

Tesla Modern Slavery Transparency Statement

This statement is made on behalf of Tesla, Inc. and its subsidiaries, including reporting entities Tesla Motors Australia, Pty Ltd¹ and Tesla Motors Limited² (together, “Tesla”), for Tesla’s fiscal year ending on December 31, 2022. We are publishing this statement under the Australia Modern Slavery Act 2018, the UK Modern Slavery Act of 2015 and the California Transparency in Supply Chains Act of 2010, as a demonstration of our commitment to anti-slavery practices and an affirmation of the values we hold and adopt across Tesla’s business operations and supply chain.

Our commitment

The ethical treatment of all people and regard for human rights is core to Tesla’s mission of a sustainable future for all. We are committed to ensuring that the way we conduct our business reflects our values and our belief that everyone should be treated with dignity and respect.

In line with Tesla’s mission to accelerate the world’s transition to sustainable energy, Tesla is committed to ensuring that companies in our supply chain respect human rights and protect the environment. We strive to maximize the positive impact of our supply chain for people and the planet. Our goal is that wherever Tesla’s supply chain has an impact, local conditions for stakeholders continuously improve as a result of our purchasing decisions and relationships.

Tesla recognizes the International Labour Organization (“ILO”) definitions of forced labour, modern slavery, and human trafficking and has zero tolerance for any form of such abuses, including debt bondage, indentured labour and compulsory prison labour. We are committed to ensuring that our supply chain – from raw materials to final products – is free of such abuses and we will not knowingly accept products or services from suppliers that include forced labour or human trafficking in any form.

We will not tolerate any transporting, harboring, recruiting, transferring, or receiving of persons by means of threat, force, coercion, abduction, or fraud for labour or services. No worker may be coerced to work or subjected to physical punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control. We also do not allow any direct or indirect control tactics, including threats, corporal punishment, or economic, emotional, or familial abuse at our facilities nor in the facilities of our suppliers.

All workers have the right to freedom of movement, and the conditions of employment must not restrict their movement through the retention of identity papers, holding of deposits, accommodation requirements, or any other action aimed at restricting worker mobility.

In line with the Employer Pays Principle, no worker should be required to pay recruitment or other similar fees to secure or retain their employment. Tesla does not allow the use of recruitment fees or other related fees for employment such as application, recruiting, hiring, placement, or processing fees, from workers. The cost of recruitment should be borne by the employer. If workers are found to have paid recruitment fees or other related fees for employment, Tesla requires the reimbursement of the full cost of such fees.

Tesla also recognizes the Universal Declaration of Human Rights, which focuses on dignity, respect and equality, without discrimination, for all people. In addition, we utilize the United Nations Guiding Principles on Business

¹ Tesla Motors Australia, Pty Ltd, a subsidiary of Tesla, Inc., is an Australian proprietary company that sells Tesla vehicles and energy products.

² Tesla Motors Limited, a subsidiary of Tesla, Inc., is a UK limited proprietary company that sells Tesla vehicles and energy products.

and Human Rights and the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises. Tesla follows the Organization for Economic Co-operation and Development (“OECD”) Due Diligence Guidance for Responsible Business Conduct, and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas when identifying, mitigating and reporting risks within our value chain. We look to the OECD Due Diligence Guidelines to inform our process and use feedback from our internal and external stakeholders to find ways to continually improve it.

Tesla sets Responsible Sourcing standards through our Responsible Sourcing policies and drives supplier conformance with those standards through our contracts and supplier guidelines. We have three Responsible Sourcing policies—the Supplier Code of Conduct, Global Human Rights Policy, and Responsible Sourcing Policy (together, our “Policies”)— which are applicable to all suppliers, regardless of supplier type, to ensure we are upholding our commitment to Responsible Sourcing throughout our extended value chain.

Our supplier guidelines also address our policies on responsible sourcing of minerals and state our expectation that all Tesla suppliers are accountable for performing forced labour due diligence on their supply chains in accordance with international standards and legal requirements. Our contractual terms with suppliers (i.e., General Terms and Conditions) also require compliance with our Policies. In early 2023, we strengthened our General Terms and Conditions with additional language and restrictions related to supply chain traceability and the removal of high-risk entities in the supply chain.

