2023 (CNN)

Date: April 2023

Assessment: Minor
Status: Ongoing

California, US: Proposed class action lawsuit alleging failure to provide timely or complete personnel records, including time and pay records, signed arbitration agreements, and grievances documents

UPDATES: 25 Apr 2023: TESLA INC: Taylor Sues Over Failure to Provide Complete Records. (CLASS ACTION REPORTER)

Source: 25 Apr 2023 (CLASS ACTION REPORTER)

Date: April 2023

Assessment: Minor
Status: Concluded

Tesla Model S and X [Recall, South Korea]: 2,539 vehicles due to alleged a software communication error, no injuries reported

UPDATES: 21 Apr 2023: Tesla recalls Model S and X. (Chosun Biz)

Source: 21 Apr 2023 (Chosun Biz)

Date: April 2023

Assessment: Minor
Status: Concluded

Massachusetts, US: Voluntary dismissal of lawsuit filed by former regional service manager alleging retaliatory termination after complaining about dangerous temperatures in bays at Peabody service shop

UPDATES: 18 Apr 2023: Simon v. Tesla, Inc., 1:23-cv-10583. (District Court, D. Massachusetts)

Source: 18 Apr 2023 (District Court, D. Massachusetts)

Date: April 2023

Assessment: Minor
Status: Ongoing

Shanghai, China: Factory employees complained of alleged 'unfair' reduction in monthly performance-related pay; CEO vowed to review employees' reports

UPDATES: 18 Apr 2023: Tesla Workers In Shanghai Take To Social Media To Protest Against Performance Bonus Cuts. (FORBES MIDDLE EAST)

Source: 18 Apr 2023 (FORBES MIDDLE EAST)

Date: April 2023

Assessment: Minor
Status: Concluded

Tesla Model 3 MY2018-2019 [Recall, Canada]: 24 vehicles due to alleged loose bolts, no injuries reported

UPDATES: 17 Apr 2023: Canada Automotive Recall: TESLA Recalls Car. (AUTOCAR INDIA)

Source: 17 Apr 2023 (AUTOCAR INDIA)

Date: April 2023

Assessment: Minor
Status: Concluded

Tesla Model X MY2023 [Recall, US]: 38 vehicles due to alleged weak camera signal that could prevent display of rearview image, no injuries reported

UPDATES: 12 Apr 2023: 2023 Model X vehicles equipped with a full self-driving computer 4.0 and running software release version 2023.2.200. (AUTOCAR INDIA)

Source: 12 Apr 2023 (AUTOCAR INDIA)

Date: April 2023

Assessment: Minor
Status: Concluded

Tesla Model 3 and Y MY2019-2021 [Recall, Canada]: 270 vehicles due to alleged loosening of front suspension side links when bolts come loose, no injuries reported

UPDATES: 05 Apr 2023: Canada Automotive Recall: TESLA Recalls SUV. (AUTOCAR INDIA)

Source: 05 Apr 2023 (AUTOCAR INDIA)

Date: March 2023

Assessment: Minor
Status: Concluded

Tesla Semi MY2023 [Recall, US]: 35 vehicles due to alleged parking brake rollaway issue, no injuries reported

UPDATES: 31 Mar 2023: U.S Auto Recall: Tesla Recalls2023 Semi trucks. (AUTOCAR INDIA)

Source: 31 Mar 2023 (AUTOCAR INDIA)

Date: March 2023

Assessment: Minor
Status: Concluded

Tesla Model S MY2015-2020 [Recall, China]: 2,649 vehicles due to alleged secondary trunk lid latch misalignment, no injuries reported

UPDATES: 26 Mar 2023: Tesla recalls 2,649 made-in-US Model S in China, blame it on a faulty trunk lid. (HINDUSTAN TIMES)

Source: 26 Mar 2023 (HINDUSTAN TIMES)

Date: March 2023

Assessment: Minor
Status: Ongoing

Illinois, US: Proposed class action lawsuit over alleged false collision warnings in vehicles equipped with Automatic Emergency Braking and Forward Collision Warning systems

UPDATES: 17 Mar 2023: Tesla Hit With Another Suit Alleging False Collision Warnings. (LAW360)

Source: 17 Mar 2023 (LAW360)

Date: March 2023

Assessment: Minor
Status: Concluded

Tesla Model Y MY2022-2023 [Recall, US]: 3,470 vehicles due to alleged improperly tightened seat frame bolts, no injuries reported

UPDATES: 04 Mar 2023: Tesla recalls 3,470 Model Y vehicles over loose bolts. (CHANNEL NEWSASIA)

Source: 04 Mar 2023 (CHANNEL NEWSASIA)

Date: February 2023

Assessment: Minor
Status: Concluded

Tesla Model S, X, 3, and Y MY2016-2023 [Recall, US]: 362,758 vehicles due to software defect in the Full Self-Driving Beta program, no injuries reported

UPDATES: 17 Feb 2023: Tesla recalls 362,000 U.S. vehicles over Full Self-Driving software. (Nikkei Asia)

Source: 17 Feb 2023 (Nikkei Asia)

Date: February 2023

Assessment: Minor
Status: Concluded

Tesla Cyberquad Model 914 [Recall, US]: 5,000 vehicles due to alleged non-compliance with safety standards, including mechanical suspension and maximum tire pressure, no injuries reported

UPDATES: 09 Feb 2023: Tesla Cyberquad For Kids Recalled For Safety Violations. (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH))

Source: 09 Feb 2023 (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH))

Date: February 2023

Assessment: Minor
Status: Concluded

Tesla Model 3 and Model Y MY2020-2023 [Recall, US]: 321,628 vehicles due to alleged intermittent taillight failure, no injuries reported

UPDATES: 09 Feb 2023: Tesla Recalls 321,000 Vehicles Over Taillight Software Glitch. (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH))

Source: 09 Feb 2023 (MENAFN - BUSINESS & FINANCE NEWS (ENGLISH))

Date: February 2023

Assessment: Minor
Status: Concluded

Tesla Model 3 MY2018-2020 [Recall, Canada]: 35,342 vehicles due to alleged potential wiring harness damage, no injuries reported

UPDATES: 03 Feb 2023: Transport Canada Recall: TESLA Recalls Car. (AUTOCAR INDIA)

Source: 03 Feb 2023 (AUTOCAR INDIA)

Date: February 2023

Assessment: Minor
Status: Ongoing

California, US: Proposed class action lawsuit over alleged failure to pay fair wages, provide meal, and rest breaks

UPDATES: 01 Feb 2023: CORTECH WEST STAFFING: White Suit Removed to E.D. California. (CLASS ACTION REPORTER)

07 Jun 2022: TESLA INC: Ruiz PAGA Suit Removed to C.D. California. (CLASS ACTION REPORTER)

Source: 01 Feb 2023 (CLASS ACTION REPORTER)

Date: January 2023

Assessment: Minor
Status: Ongoing

Tesla Energy Operations, California, US: Proposed class action lawsuit over alleged failure to pay proper wages, provide meal periods, reimburse work expenses, and other state labor law violations

UPDATES: 19 Jan 2023: Polson v. Tesla Energy Operations Inc., 3:22-cv-02648. (US District Court for the Northern District of California)
STATUS REPORT Joint Status Report by Tesla Energy Operations, Inc.

02 May 2022: Polson v. Tesla Energy Operations Inc., 3:22-cv-02648. (US District Court for the Northern District of California) The case was transferred in from the Superior Court of California for the County of Contra Costa.

