

## TESLA, INC.

### WORLDWIDE BRIBERY AND ANTI-CORRUPTION POLICY

(Adopted by the Board of Directors on May 20, 2010,  
revised on November 7, 2014)

#### Overview

Tesla, Inc. (“**Tesla**”) and its employees must comply not only with U.S. law with respect to bribery and anti-corruption, including the Foreign Corrupt Practices Act (the “**FCPA**”), but also must comply with the corresponding laws of the respective host countries where Tesla is doing business, such as China and countries throughout Europe.

Tesla’s worldwide policy with respect to bribery and anti-corruption is simple and clear:

- Tesla does not offer or accept bribes in any form;
- Tesla does not offer or accept kickbacks in any form; and
- Tesla does not tolerate corruption in connection with any of our business dealings.

Additionally, Tesla’s Code of Business Conduct and Ethics (the “**Code of Conduct**”) requires that each employee act ethically and lawfully in all business dealings when selling, buying or representing Tesla in any capacity. Giving or accepting a bribe is a violation of the Code of Conduct and in many cases is also a violation of law.

Involvement in bribery or corruption can result in lasting damage to our brand and our reputation. It can also result in multi-million-dollar fines and penalties, plus jail time for participants.

Compliance with this policy, and U.S. and international anti-corruption laws is mandatory. Failure to do so may result in disciplinary action up to termination of employment or termination of your business relationship.

Boiled down to its essence, our policy is:

**Don’t offer any bribe to anybody, anytime, for any reason.**  
(And when in doubt, please consult with the General Counsel or the Legal Department.)

## Tesla's Policy

### General

- The use of Tesla funds or assets for any unlawful or improper purpose is strictly prohibited.
- This Policy applies to all of Tesla's subsidiaries and to all employees and all independent third parties who work on Tesla's behalf globally (such as independent contractors, consultants, agents, suppliers, vendors).

### Gifts, Hospitality and Entertainment

- Cash gifts or gifts that are equivalent to cash, such as gift cards, are not allowed.
- Gifts, hospitality (such as meals or travel), and entertainment should be modest and reasonable.

Gifts of substantial value to, or lavish entertainment of, government employees are prohibited since they can be construed as attempts to improperly influence government decisions in matters affecting Tesla's operations. In the normal course of business and depending upon the circumstances, a non-cash gift, meal or entertainment of USD \$50 a person or less would be considered modest and reasonable.

- Any entertaining of foreign officials,<sup>1</sup> or the furnishing of assistance in the form of transportation or other services should be of such a nature that the official's integrity or reputation would not be compromised or impugned.
- Tesla does not pay for foreign officials' or their family's or friends' travel expenses without the prior approval of the General Counsel or the Legal Department.
- The offer, payment or promise to transfer Tesla funds, assets or anything of value, or the delivery of gifts or anything else of value, to foreign officials, foreign political parties or officials or candidates of foreign political parties **for the purpose of influencing any act or decision of any such person in his or her official capacity or obtaining favorable action by such person** is strictly prohibited.<sup>2</sup>

---

<sup>1</sup> A "foreign official" includes any employee of a foreign government or any department, agency, or instrumentality of a foreign government; a foreign state-owned or controlled entity, including, in many countries, telecom, health care, and educational institutions' employees; a public international organization, such as the Red Cross or World Bank; and any person acting in an official capacity for or on behalf of such governmental bodies or public organizations, including entities hired to review and accept bids for a government agency.