We ensure compliance with our policies and supplier expectations by identifying potential risks in our extended supply chain, conducting assessments and audits at the Tier 1 and upstream level, and working in collaboration with suppliers to improve identified risks and mitigate potential future risk. We use multiple sources of information, including subject area experts, public reports and our involvement with organizations, to identify specific areas of concern we may need to conduct additional due diligence on.

Where we find violation of our policies, we take appropriate actions to address the issue and improve supplier operations and conditions for workers. Tesla considers indicators of forced labour to be the highest severity of non-conformances and thereby prioritizes responding to these risks. Generally, we work in partnership with suppliers to review root causes, and as appropriate, approve plans to improve, remediate and monitor evidence of improvement and worker engagement. If appropriate, Tesla may disengage with a supplier and not re-engage until evidence of remediation is provided and the supplier has strengthened its management system to prevent future violations.

Our organizational structure and our business operations and supply chain

Our business was founded in 2003, and we helped define and create the clean energy market. We design, develop, manufacture, sell and lease high-performance fully electric vehicles and energy generation and storage systems, and offer services related to our products. For more information about our business and organizations, please see our annual report on Form 10-K for the year ended December 31, 2022, filed publicly with the U.S. Securities and Exchange Commission (“SEC”).

Tesla, Inc. is headquartered in Texas, USA. As of December 31, 2022, Tesla had 127,855 full-time employees located in our subsidiaries and operations around the world.

Tesla’s supply chain has a unique hybrid of traditional automotive and high-tech industry suppliers from around the world. We are highly dependent on the information provided to them by their respective supply chains. However, all of Tesla’s supply chain partners, regardless of location in the supply chain, are subject to our Policies, and are required to provide evidence of the existence of policies that address, amongst other things, social issues.

Our Policies are the foundation for ensuring social and environmental responsibility and ethical conduct by our

suppliers throughout our global supply chain — no matter the industry, region or materials, and including with respect to preventing the use of modern slavery, child labour and human trafficking. Tesla continues to identify and do business with organizations that conduct their business with principles that are consistent with our policies.

Our employees and those who work for our suppliers

Our recruitment procedures comply with the relevant local regulations and standards; we adopt a fair and equitable approach when scouting for talent; and all wages are compliant with local laws and regulations. Tesla also advocates freedom of employment, which means all work should be done voluntarily. No employee should be forced to work against their will. Our employees may terminate their employment by giving any required contractual or statutory notice. Child labour and the employment of children below the applicable minimum legal age is strictly forbidden at Tesla.

Tesla's Policies set out our approach to this matter and are applied throughout the company and across our global supply chain. Tesla employees must also adhere to our Code of Business Ethics (publicly available on Tesla's Investor Relations' page at ir.tesla.com/corporate).

Our supply chain

Tesla purchases thousands of parts, which we source globally from hundreds of suppliers. We have developed close relationships with several key suppliers, particularly in the procurement of battery materials and certain other key system parts.

Our Policies are part of our ongoing efforts to ensure that social and environmental responsibility and ethical conduct exist throughout our supply chain, regardless of industry, region or materials. Annually, we publish an Impact Report that describes our efforts to identify and manage environmental and social risks in our global supply chain as well as disclose suppliers with whom we have a direct relationship in our battery supply chain. We also publicly file with the SEC a Conflict Minerals Report (last published on May 31, 2023 for FY22) with a description of our global due diligence efforts related to the sourcing of certain "conflict minerals," including tantalum, tin, tungsten and gold (known commonly as "3TG"). These reports also describe our broader efforts to work with our global suppliers to ensure they adhere to our Policies.

How we manage modern slavery risks in our supply chain

We have identified forced labour and modern slavery as salient human rights and salient responsible sourcing issues to Tesla. Specific areas of risk may include: suppliers or sub-suppliers located in countries that may have a higher risk of modern slavery, potential exposure to entities that may not comply with human rights and labour laws, and certain products and natural resources that may have higher modern slavery risks based on how they are produced or mined.