Source: 19 Jan 2023 (US District Court for the Northern District of California)

Date: December 2022

Assessment: Minor
Status: Concluded

Tesla Model Y [Recall, South Korea]: 13,210 vehicles due to alleged software problems in the rear lights, no injuries reported

UPDATES: 15 Dec 2022: 3 companies to recall over 50,000 vehicles over faulty parts. (YNA News)

Source: 15 Dec 2022 (YNA News)

Date: December 2022

Assessment: Minor
Status: Concluded

Tesla Model 3 and Y Electric [Recall, China]: 435,132 vehicles due to potential problems with battery modules, seat belts, or system software, no injuries reported

UPDATES: 05 Dec 2022: Four car companies recall cars with hidden dangers. (Sina)

Source: 05 Dec 2022 (Sina)



Date: November 2022

Assessment: Minor
Status: Concluded

Tesla Model S [Recall, South Korea]: 1,131 vehicles due to alleged a software error in the electronic power steering, no injuries reported

UPDATES: 24 Nov 2022: 6 companies to recall nearly 63,000 vehicles over faulty parts: gov't. (YNA News)

Source: 24 Nov 2022 (YNA News)

Date: October 2022

Assessment: Minor
Status: Concluded

Tesla Model 3 and two other models [Recall, South Korea]: 43,582 vehicles due to faulty window automatic reversal system, no injuries reported

UPDATES: 27 Oct 2022: Tesla, Kia and others recall 490,000 cars. (Seoul Shinmun)

Source: 27 Oct 2022 (Seoul Shinmun)

Date: July 2022

Assessment: Minor
Status: Ongoing

Nevada, US: Proposed class action lawsuit filed by two former employees over alleged failure to notify workers prior to layoffs as required by federal law

UPDATES: 06 Jul 2022: Laid-off Tesla workers file emergency plea, allege small severance pay. (REUTERS)

22 Jun 2022: Ex-employees sue Musk-run Tesla for mass layoffs, accuse for violating law. (Business Standard)

Source: 06 Jul 2022 (REUTERS)

Date: July 2022

Assessment: Minor
Status: Concluded

South Korea: Civic group filed a complaint over alleged design flaws on hidden door handles of Model S and X vehicles in cases of power loss accidents; police dropped the investigation due to lack of evidence

UPDATES: 04 Jul 2022: S .Korean police drop Tesla's 'defective' door handle case. (IANS-ENGLISH)

22 Jun 2021: Civic group files complaint against Tesla CEO over alleged car design defect. (The Korea Times)

Source: 04 Jul 2022 (IANS-ENGLISH)

Date: July 2022

Assessment: Minor
Status: Concluded

Tesla Model Y and 3 [Recall, Worldwide]: 59,129 vehicles due to a fault in the automatic emergency call system; no injuries reported

UPDATES: 03 Jul 2022: German watchdog asks Tesla to recall 59,000 units globally. (ECONOMIC TIMES)

Source: 03 Jul 2022 (ECONOMIC TIMES)

Date: May 2022

Assessment: Minor
Status: Ongoing

California, US: Lawsuits filed by eight female employees over alleged sexual harassment by coworkers at Fremont factory

UPDATES: 24 May 2022: Tesla loses bid to move sexual harassment lawsuit to arbitration. (Reuters) A California state judge said that one plaintiff was improperly pressured to sign an arbitration agreement after she had already quit.

14 Dec 2021: Six Tesla workers file additional lawsuits alleging sexual harassment. (Washington Post)

10 Dec 2021: Second woman accuses Tesla of rampant sexual harassment. (New York Post)

19 Nov 2021: Tesla subjects women to 'nightmarish' sexual harassment at factory -lawsuit. (Reuters)

Source: 24 May 2022 (Reuters)

Date: May 2022

Assessment: Minor
Status: Ongoing

Illinois, US: Proposed class action lawsuit over alleged collection and processing of facial biometric data without consent

UPDATES: 02 May 2022: TESLA INC: Platt Sues Over Illegal Biometric Data Collection. (CLASS ACTION REPORTER)

Source: 02 May 2022 (CLASS ACTION REPORTER)

GOVERNANCE CONTROVERSIES

Moderate Controversies

Date: January 2023

Assessment: Moderate
Status: Ongoing

US: Court settlement including USD 40 million penalty in SEC lawsuit related to CEO's social media posts; settlement challenged by CEO

In August 2018, the United States Securities and Exchange Commission (SEC) was reported to be examining Tesla's CEO social media announcement on Twitter of taking the company private, after having secured funding. According to media reports, the SEC wanted Tesla to verify the announcement and answer why the CEO disclosed the information on Twitter and not in a regulatory filing. The SEC also wanted Tesla to disclose whether the company had met investor-protection rules in making such an announcement.

In September 2018, Tesla and its CEO agreed to pay USD 20 million each as a penalty in the SEC's lawsuit. Further, as part of the settlement agreement related to board member changes, the CEO would resign from his post as the Chairperson of the Board and would not be eligible for re-election for three years. The court approval was pending for the proposed settlement.



According to reports, the Department of Justice had also requested a review of documents related to the CEO's Twitter announcement. In June 2021, the Wall Street Journal reportedly obtained SEC documents that said Tesla failed to monitor the CEO's social media posts in 2019 and 2020 despite the court order.

In March 2022, Tesla's CEO reportedly asked a New York District Court to terminate or modify his previous settlement with the SEC which required the pre-approval of his social media posts containing material business information. The CEO also sought to quash an SEC subpoena from November 2021 regarding one of his social media poll asking followers to whether he should sell 10% of his Tesla shares.

In April 2022, the New York District Court judge rejected Tesla's CEO request to remove the pre-approval requirement for his social media posts. In June 2022, Tesla's CEO filed an appeal against the judge's decision.

In January 2023, Automotive News reported that a federal judge denied Tesla's CEO's request to move his upcoming securities fraud trial out of San Francisco.

UPDATES: 13 Jan 2023: U.S. judge rejects Musk bid to move 'funding secured' trial out of San Francisco. (AUTOMOTIVE NEWS)

14 Oct 2022: Elon Musk is under federal investigations, Twitter says in court filing. (REUTERS)

23 Jul 2022: Tesla is set for settlement talks over Musk tweets about taking company private. (The Wall Street Journal)

15 Jun 2022: Elon Musk files appeal to end SEC decree over Twitter posts. (Reuters)

27 Apr 2022: Judge shreds Elon Musk's bid to end SEC clampdown over Tesla tweet. (New York Post)

17 Apr 2022: Key ruling goes against Musk in 'go-private' case. (Australian Financial Review)

25 Mar 2022: RPT-U.S. judge approves SEC payout from Elon Musk, Tesla settlements. (Reuters)

22 Mar 2022: UPDATE 2-U.S. SEC to Elon Musk: Regarding your tweets, a deal is a deal. (Reuters)

06 Apr 2022: Tesla's Musk may add to U.S. SEC ire with late report about Twitter stake. (Economic Times)

08 Mar 2022: Musk seeks to end SEC settlement that required preapproval for some tweets. (CNBC)

23 Feb 2022: Musk, lawyer escalate word fight with securities regulators. (Associated Press)

07 Feb 2022: SEC subpoenaed Tesla in November after Elon Musk tweet, filing reveals. (The Guardian)

17 Dec 2021: Tesla faces investor lawsuit over Musk tweets on 10per cent stock sales. (Channel NewsAsia)

24 Nov 2021: Elon Musk sells another \$1B in Tesla stock, selling spree now up to \$10B. (New York Post)

08 Nov 2021: UPDATE 7-Musk's Twitter poll shaves stock price and raises regulatory questions. (Reuters)

01 Jun 2021: Tesla Failed to Oversee Elon Musk's Tweets, SEC Argued in Letters - WSJ. (Wall Street Journal)

28 Dec 2018: Tesla Names Larry Ellison and Kathleen Wilson-Thompson to Its Board. (New York Times) Tesla reportedly appointed two new independent members to its board as per the settlement terms with the SEC.

25 Oct 2018: Telstra executive Denholm named in Tesla lawsuit ; Court. (The Age) A lawsuit was filed against the company Board members in Delaware's Chancery court over alleged failure to ensure appropriate controls and communications procedure.

16 Oct 2018: U.S. judge approves SEC settlement with Tesla, shares jump. (Reuters) The proposed settlement was reportedly approved by a United States judge.