<sup>2</sup> This includes the decision to fail to perform his or her official functions or to use such person's or party's influence with a foreign government or instrumentality in order to affect or to influence any act or decision of such government or instrumentality in order to assist Tesla in obtaining or retaining business for or with, or directing business to, any

## Facilitation Payments

- Facilitation payments are minimal payments to a foreign official, foreign political party, or party official intended to hasten or secure the performance of a “routine governmental action.”<sup>3</sup>
- Facilitation payments do not include payments made to influence a discretionary action or decision, such as awarding a contract or reducing a fine, which are not allowed under this Policy.
- Facilitating payments are not legal in all countries.
- Facilitation payments are not permissible, except in certain limited circumstances. **You must obtain express written approval from the General Counsel or the Legal Department prior to making facilitating payments of any kind.**

## Agents, Representatives, Consultants and Distributors

- Tesla personnel should be particularly alert to any “red flags” (i.e., something that should indicate warning or danger) that may be encountered during due diligence or in transactions with third parties.
- The following are some “red flags” that frequently arise with third parties involved in non-U.S. operations:
  - o A reference check reveals the third party’s flawed background or reputation;
  - o The third party is suggested by a government official, particularly one with discretionary authority over the business at issue;
  - o The third party objects to FCPA representations in Tesla’s agreements;
  - o The third party has a close personal or family relationship, or a business relationship, with a government official or relative of an official;
  - o The third party requests unusual contract terms or payment arrangements that raise local law issues, such as payment in cash, payment in another country’s currency, or payment in a third country;
  - o The third party requires that his or her identity or, if the third party is a company, the identity of Tesla’s owners, principals or employees, not be disclosed; and

---

person or entity.

<sup>3</sup> “Routine governmental actions” include those ordinarily performed by a foreign official in (i) obtaining permits, licenses, or other official documents to qualify a person to do business in a foreign country; (ii) processing governmental papers, such as visas and work orders; or (iii) actions of a similar nature.

- o The third party's commission exceeds the "going rate" or must be paid in cash.
- The basic rule is simple: a red flag cannot be ignored, it must be addressed. All "red flags" must immediately be investigated and appropriately addressed.
- If you become aware of facts that may be "red flags" but are not sure how to respond to them, you should immediately contact the General Counsel or the Legal Department.

### **Pre-Approval Required**

- If anything of value, regardless of the amount, is to be given to a foreign official, foreign political parties or officials or candidates of foreign political parties, the General Counsel or the Legal Department must be consulted and express, written, pre-approval must be obtained.

### **Books and Records / Internal Controls**

- All records must truly reflect the transactions they record.
- All assets and liabilities shall be recorded in the regular books of account.
- No undisclosed or unrecorded fund or asset shall be established for any purpose.
- No false or artificial entries shall be made in the books and records for any reason.
- No payment shall be approved or made with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the document supporting the payment.

### **Political Contributions**

- Other than a political contribution specifically approved in writing by the General Counsel or the Legal Department, no political contribution shall be made, directly or indirectly, with corporate funds or assets regardless of whether the contributions are legal under the laws of the country in which they are made.

### **Required Periodic Training**

- Employees who regularly conduct business with government employees, or are involved in the sale of products to government entities, must receive training on the Act from Tesla's Legal Department or its delegate on a regular basis, but in no event less than once every three (3) years.

### **Reporting Violations or Potential Violations of this Policy**

- All managers shall be responsible for the enforcement of and compliance with this Policy, including the necessary distribution to insure employee knowledge and compliance.

- If an individual suspects or becomes aware of any action related to bribery, recordkeeping or internal controls that he or she believes may be illegal, unethical or inappropriate, or otherwise in violation of this Policy, the individual should immediately report the situation to his or her supervisor, the Chief Financial Officer and the General Counsel or the Legal Department.
- If the individual wishes to report his or her concerns anonymously, he or she can make an anonymous written submission by mail to the Chief Financial Officer and the General Counsel or the Legal Department at Legal Department at the following address: Tesla, Inc., Legal Department, 3500 Deer Creek Road, Palo Alto, CA 94304, USA.
- Tesla will not permit retaliation of any kind against anyone who makes a report or complaint in good faith with a reasonable basis for believing that a violation of this Policy or other illegal, unethical or inappropriate conduct has occurred.
- Violations of this Policy should be promptly reported to the General Counsel or the Legal Department at 1-866-265-4246.

## **Questions**

If you have further questions, please contact Tesla's General Counsel or the Legal Department.