In response, Tesla has implemented the following risk assessment and mitigation activities:

- Risk assessment:
 - Mapping our supply chain wherever feasible;
 - Understanding suppliers' existing policies and management systems related to forced labour;
 - Requiring suppliers undergo third-party audits, including the assessment for ILO indicators of forced labour;
 - Implementing a Tesla-specific program of social and environmental compliance audits that follows the Responsible Business Alliance ("RBA")'s audit guidance and assesses select suppliers on issues including their compliance with freely chosen employment by commissioning;

- Implementing targeted assessments of suppliers with a higher risk of forced labour;
- Maintaining awareness of geographic risks, labour trends, and other factors through various sources;
- Reviewing information from credible external sources, such as government agencies and non-governmental organizations (“NGO”) reports;
- Incorporating third-party research into our due diligence efforts on suppliers; and
- Incorporating the voices of workers, rights holders and rights defenders by providing avenues for those stakeholders to raise potential concerns, including anonymously through an Integrity Line that is available 24 hours a day, seven days a week.
- Risk mitigation:
 - Requiring suppliers implement corrective action plans for gaps identified during audits or other avenues;
 - Disciplining contractors and appropriate parties who fail to meet the requirements of our Policies, including potential termination of contract;
 - Expecting our suppliers and their respective suppliers to implement an effective grievance management system for their operations, reaching suppliers’ workers and their legitimate representatives;
 - Requiring our Tier 1 suppliers to certify that their materials incorporated into Tesla products comply with the applicable laws;
 - Transitioning away from purchasing goods or services from any supplier that is believed to be engaging in non-compliance if the supplier does not take corrective actions and the violation is not remediated in a satisfactory manner;
 - Engaging in multi-stakeholder working groups, such as those within the RBA and its associated Responsible Labour Initiative working group on forced labour, for us to better understand how we can enhance our efforts and contribute to others' understanding of best practices and stay up-to-date with industry trends and best practices, as well as support shared solutions;
 - Training relevant employees to raise awareness of the issues surrounding modern slavery and ensure that employees who work with suppliers are trained on issues of human trafficking, modern slavery and child labour, particularly with respect to identifying and mitigating such risks within our supply chain; and
 - When concerns are raised through our Integrity Line or other worker voice, grievance and remedy channels, working with stakeholders to address conditions raised, as appropriate (Tesla utilizes a tracking system to document concerns raised by employees (while protecting the identity of employees who wish to stay anonymous) to ensure follow-through and resolution and allow for appropriate teams to review data and consider proactive solutions.

Examples of how we manage modern slavery risks across our supply chains include:

- Progress on Tesla’s own social and environmental compliance audit program: 2022 marked the fifth year of the program. In this year, we expanded the scope of our audits in both the number as well as geographic locations of suppliers who underwent these audits.
- Supplier Self-Assessment Questionnaire (SAQ): In 2022, we also began piloting a Supplier Self-Assessment Questionnaire, which further includes questions related to freely chosen employment and the ILO forced labour indicators. The SAQ is a scalable, ongoing approach to monitoring supply chain social and environmental risks based on practices at supplier manufacturing facilities. Suppliers are asked to affirm that they have policies, processes, and controls at the manufacturing site level consistent with all Code of Conduct topic areas: labour, health and safety, environment, ethics, and supply chain responsibility. Responses to the survey are reviewed, escalated, and prioritized for on-site audits where required. For the initial pilot launch, Global Supply Management teams selected 52 suppliers to participate across 18

different spend categories such as chemicals, glass, seating, stampings, and lighting. This approach ensured representation and engagement across most major sourcing scopes, resulting in an overall 70% response rate.

- **Tesla Employee Training:** In 2022, we conducted training for employees within Tesla’s Supply Chain Organization on the topics of forced labour and responsible sourcing. On International Human Rights Day, we educated employees on the salient issue of forced labour. The training provided employees with a concrete toolkit to identify signs of forced labour during supplier visits and nearly 1,000 Tesla supply chain and engineering employees attended. We also initiated an ongoing new-hire training program for Supply Chain Organization employees such as Global Supply Managers and Supplier Industrialization Engineers on our Policies, supplier expectations and how they can support Tesla’s responsible sourcing activities.
- **Customs Trade Partnership Against Terrorism (“CTPAT”):** Tesla joined the CTPAT in July 2019. In September 2022, the U.S. Customs and Border Protection (“CBP”) met with Tesla management and stakeholders from across the organization to validate that we are meeting the minimum security criteria established for the program. CTPAT members are required to have a documented social compliance program in place that, at a minimum, addresses how the company ensures goods imported into the United States were not mined, produced, or manufactured, wholly or in part, with prohibited forms of labour, i.e., forced, imprisoned, indentured, or indentured child labour. Through CTPAT, we have engaged with the CBP and the Department of Homeland Security's Center for Countering Human Trafficking to educate them on sourcing patterns for commodities at high risk for forced or trafficked labour. In CBP's February 2023 Validation Report, CBP commended Tesla for "commit[ting] significant resources to ensure that their supply chains and business partners meet ethical sourcing and labour requirements" and recognized the processes we have in place to screen business partners as a best practice – "outstanding in both scope and depth."