11 Oct 2018: SEC, Tesla support approval of settlement. (Reuters)

04 Oct 2018: Judge orders Tesla and SEC to justify settlement of fraud lawsuit. (South China Morning Post)

29 Sep 2018: Elon Musk Settles SEC Fraud Charges; Tesla Charged With and Resolves Securities Law Charge. (US Securities and Exchange Commission)

29 Sep 2018: Elon Musk and Tesla Settle With S.E.C. in Fraud Case. (New York Times)

28 Sep 2018: Tesla shares drop as analysts divided on Musk's future with the company. (The Guardian)

28 Sep 2018: Musk would not give up chairman role to settle SEC lawsuit: CNBC. (Reuters) According to Reuters, the department of justice's inquiry into CEO's Tweets was ongoing. Further, there was approximately 14 percent drop in share prices post lawsuit filed by the SEC.

18 Sep 2018: Tesla says it has turned over documents to feds. (Associated Press)

18 Sep 2018: Justice Department Is Examining Tesla After Musk Comment. (New York Times) According to reports, the United States Justice Department also requested documents related to the CEO's Twitter announcement to take the company private.

12 Sep 2018: Tesla investor says SEC asked it about 'funding secured' tweet. (Reuters)

16 Aug 2018: Report: SEC issues subpoenas to Tesla over take-private plan. (SNL FINANCIAL SERVICES DAILY)

17 Aug 2018: Tesla whistleblower alleges spying, theft and drug dealing at Gigafactory. (The Straits Times) Amid the SEC's investigation into the CEO's announcement of taking the company private, a former member of Tesla's internal investigation team filed a complaint with the SEC about the Gigafactory. According to the complaint, Tesla failed to disclose to investors of a theft of raw materials worth USD 37 million during the first half of 2018. In addition, the company also failed to disclose about a US Drug Enforcement Administration notice over a Tesla employee potentially being involved in selling drugs from the factory on behalf of a Mexican drug cartel.

15 Aug 2018: TESLA PLAN TO GET A LOOK ; Board forms a special committee to explore CEO's idea of taking the carmaker private. Shareholders file suits. (Los Angeles Times)

10 Aug 2018: Exclusive: Tesla's board seeking more information on Musk's financing plan - sources. (Reuters)



08 Aug 2018: SEC examining Musk's tweets on taking Tesla private: WSJ. (Reuters)

Source: 13 Jan 2023 (AUTOMOTIVE NEWS)

Date: May 2022

Assessment: Moderate

Status: Ongoing

Media report alleging CEO sexually harassed a private jet flight attendant in 2016

In May 2022, Business Insider published an article alleging Tesla's CEO sexually harassed a flight attendant in a private jet in 2016. The former flight attendant reportedly signed an out of court settlement and nondisclosure agreement after leaving SpaceX, which is another company founded by Tesla's CEO.

UPDATES: 20 May 2022: UPDATE 3-Musk denies he sexually harassed flight attendant; Tesla shares sink. (Reuters)

20 May 2022: A SpaceX flight attendant said Elon Musk exposed himself and propositioned her for sex, documents show. The company paid \$250,000 for her silence. (Business Insider)

Source: 20 May 2022 (Reuters)

Date: February 2022

Assessment: Moderate

Status: Ongoing

US: CEO allegedly under regulatory investigation for potential insider trading violations

According to a February 2022 exclusive report by the Wall Street Journal, the U.S. Securities and Exchange Commission (SEC) was investigating potential insider trading violations by Tesla's CEO and his brother. The probe was initiated after the CEO asked social media users in an informal poll on whether to sell his 10% of his Tesla shares in November 2021. The CEO's brother was also said to have sold USD 109 million worth of Tesla shares prior to the CEO's social media poll.

UPDATES: 24 Feb 2022: SEC reportedly probes Tesla CEO Elon Musk and brother over recent stock sales. (CNBC)

24 Feb 2022: SEC Probes Trading by Elon Musk and Brother in Wake of Tesla CEO's Sales. (The Wall Street Journal)

Source: 24 Feb 2022 (CNBC); 24 Feb 202 (The Wall Street Journal)

Date: February 2021

Assessment: Moderate

Status: Ongoing

United States: Investigations and proposed class action lawsuits over alleged misstatements of Model 3 vehicle production forecasts

In October 2018, the Wall Street Journal reported that Tesla Inc. continued to face a criminal investigation by the Federal Bureau of Investigation (FBI) over alleged misstatements related to its Model 3 vehicle production forecasts since 2017. The FBI reportedly also conducted interviews with former employees regarding the allegations. Tesla, however, reportedly stated that the U.S. Department of Justice (DOJ) had voluntarily requested the company for related documents and added that it did not receive any subpoena, request for testimony, or other formal process from the DOJ.

In November 2018, the U.S. Securities and Exchange Commission (SEC) issued a subpoena to Tesla for a review of data related to the company's certain projections for Model 3 production rates during 2017 and other public statements related to the vehicles' production.

Tesla also faced proposed class action lawsuits related to its preparedness to produce Model 3 vehicles.

UPDATES: 10 Feb 2021: Full 9th Circ. Asked To Rehear Tesla Model 3 Disclosures Suit. (LAW360)

07 Dec 2020: No new information available.

26 Oct 2020: 10-Q. (SEC Filing) Tesla disclosed in its quarterly filing that it continues to defend against the proposed class action lawsuits.

25 Apr 2019: TESLA INC: Suits over Model 3 Vehicle Production Ongoing. (CLASS ACTION REPORTER)

03 Nov 2018: U.S. securities regulator subpoenas Tesla on Model 3 production estimates. (Reuters)

27 Oct 2018: Tesla says has not received subpoena on Model 3 production. (Channel News Asia)

27 Oct 2018: Tesla Faces Deepening Probe Over Whether It Misstated Production Figures. (The Wall Street Journal)

Source: 10 Feb 2021 (LAW360)

Minor Controversies

Date: February 2023

Assessment: Minor

Status: Ongoing

Delaware, US: Shareholder class action lawsuit over alleged excessive CEO compensation package in 2018

UPDATES: 21 Feb 2023: Judge asks if Musk's \$56 bln Tesla pay hangs on a legal 'kill shot'. (THIS IS MONEY)

16 Nov 2022: UPDATE 7-Musk says made some Tesla decisions without board approval, defends \$56 bln pay. (REUTERS)

14 Nov 2022: Elon Musk trial opens to decide fate of his \$56 bln Tesla pay. (REUTERS)

07 Nov 2022: As Musk focuses on Twitter, his US\$56 billion Tesla pay goes to trial. (CHANNEL NEWSASIA)

03 Mar 2022: Elon Musk faces a trial over the roughly \$2.5 billion pay package Tesla gave him in 2018. (BUSINESS INSIDER)

Source: 21 Feb 2023 (THIS IS MONEY)



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

KEY METRIC & SCORE CHANGES

ALL KEY METRIC & SCORE CHANGES (SINCE APRIL 2022)

Key Metric	Key Metric Change	Date	Score Change*	Change Notes
Significant Votes Against Directors	Score Change	Jun 21, 2023	0.25	AGM voting results updated
Proxy Access	Flag Removed	Jun 21, 2023	0.20	
Leadership Concerns	Flag Added	Jun 21, 2023	-0.30	
CEO Pay Total Realized	Flag Removed	Jun 21, 2023	0.20	
CEO Pay Total Realized	Flag Added	Feb 02, 2023	-0.20	
CEO Pay Total Realized	Flag Removed	Jan 13, 2023	0.20	
CEO Pay Total Realized	Flag Added	Oct 12, 2022		
Significant Votes Against Directors	Score Change	Aug 17, 2022	-0.25	AGM voting results updated
Related Party Transactions	Score Change	Jul 06, 2022	-0.24	
Majority Voting	Score Change	Jul 06, 2022	0.10	
Nomination Committee Independence	Flag Added	Jun 22, 2022	-0.10	Nomination committee assessed as not independent of management and/or other interests
Audit Board/ Committee Independence	Flag Added	Jun 22, 2022	-0.10	Audit board/committee assessed as not independent of management
Revenue Recognition	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Nomination Committee Chair Independence	Flag Added	Jun 12, 2022	-0.10	Methodology enhancements
Expense Recognition	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Asset-Liability Valuation	Score Change	Jun 12, 2022	0.03	Methodology enhancements
Entrenched Board	Flag Added	May 05, 2022	-0.80	Update of age/tenure criteria
Asset-Liability Valuation	Score Change	May 05, 2022	-0.03	Updates to data for accounting peer group member(s)

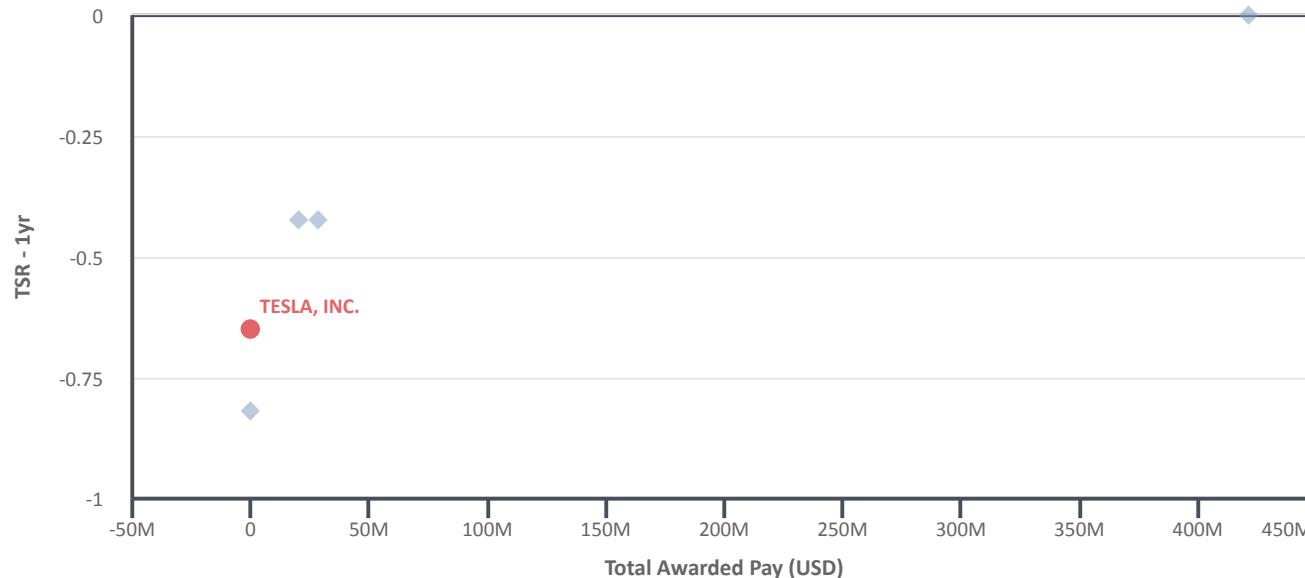


CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

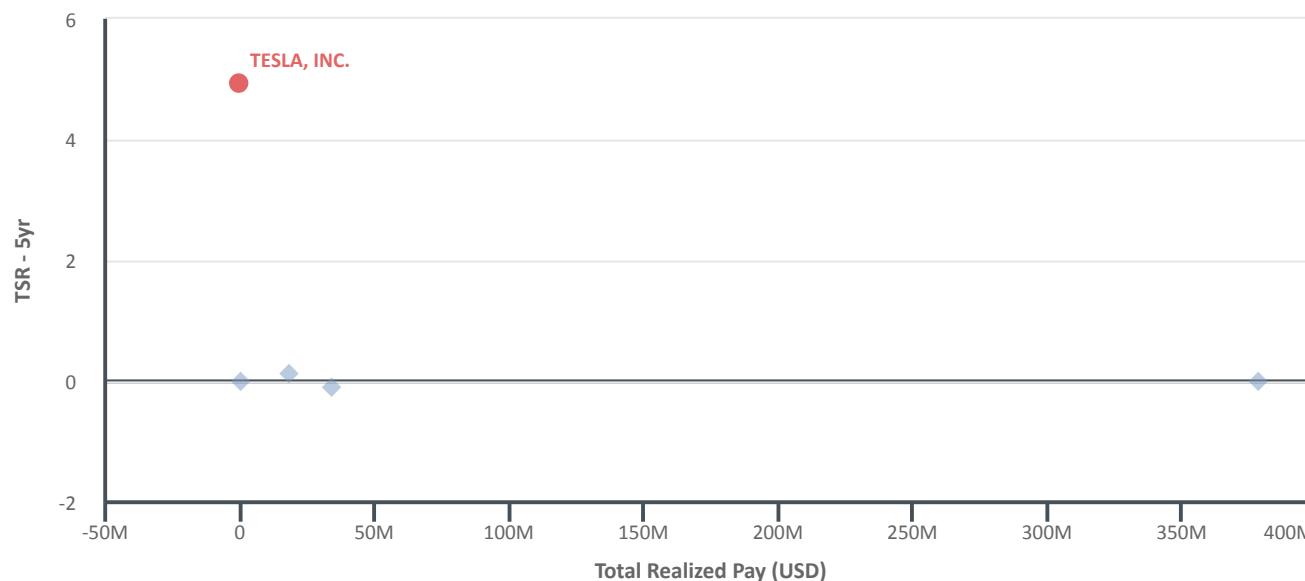
CEO PAY CHARTS

CEO TOTAL AWARDED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.

CEO TOTAL REALIZED PAY VERSUS PAY PEER GROUP



Pay Peers (♦) are used in the calculation of the Key Metric CEO Pay Total Summary and selected as set out in the MSCI Governance Metrics Methodology Document.



DIRECTOR VOTES

Proxy Year	Name	Age	Tenure	Votes For	Votes Against, Withheld and / or Abstained
2023	Elon Musk	51	19	95.4%	4.7%
2023	Jeffrey Straubel	47	0.29021	86.1%	13.9%
2023	Robyn Denholm	60	9	73.9%	26.1%

SHAREHOLDER/MANAGEMENT PROPOSALS

MANAGEMENT PROPOSALS

Proxy Year	Proposal	Proposal Summary	Outcome	Votes For	Votes Against	Abstain/Withheld%
2023	Advisory Vote on Executive Compensation	Proposal 2 was a management proposal to approve executive compensation on a non-binding advisory basis. This proposal was approved.	Approved	90.5%	9.1%	0.4%
2023	Advisory Vote Frequency	Proposal 3 was a management proposal to approve the frequency of future votes on executive compensation on a non-binding advisory basis. "1 Year" was approved. The Board will consider the results of this non-binding advisory vote, and make its recommendation for the frequency of future votes on [...]	1 year			
2023	Auditor Ratification	Proposal 4 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2023. This proposal was approved.	Approved	98.7%	1.1%	0.2%
2022	Amend Certificate of Incorporation	Proposal 2 was a management proposal to adopt amendments to Tesla's certificate of incorporation to reduce director terms to two years. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common stock.	Defeated	98.9%	0.4%	0.8%
2022	Supermajority Vote Elimination	Proposal 3 was a management proposal to adopt amendments to Tesla's certificate of incorporation and bylaws to eliminate applicable supermajority voting requirements. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common [...]	Defeated	97.4%	1.7%	0.9%
2022	Increase Authorized Shares	Proposal 4 was a management proposal to adopt amendments to Tesla's certificate of incorporation to increase the number of authorized shares of common stock by 4,000,000,000 shares. This proposal was approved.	Approved	98.6%	1.1%	0.3%
2022	Auditor Ratification	Proposal 5 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2022. This proposal was approved.	Approved	98.7%	0.6%	0.7%
2022	Other	Proposal 6 was a non-binding advisory stockholder proposal regarding proxy access. This proposal was approved.	Approved	50.9%	47.9%	1.3%
2021	Amend Certificate of Incorporation	Proposal 2 was a management proposal to adopt amendments to Tesla's certificate of incorporation to reduce director terms to two years. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common stock.	Defeated	99.5%	0.5%	0.1%
2021	By-Law Amendment	Proposal 3 was a management proposal to adopt amendments to Tesla's certificate of incorporation and bylaws to eliminate applicable supermajority voting requirements. This proposal was not approved because it did not constitute at least 66 2/3% of the total outstanding shares of Tesla's common [...]	Approved	60.6%	6.5%	32.9%
2021	Auditor Ratification	Proposal 4 was a management proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2021. This proposal was approved.	Approved	99.2%	0.6%	0.2%

*For Management Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.