Examples of how we manage modern slavery risks in specific material supply chains:

The U.S. Department of Labour 2022 List of Goods Produced by Child or Forced Labour identifies several inputs to Tesla products as a risk. Below is how we manage modern slavery risks in those supply chains:

- **Gold**
 - In 2022, representatives from Tesla's Responsible Sourcing team traveled to Rwanda and Uganda to learn more about with Tesla's 3TG supply chain. Our purpose was to observe on-the-ground conditions, assess audit schemes, meet with capacity-building groups and local stakeholders (including representatives from artisanal and small-scale mining organizations, midstream supply chain actors and civil society), and explore opportunities to improve conditions in the 3TG upstream supply chain. We became more closely involved with understanding the due diligence efforts of existing, globally recognized assurance programs and sought to identify opportunities for improvement to best allow Tesla to gain visibility and actionable information about on-the-ground impact. Where we found potential problems, we voiced our concerns and worked with local stakeholders to support improvements. Where we saw programs that offered more opportunity for transparency and positive impact, we have engaged on our potential involvement.
 - In 2022, a member of Tesla’s Responsible Sourcing team became a co-chair of the Responsible Minerals Initiative Gold Team, a workgroup aiming to increase the uptake of responsible sourcing practices in the gold supply chain. We met with representatives from the Responsible Mica Initiative (“RMI”), peer companies in the automotive and technology sectors and civil society stakeholders to discuss opportunities to continually improve the industry’s approach to

responsible 3TG sourcing. We provided feedback to RMI and other OECD-aligned, independent assessment programs (such as London Bullion Market Association's ("LBMA") Responsible Gold Programme) on opportunities to strengthen the industry's audit protocol, upstream due diligence and collective industry tools.

- Overall, we conduct due diligence in line with the OECD Due Diligence Guidance for Responsible Minerals Supply Chains, including surveying our supply chain to understand the 3TG smelters and refiners in Tesla's supply chain. We continue to require our direct suppliers to source only from smelters and refiners ("SoR") that are certified to a globally recognized due diligence framework. Where a supplier provides us with information that one or more SoR in our supply chain is not certified, we request information on their current actions and timelines to remove that SoR. We continue to explore opportunities to strengthen our approach to responsible sourcing of 3TG.
- Cotton/Garments
 - In 2022, we expanded our efforts to the apparel supply chain to give us greater visibility into provenance and labour and environmental practices. This built on our decision in 2021 to source recycled or organically grown cotton, both of which can significantly reduce environmental impact compared to traditionally grown cotton. The use of organic cotton also gives greater assurance to the sourcing practices and environmental impact by allowing us to select suppliers who have shared more on their due diligence efforts.
- Mica
 - Phlogopite mica is relatively abundant and affordable, but it has associated risks. Tesla has mapped its mica supply chain and is working toward full traceability. Tesla also engaged with its Tier 1 suppliers and required that they become members of RMI and conduct regular audits.
- Silica
 - In 2022, we conducted a full supply chain mapping for our Solar Roof offerings and gained visibility into upstream suppliers back to the polysilicon level. This has allowed us to assess and mitigate any potential risks.
 - Tesla established a method to screen potential suppliers and began conducting proactive supplier due diligence, starting with the initial sourcing process through to awarding potential business. For the solar cells going into our Solar Roof product, we collaborated with a candidate supplier to verify suppliers back to the polysilicon level. For each tier, we verified the origin of materials prior to sourcing. Through this process, we were able to successfully influence sub-tier supplier selection.
 - In our other solar supply chains, our suppliers take the lead in mapping and selecting their sub-tier suppliers. This leads to a lower level of control or ability to influence for Tesla in some cases. In those areas, we still strive to gain visibility into our sub-tier supply chain and gather information to increase our confidence in proper working conditions and respect for human rights.
 - In cases where suppliers have been unable or unwilling to meet our expectations, where appropriate or possible, we navigated away from them and chose alternative sources. While this approach led to a more limited supply base, it has provided us with an increased confidence level in the companies with whom we chose to do business.
- Cobalt
 - In 2022, we sourced > 55% of our cobalt directly from mine sites, which enables more transparent and traceable supply chains and data.
 - We also visited the Democratic Republic of Congo to meet with local stakeholders and NGOs working on issues like health, safety, and child labour remediation.
 - Our suppliers completed sixteen audits against responsible production standards, including the RMI Responsible Minerals Assurance Process ("RMAP").
 - We reviewed grievances from NGOs and academic studies related to working conditions, and implemented responses to identified priority engagement areas like fair working conditions and