CCC | B | BB | BBB | A | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

SHAREHOLDER PROPOSALS

Proxy Year	Proposal	Proposal Summary	Proposal Proponent	Outcome	Votes For	Votes Against	Abstain/Withheld%
2023	Other	Proposal 5 was a non-binding advisory stockholder proposal regarding reporting on key-person risk. This proposal was not approved.	Sumtris ehf from agnhofoi 8, 110, Reykjavik, Iceland	Defeated	5.8%	93.4%	0.8%
2023	Labor Practices	Proposal 6 was a stockholder proposal raised from the floor regarding reporting on child labor and forced labor. This proposal was not approved.	Not disclosed	Defeated	0%	100%	0%
2022	Employment Discrimination	Proposal 7 was a non-binding advisory stockholder proposal regarding annual reporting on anti-harassment and discrimination efforts. This proposal was not approved.	Not Disclosed	Defeated	46.5%	52.6%	0.9%
2022	Board Diversity	Proposal 8 was a non-binding advisory stockholder proposal regarding annual reporting on board diversity. This stockholder proposal was not approved.	Not Disclosed	Defeated	9.6%	89.1%	1.3%
2022	Other	Proposal 9 was a non-binding advisory stockholder proposal regarding reporting on employee arbitration. This stockholder proposal was not approved.	Not Disclosed	Defeated	37.5%	61.6%	0.9%
2022	Environmental - Lobbying, Public Relations and Legal Expenditures	Proposal 10 was a non-binding advisory stockholder proposal regarding reporting on lobbying. This stockholder proposal was not approved.	Not Disclosed	Defeated	34.3%	64.7%	1%
2022	Other	Proposal 11 was a non-binding advisory stockholder proposal regarding adoption of a freedom of association and collective bargaining policy rights. This stockholder proposal was not approved.	Not Disclosed	Defeated	32.1%	64.2%	3.7%
2022	Other	Proposal 12 was a non-binding advisory stockholder proposal regarding additional reporting on child labor. This stockholder proposal was not approved.	Not Disclosed	Defeated	10.4%	88.2%	1.4%
2022	Environmental - Land Use, Resources and Recycling	Proposal 13 was a non-binding advisory stockholder proposal regarding additional reporting on water risk. This stockholder proposal was not approved.	Not Disclosed	Defeated	35.1%	64%	0.9%
2021	Board Elections - Term Limits	Proposal 5 was a non-binding advisory stockholder proposal regarding reduction of director terms to one year. This stockholder proposal was approved	James McRitchie	Approved	53%	44%	3%
2021	Other	Proposal 6 was a non-binding advisory stockholder proposal regarding additional reporting on diversity and inclusion efforts. This stockholder proposal was approved.	Calvert Research and Management. Calvert Research and Management	Approved	54.5%	41.3%	4.2%
2021	Other	Proposal 7 was a non-binding advisory stockholder proposal regarding reporting on employee arbitration. This stockholder proposal was not approved.	Nia Impact Capital	Defeated	44.8%	51.8%	3.5%
2021	Other	Proposal 8 was a non-binding advisory stockholder proposal regarding assigning responsibility for strategic oversight of human capital management to an independent board-level committee. This stockholder proposal was not approved.	the Comptroller of the City of New York	Defeated	31.7%	62.1%	6.2%
2021	Human Rights	Proposal 9 was a non-binding advisory stockholder proposal regarding additional reporting on human rights. This stockholder proposal was not approved.	Sisters of the Good Shepherd New York Province	Defeated	25.1%	72%	3%

*For Shareholder Proposals at AGM's held more than three years ago, please refer to the Screener tool on ESG Manager.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

DELAWARE



CURRENCY: UNITED STATES DOLLAR (USD)

In the United States, most governance principles are governed by state laws that are not uniform or nationally enforced. However, the majority of states have adopted the Model Business Corporation Act (MBCA) as the basis of their own laws by modifying some of the provisions of the MBCA. The MBCA is a body of laws designed to regulate corporate affairs uniformly across different states. It is the basis for business corporation statutes in 32 states and the District of Columbia and is the source of many provisions in the general corporation statutes of other states. Further, the Securities and Exchange Commission (SEC) regulates certain governance related matters on a federal level.

The majority of large U.S. businesses are listed on either the New York Stock Exchange (NYSE) or the Nasdaq Stock Market (Nasdaq), and therefore are subject to their listing rules. The U.S. has not adopted a national corporate governance code.

Delaware's corporate governance is defined by the General Corporation Law of the State of Delaware (DGCL), with annual updates and revisions by the Delaware legislature based on the recommendations of the Council of the Corporation Law Section of the Delaware State Bar Association. Judicial decisions by the state's Court of Chancery also set governance practice, with appeals heard at the Delaware Supreme Court.

Companies adopt a unitary board structure in the U.S. The NYSE and Nasdaq listing rules require the majority of directors to be independent. The SEC rules require public companies to disclose and explain their chair-CEO structure and whether one or two people hold the roles. If the roles are combined, the company must further disclose whether it has a lead independent director and specify their role within the company leadership.

Unless stated otherwise in the articles of association, directors may appoint inspectors in advance of any shareholder meeting to determine the number of shares outstanding, voting rights, shares represented at the meeting, existence of a quorum, authenticity and validity of proxies, and take all other actions with regards to the annual shareholders' meeting.

Related party transactions (RPTs) are valid if the transaction was conducted on reasonable and fair terms when it was approved, and the RPT is approved in good faith by the majority of independent directors. If the number of independent directors is less than a quorum, then it must be approved by shareholders.

The board of directors may fix director and officer pay, although most companies delegate the responsibility for defining executive pay to independent directors, usually upon the recommendation of the pay or nominating/governance committee. Officers are executive directors that are responsible for the daily management of the company.

The Dodd-Frank Act requires listed companies to hold an advisory vote every three years on "say on pay" policies, as well as disclose additional information regarding "golden parachute" arrangements linked to merger transactions.

Listed companies must annually disclose the pay of directors and officers, including stock and option awards. Disclosure must be made in a tabular format, along with a descriptive summary of the information in the table. Companies listed on Nasdaq must also disclose pay arrangements between directors or nominees and third parties.

The U.S. market is known for having widely dispersed ownership, but founder-led companies are common. There are multiple share classes with unequal voting rights and voting right limits.

Shareholders with at least 10% voting rights can request to convene a general meeting.

A notice of the meeting, specifying the date, time, place and purpose must be given no less than seven days and no more than 60 days in advance. Special meeting of shareholders may be convened by shareholders owning at least 10% of shares. Typically, each share is entitled to one vote and fractional shares are entitled to proportionate votes. Shareholders do not have preemptive rights unless specifically provided in the bylaws or articles. Dissenting shareholders are entitled to appraisal rights.

Unless otherwise stipulated in the articles, a corporation is not obligated to offer shareholders any shares, option rights or securities when issuing them.

There are no mandatory takeover bid provisions in the U.S.