human rights, including ensuring that suppliers' management systems explicitly include human rights and community complaints and providing resources that will improve the safety of workers and for educational and employment opportunities through our founding membership in the Fair Cobalt Alliance.

- Across the critical battery metals (cobalt, nickel, lithium), in 2022, we confirmed 83% of refiners and mine sites in our supply chain, including 100% from whom Tesla sources directly, either underwent or committed to undergo independent external sustainability audits, using the RMI RMAP, the Initiative for Responsible Mining Assurance Standard or the International Council on Mining and Metals' Performance Expectations.

Assessing the effectiveness of our actions

In 2022, Tesla expanded its responsible sourcing team to take a closer look at how we are sourcing our materials and to better understand the potential risks of those sourcing decisions. This expanded effort allows for the identification of and responses to issues within our supply chain to be centralized and for improvements to be tracked over time. Other actions taken to better assess our effectiveness, where appropriate, include:

- Continue to participate in cross-industry groups, such as the RBA, Global Battery Alliance and the Fair Cobalt Alliance;
- Continue to audit our suppliers and evaluate progress on a range of environmental, social and governance issues including their policies on forced labour;
- Require suppliers to undergo a specialized audit focused on their facility labour practices;
- Continue to include as a contractual requirement our suppliers' participation in our due diligence processes;
- Encourage suppliers to conduct responsible sourcing and reduce the risk of modern slavery in their own supply chains; and
- Educate suppliers on the importance of understanding the content of their products as well as performing due diligence on their own supply chains to reduce risks.

Process of consultation amongst Tesla entities

Our responsible sourcing team leading our due diligence efforts is strategically embedded into our Supply Chain Organization. These efforts cover all of Tesla's subsidiaries throughout the world, including those in Australia and the UK. In addition, an internal cross-functional Tesla Responsible Sourcing Steering Committee (the "Steering Committee") composed of Tesla leadership from Supply Chain, Internal Audit, Investor Relations, EHS, Public Policy & Business Development, Sustainability, Compliance and Legal oversees these due diligence efforts and potential risks within our supply chain. Our efforts have been overseen and approved by the Steering Committee, including our Vice Presidents of Global Supply Management. In addition, our Board of Directors reviews our policies and human rights programs. We also engage external groups on a regular basis to provide feedback on our approach to responsible sourcing.

Continuous improvement

Tesla continues to improve upon its responsible sourcing program in line with the company's growth and supply chain developments.

A more detailed overview of Tesla's supply chain due diligence can be found in Tesla's publicly available 2022 Impact Report.

This statement is given on behalf of Tesla, Inc. and its subsidiaries, including Tesla Motors Limited, for Tesla’s financial year ending 31 December 2022. This statement sets out our evaluation of risks of modern slavery in our business and the actions taken during the financial year to address these risks and prevent modern slavery and human trafficking in our operations and supply chains. For purposes of compliance with the UK’s Modern Slavery Act 2015, this statement has been approved by the Tesla Motors Limited Board of Directors and is signed by a director of that entity on the date indicated below.

By: /s/ Vaibhav Taneja
Name: Vaibhav Taneja
Title: Director
Date: June 28, 2023

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This statement is given on behalf of Tesla, Inc. and its subsidiaries, including Tesla Motors Australia, Pty Ltd, for Tesla’s financial year ending 31 December 2022. This statement sets out our evaluation of risks of modern slavery in our business and the actions taken during the financial year to address these risks and prevent modern slavery and human trafficking in our operations and supply chains. For purposes of compliance with Australia’s Modern Slavery Act 2018, this statement has been approved by the Tesla Motors Australia, Pty Ltd Board of Directors and is signed by two directors of that entity on the date indicated below.

By: /s/ David Feinstein
Name: David Feinstein
Title: Director
Date: June 28, 2023

By: /s/ Kenneth Moore
Name: Kenneth Moore
Title: Director
Date: June 28, 2023