In 2018, the Delaware enacted a Certification of Adoption of Transparency and Sustainability Standards Act which is a voluntary act broadly enabling entities registered in Delaware to craft a sustainability regime. The Act is primarily a disclosure regime which requires entities to disclose and provide reports regarding their standards and metrics. There are many provisions in the Federal Sarbanes-Oxley Act that govern the audit process. A public company's annual financial statements must be audited by a registered independent auditing firm. Listed companies prepare two annual reports, one for SEC (Form 10-K) and one for their shareholders. The reports to stockholders, as required by SEC, must contain certified financial statements of two-year audited balance sheets, and three-year audited statement of income and cash flows. Directors and officers of the corporation must also be identified. Interim financial statements are not audited, only reviewed by the company's auditors. If an auditor has not reviewed the interim report, it must be accompanied with a notice specifying that the report has not been reviewed by an auditor. Audit firm rotation is not required but lead audit partners are subject to rotation every five years.



DIRECTOR PROFILES

ELON MUSK

Age: 51
Gender: M
Nationality: United States of America

Financial: No
Risk: No
Industry: Media & Entertainment - Media, Automobiles & Components - Automobiles

BIOGRAPHICAL INFORMATION

TESLA, INC. - Executive, Board Member, CEO Source Date: 04/06/2023

Elon Musk has served as our Chief Executive Officer since October 2008. Mr. Musk has also served as Chief Executive Officer, Chief Technology Officer and Chairman of Space Exploration Technologies Corporation, a company which develops and launches advanced rockets for satellite, and eventually human, transportation ("SpaceX"), since May 2002, served as Chairman of the Board of SolarCity Corporation, a solar installation company ("SolarCity"), from July 2006 until its acquisition by us in November 2016 and served as Chief Executive Officer of Twitter, Inc., a social media company ("Twitter"), since October 2022. Mr. Musk is also a founder of The Boring Company, an infrastructure company, and Neuralink Corporation, a company focused on developing brain-machine interfaces. Prior to SpaceX, Mr. Musk co-founded PayPal, an electronic payment system, which was acquired by eBay in October 2002, and Zip2 Corporation, a provider of Internet enterprise software and services, which was acquired by Compaq in March 1999. Mr. Musk also served on the board of directors of Endeavor Group Holdings, Inc. from April 2021 to June 2022. Mr. Musk holds a B.A. in physics from the University of Pennsylvania and a B.S. in business from the Wharton School of the University of Pennsylvania. Impact As our Chief Executive Officer, one of our founders and our largest stockholder, Mr. Musk brings historical knowledge, operational and technical expertise and continuity to the Board. Mr. Musk guided Tesla from an early-stage startup, through its IPO in 2010, to transformative growth into one of the most valuable companies in the world. Mr. Musk's leadership and unique vision has played a key role in our mission to accelerate the world's transition to sustainable energy.

TWITTER, INC. - Executive, Board Member, CEO Source Date: 04/12/2022

Elon is Technoking of Tesla and has served as their Chief Executive Officer since October 2008 and as a member of the Board since April 2004. Elon has also served as Chief Executive Officer, Chief Technology Officer and Chairman of Space Exploration Technologies Corporation, an advanced rocket and spacecraft manufacturing and services company ("SpaceX"), since May 2002, and served as Chairman of the Board of SolarCity Corporation, a solar installation company, from July 2006 until its acquisition by us in November 2016. Elon is also a founder of The Boring Company, an infrastructure company, and of Neuralink Corp., a company focused on developing brain-machine interfaces. Prior to SpaceX, Elon co-founded PayPal, an electronic payment system, which was acquired by eBay in October 2002, and Zip2 Corporation, a provider of Internet enterprise software and services, which was acquired by Compaq in March 1999. Elon has also served on the board of directors of Endeavor Group Holdings, Inc. since April 2021. Elon holds a B.A. in physics from the University of Pennsylvania and a B.S. in business from the Wharton School of the University of Pennsylvania.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TWITTER, INC.	Executive, Board Member, CEO		Oct 27, 2022		No	Yes	
TESLA, INC.	Executive, Board Member, CEO	19	Apr 01, 2004		No	No	

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
TESLA, INC.	2023	95.4%	4.7%

DIRECTOR PAY (all values USD)

Company	Role	Tenure	Pay Year	Cash Fees	Total Awarded Pay	Shares Held
ENDEAVOR GROUP HOLDINGS, INC.	Non-Executive		2021	72,701	306,333	7,583



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

IRA EHRENPREIS

Age: 54
Gender: M
Nationality: Not Disclosed

Financial: Yes
Risk: No
Industry: Financial Services - Capital Markets

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Ira Ehrenpreis is Founder and Managing Partner of DBL Partners, a leading impact investing venture capital firm, currently managing more than \$1 billion of capital. DBL invests in companies that can deliver top-tier financial returns, while simultaneously driving social or environmental change. Ira is a recognized leader in the venture capital industry, having served on the Board, Executive Committee, and as Annual Meeting Chairman of the National Venture Capital Association (NVCA). He currently serves as the President of the Western Association of Venture Capitalists (WAVC) and as the Chairman of the VCNetwork, the largest and most active California venture capital organization. Ira was awarded the 2018 NACD Directorship 100 for being "one of the most influential leaders in the boardroom and corporate governance community." In 2007, he was named one of the "Top 50 Most Influential Men Under 45" and in 2014 was inducted into the International Green Industry Hall of Fame. Ira has served for several years as the Chairman of the Silicon Valley Technology Innovation & Entrepreneurship Forum (SVIEF). He is the Founder and Chairman of one of the most prominent annual energy innovation industry events, the World Energy Innovation Forum (WEIF), which has convened the who's-who in the industry to discuss the important energy issues and opportunities of our time. In addition, Ira has served on several industry Boards, including the Department of Energy's (DOE) Energy Efficiency and Renewable Energy Advisory Committee (ERAC), the National Renewable Energy Laboratory (NREL) Advisory Council, the Clean-Tech Investor Summit (Chairman), the Renewable Energy Finance Forum (REFF) West (Co-Chairman), the Renewable Energy Finance Forum (REFF) Wall Street (Co-Chairman), the Cleantech Venture Network (Past Chairman of Advisory Board), and ACORE (American Council on Renewable Energy). Ira has served as the Chairman of the Silicon Valley Technology Innovation & Entrepreneurship Forum (SVIEF) for many years. He is also an active leader at Stanford University, where he has served on the Board of Visitors of Stanford Law School and is currently an advisory board member of the Stanford Global Climate and Energy Project (GCEP) and the Stanford Precourt Institute for Energy (PIE) Advisory Council. Ira has also been a guest lecturer, including helping to teach a course on Venture Capital. In addition, Ira served for many years on the Advisory Board of the Forum for Women Entrepreneurs (FWE). Ira received his JD/MBA from Stanford Graduate School of Business and Stanford Law School, where he was an Associate Editor of Stanford Law Review. He holds a B.A. from the University of California, Los Angeles, graduating Phi Beta Kappa and Summa Cum Laude.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	16	May 01, 2007		No	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Pay	Chair
TESLA, INC.	Corporate Governance	Chair
TESLA, INC.	Nomination	Chair



JAMES MURDOCH

Age: 50
Gender: M
Nationality: United Kingdom

Financial: Yes
Risk: No
Industry: Media & Entertainment - Media, Financial Services - Capital Markets

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Murdoch has been the Chief Executive Officer of Lupa Systems, a private holding company that he founded, since March 2019. Previously, Mr. Murdoch held a number of leadership roles at Twenty-First Century Fox, Inc., a media company ("21CF"), over two decades, including its Chief Executive Officer from 2015 to March 2019, its Co-Chief Operating Officer from 2014 to 2015, its Deputy Chief Operating Officer and Chairman and Chief Executive Officer, International from 2011 to 2014 and its Chairman and Chief Executive, Europe and Asia from 2007 to 2011. Previously, he served as the Chief Executive Officer of Sky plc from 2003 to 2007, and as the Chairman and Chief Executive Officer of STAR Group Limited, a subsidiary of 21CF, from 2000 to 2003. Mr. Murdoch formerly served on the boards of News Corporation from 2013 to 2020, of 21CF from 2007 to 2019, and of Sky plc from 2003 to 2018. In addition, he has served on the boards of GlaxoSmithKline plc and of Sotheby's. Impact Mr. Murdoch brings to the Board his decades of executive and board experience across numerous companies. Tesla's Board benefits from his extensive knowledge of international markets and strategies and experience with the adoption of new technologies.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	6	Jul 13, 2017		No	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member
TESLA, INC.	Risk	Member



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

JEFFREY STRAUBEL

Age: 47
Gender: M
Nationality: Not Disclosed

Financial: No
Risk: No
Industry: Automobiles & Components - Automobiles

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Straubel is the Founder and Chief Executive Officer of Redwood Materials Inc., a Nevada-based company working to drive down the costs and environmental footprint of lithium-ion batteries by offering large-scale sources of domestic anode and cathode materials produced from recycled batteries. Mr. Straubel also co-founded and served as the Chief Technology Officer of Tesla from May 2005 to July 2019. Mr. Straubel previously served on the board of SolarCity Corporation and as a member of its Nominating and Corporate Governance Committee from August 2006 until its acquisition by Tesla in November 2016. Mr. Straubel has served on the board of directors of QuantumScape since November 2020. Mr. Straubel holds a B.S. in Energy Systems Engineering and a M.S. in Engineering, with an emphasis on energy conversion, from Stanford University. Impact As a co-founder and one of the key members of Tesla's leadership team for over a decade, Mr. Straubel brings extensive operational experience and in-house knowledge of Tesla's technology, research and development of business management. Mr. Straubel also provides valuable expertise in the areas of cleantech and batteries. Mr. Straubel has been nominated by the Board for election as a Class I director at the 2023 annual meeting of stockholders.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member		May 16, 2023		No	No	

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
TESLA, INC.	2023	86.1%	13.9%



JOSEPH (JOE) GEBBIA

Age: 41
Gender: M
Nationality: Not Disclosed

Financial: No
Risk: No
Industry:

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Mr. Gebbia co-founded Airbnb, Inc. in 2008 and has served on Airbnb's board of directors since 2009. In 2022, Mr. Gebbia launched Samara, which produces fully customized, factory-made homes designed to create rental income, house family, support work from home, or bundled together, to form new types of housing communities. Mr. Gebbia received dual degrees in Graphic Design and Industrial Design from the Rhode Island School of Design, where he currently serves on the institution's Board of Trustees. Mr. Gebbia is the Chairman of Airbnb.org, and also serves on the Olympic Refuge Foundation and leadership councils for UNHCR, Tent.org and Malala Fund. Mr. Gebbia is a sought-after speaker on design and entrepreneurship, and has been named in BusinessWeek's Top 20 Best Young Tech Entrepreneurs, Inc. Magazine's Thirty-under-Thirty, Fortune's Forty-under-Forty, and one of Fast Company's Most Creative People. Impact Mr. Gebbia has valuable experience derived from founding and leading a global public company. The Board benefits from his entrepreneurial background, as well as his experience in design, innovation, brand development and management of complex regulatory environments.

AIRBNB, INC. - Executive, Board Member, Chairman Source Date: 04/22/2022

Joseph Gebbia co-founded our company in 2008 and serves as our Chairman of Airbnb.org. Mr. Gebbia is also a member of our board of directors. Mr. Gebbia received dual degrees in Graphic Design and Industrial Design from the Rhode Island School of Design, where he currently serves on the institution's Board of Trustees. We believe that Mr. Gebbia is qualified to serve as a member of our board of directors because of the perspective and experience he brings as our co-founder and Chairman of Airbnb.org.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member		Sep 25, 2022		Yes	Yes	
AIRBNB, INC.	Executive, Board Member, Chairman	15	Jan 01, 2008		No	No	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Member
TESLA, INC.	Risk	Member

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
AIRBNB, INC.	2022	99.1%	1%



KATHLEEN WILSON-THOMPSON

Age: 65
 Gender: F
 Nationality: Not Disclosed

Financial: No
 Risk: No
 Industry: Consumer Staples Distribution & Retail -
 Consumer Staples Distribution & Retail, Food,
 Beverage & Tobacco - Food Products

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Ms. Wilson-Thompson served as Executive Vice President and Global Chief Human Resources Officer of Walgreens Boots Alliance, Inc., a global pharmacy and wellbeing company, from December 2014 until her retirement in January 2021, and previously served as Senior Vice President and Chief Human Resources Officer from January 2010 to December 2014. Prior to Walgreens, Ms. Wilson-Thompson held various legal and operational roles at The Kellogg Company, a food manufacturing company, from January 1991 to December 2009, including most recently as its Senior Vice President, Global Human Resources. Ms. Wilson-Thompson has served on the board of directors of Wolverine World Wide, Inc. since May 2021 and McKesson Corporation since January 2022. She previously served on the board of directors of Ashland Global Holdings Inc. from 2017-2020 and on the board of directors of Vulcan Materials Company from 2009-2018. Impact Ms. Wilson-Thompson brings extensive executive and board experience at both consumer-focused and industrial companies. In addition, her expertise in managing human resources, employment law and other operations at mature companies with large workforces provides the Board with valuable insight and advice for workforce management and relations as Tesla continues to expand.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	4	Dec 01, 2018		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Pay	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member



KIMBAL MUSK

Age: 50
Gender: M
Nationality: South Africa

Financial: No
Risk: No
Industry: Consumer Services - Hotels, Restaurants & Leisure

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member Source Date: 04/06/2023

Kimbal Musk is an entrepreneur, activist, and chef. For over two decades he has co-founded and invested in companies across technology, hospitality, entertainment, and agricultural industries. His personal mission is to empower innovators and scale sustainable technologies that help contribute to a happier, healthier future. He has been named a Global Social Entrepreneur by the World Economic Forum. Early in his career, Mr. Musk co-founded Zip2 Corporation, an early inventor of online maps and door to door directions, which was acquired by Compaq and merged into Yahoo Maps in 1999. In 2006 he became CEO of OneRiot, a realtime search engine that was acquired by Walmart in 2011. Mr. Musk has served as a Director of SpaceX since its founding in 2002 through January 2022. In the summer of 2022 he acquired the light drone division of Intel and is now the Co-Founder and CEO of Nova Sky Stories. Nova Sky Stories is an international company that engineers and develops the most reliable, advanced, and safest light drone technology with a mission to empower artists and producers to bring art to the skies of every city and town in the world. A passionate food activist, Mr. Musk has become one of the most powerful voices in America helping grow the real food movement. In 2004, he co-founded The Kitchen which purchased food directly from local farmers kickstarting the farm-to-table movement. After nearly 20 years as the CEO of The Kitchen, Mr. Musk has built a thriving restaurant company that has become a community institution in cities across America. Mr. Musk served as a Director of Chipotle Mexican Grill, Inc. from 2013 to 2019. In 2016, he co-founded Square Roots, an urban farm company growing fresh, local greens in climate-controlled, AI equipped shipping containers. He is the Co-Founder and Executive Director of Big Green, a 501c3 non-profit organization with the mission to give every person in America a chance to grow food. Big Green has led global efforts to make gardening more accessible by launching the world's first giving DAO, a Web3 approach to democratize and decentralize philanthropy.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member	19	Apr 01, 2004		No	No	

TESLA, INC. (TSLA)

MSCI
ESG RATINGS



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

ROBYN DENHOLM

Age: 60
Gender: F
Nationality: Australia

Financial: Yes
Risk: No
Industry: Telecommunication Services - Diversified
Telecommunication Services, Technology
Hardware & Equipment - Communications
Equipment

BIOGRAPHICAL INFORMATION

TESLA, INC. - Board Member, Chairman Source Date: 04/06/2023

Ms. Denholm has been Chair of the Board since November 2018. Since January 2021, Ms. Denholm has been an operating partner of Blackbird Ventures, a venture capital firm. She is also the Inaugural Chair of the Technology Council of Australia. From January 2017 through June 2019, Ms. Denholm was with Telstra Corporation Limited, a telecommunications company ("Telstra"), where she served as Chief Financial Officer and Head of Strategy from October 2018 through June 2019, and Chief Operations Officer from January 2017 to October 2018. Prior to Telstra, from August 2007 to July 2016, Ms. Denholm was with Juniper Networks, Inc., a manufacturer of networking equipment, serving in executive roles including Executive Vice President, Chief Financial Officer and Chief Operations Officer. Prior to joining Juniper Networks, Ms. Denholm served in various executive roles at Sun Microsystems, Inc. from January 1996 to August 2007. Ms. Denholm also served at Toyota Motor Corporation Australia for seven years and at Arthur Andersen & Company for five years in various finance assignments. Ms. Denholm previously served as a director of ABB Ltd. from 2016 to 2017. Ms. Denholm is a Fellow of the Institute of Chartered Accountants of Australia/New Zealand, a member of the Australian Institute of Company Directors, and holds a Bachelor's degree in Economics from the University of Sydney, and a Master's degree in Commerce and a Doctor of Business Administration (honoris causa) from the University of New South Wales. Impact Ms. Denholm brings nearly 30 years of executive leadership experience at both NYSE and Nasdaq listed companies, including significant risk management, financial and accounting expertise, as well as technology leadership experience. Ms. Denholm has extensive knowledge of both the automotive and technology industries, including serving as the Chief Financial Officer and Chief Operating Officer of two technology companies.

CORPORATE BOARDS

Company	Role	Tenure	Appointed	Resigned	Independent of Management	Independent of Other Interests	Attendance
TESLA, INC.	Board Member, Chairman	9	Aug 11, 2014		Yes	Yes	

BOARD COMMITTEES

Company	Committee Type	Position
TESLA, INC.	Audit	Chair
TESLA, INC.	Pay	Member
TESLA, INC.	Corporate Governance	Member
TESLA, INC.	Nomination	Member
TESLA, INC.	Risk	Chair

VOTING RESULTS

Company	Year	For %	Against, Withheld and / or Abstained %
TESLA, INC.	2023	73.9%	26.1%

CCC | B | BB | BBB | **A** | AA | AAARATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

GLOSSARY

MSCI ESG RATINGS AND SCORES

FINAL ESG RATING

- Letter ratings are relative within each MSCI ESG Ratings industry. Each Final Industry-Adjusted Company Score is converted to an equivalent rating on the AAA-CCC scale.

ESG PILLARS

- the **Environment Score** represents the weighted average of all Key Issues that fall under the Environment Pillar
- the **Social Score** represents the weighted average of all Key Issues that fall under the Social Pillar
- the **Governance Score** represents the sum of score deductions derived from Key Metrics included in Corporate Governance (including Board, Pay, Ownership & Control, and Accounting) and Corporate Behavior (including Business Ethics and Tax Transparency)
- the **Environment Weight** represents the sum of the weights of all Key Issues that fall under the Environment Pillar
- the **Social Weight** represents the sum of the weights of all Key Issues that fall under the Social Pillar
- the **Governance Weight** represents the sum of the weights of Corporate Governance and Corporate Behavior, with a minimum weight set at 33% for all rated issuers

KEY ISSUES

For each industry and Company-Specific Key Issue that contributes to the final rating:

- **Weight** contribution to the final rating
- **Exposure Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- **Management Score** (available for companies published since June 2011; excluding Raw Material Sourcing – Environmental)
- Overall **Key Issue Score**

WEIGHTED-AVERAGE KEY ISSUE SCORE VS. INDUSTRY RELATIVE SCORE

- the **Weighted-Average Key Issue Score** is dynamic, reflecting changes in any underlying scores as of the Last Update date, while the **Industry Relative Score** is more static and corresponds to the Rating Date. Issues that we determine do not present material risks or opportunities to companies in a given industry receive 0% weight and do not impact the overall ESG rating.

SCORES AND CALCULATION OF AVERAGE, PERCENTILE AND RATING DISTRIBUTION

All averages, percentiles, and rating distributions found in the report are based on companies in the relevant MSCI ESG Ratings Industry that are constituents of the MSCI ACWI and are calculated based on industry scores as of the date of publication of this report.

ESTIMATED CARBON EMISSIONS

Carbon estimates are based on carbon intensity (carbon emissions/sales). The Estimate Key represents the source of the estimated carbon emissions data. E.CSI represents Company-Specific Intensity estimates based on previously disclosed data. E.GICSSI represents estimates based on the GICS Sub-Industry average. For E.GICSSI we set five levels of confidence (High, Moderately High, Moderate, Moderately Low, and Low). The Carbon Estimation Methodology document, available on ESG Manager, describes the estimation model in greater detail.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

GOVERNMENT SUPPORT RATING

We calculate the 'government support rating' for Supranationals and Development Banks based on the weighted average of member countries' Governance scores using the MSCI ESG Government Ratings methodology. These scores are based on measures of political governance (strength of institutions, corruption control, civil liberties, and human rights) and financial accountability.



NOTICE AND DISCLAIMER

- This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the “Information”) is the property of MSCI Inc. or its subsidiaries (collectively, “MSCI”), or MSCI’s licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the “Information Providers”) and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or redistributed in whole or in part without prior written permission from MSCI. All rights in the Information are reserved by MSCI and/or its Information Providers.
- The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.
- The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.
- Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not be applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub-contractors.
- Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.
- The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.
- None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.
- It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, “Index Linked Investments”). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.
- Index returns do not represent the results of actual trading of investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. The calculation of indexes and index returns may deviate from the stated methodology. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.
- The Information may contain back tested data. Back-tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.
- Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.
- Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research LLC and Barra LLC, may be used in calculating certain MSCI indexes. More information can be found in the relevant index methodologies on www.msci.com.
- MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.’s revenue includes fees based on assets in Index Linked Investments. Information can be found in MSCI Inc.’s company filings on the Investor Relations section of msci.com.
- MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and MSCI’s products or services are not a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, provided that applicable products or services from MSCI ESG Research may constitute investment advice. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC, a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that utilize information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK).
- Please note that the issuers mentioned in MSCI ESG Research materials sometimes have commercial relationships with MSCI ESG Research and/or MSCI Inc. (collectively, “MSCI”) and that these relationships create potential conflicts of interest. In some cases, the issuers or their affiliates purchase research or other products or services from one or more MSCI affiliates. In other cases, MSCI ESG Research rates financial products such as mutual funds or ETFs that are managed by MSCI’s clients or their affiliates, or are based on MSCI Inc. Indexes. In addition, constituents in MSCI Inc. equity indexes include companies that subscribe to MSCI products or services. In some cases, MSCI clients pay fees based in whole or part on the assets they manage. MSCI ESG Research has taken a number of steps to mitigate potential conflicts of interest and safeguard the integrity and independence of its research and ratings. More information about these conflict mitigation measures is available in our Form ADV, available at <https://adviserinfo.sec.gov/firm/summary/169222>
- Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P Global Market Intelligence. “Global Industry Classification Standard (GICS)” is a service mark of MSCI and S&P Global Market Intelligence.
- MiFID2/MIFIR notice: MSCI ESG Research LLC does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI ESG Research product or service supports, promotes or is intended to support or promote any such activity. MSCI ESG Research is an independent provider of ESG data.
- Privacy notice: For information about how MSCI collects and uses personal data, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.



CCC | B | BB | BBB | **A** | AA | AAA

RATING ACTION DATE: July 04, 2023
LAST REPORT UPDATE: August 30, 2023

ABOUT MSCI ESG RESEARCH PRODUCTS AND SERVICES

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc.

ABOUT MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

© 2023 Deloitte. ALL RIGHTS RESERVED. See [Notices](#), [Terms of Use](#) and [Privacy](#) for more information.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [Deloitte](#) refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.