

T E S L A

# Tesla Anti-Corruption Policy

## 1. Overview

In all our business practices, Tesla is committed to acting ethically and with integrity. This includes complying with laws around the world that prohibit bribery and corruption in business, including the U.S. Foreign Corrupt Practices Act (“FCPA”), the UK Bribery Act, Chinese anti-corruption laws, and others. Anti-corruption laws prohibit giving bribes to government officials to gain a business advantage and establish requirements for keeping accurate financial books and records. Some laws also prohibit commercial bribery among private companies and individuals. Tesla’s Policy is clear: there is no place for bribery or corruption of any kind in our company.

Corruption hurts our business and is bad for the world. You can be held personally responsible for bribery offenses or expose the company to massive fines and reputational damage.

There are many reasons why complying with anti-corruption laws is important. First, corruption is bad for the world. It harms public trust in government, threatens economic and social development, and hurts fair trade. Tesla is committed to building a sustainable future and corruption gets in the way of that mission. Violating anti-corruption laws also brings huge legal risk to Tesla, including lasting damage to our brand and reputation, multi-million or billion-dollar fines, and jail time for participants. So complying with these laws is very important.

Tesla’s Anti-Corruption Policy provides guidance and sets required standards of conduct for all Tesla employees, partners, and suppliers to ensure that we comply with all relevant anti-corruption laws.

This Policy replaces all other pre-existing Tesla anti-corruption policies, including any regional policies.

## 2. Scope – Who is Covered?

This Policy applies to all Tesla employees worldwide, as well as anyone acting on Tesla’s behalf.

## 3. The Policy

### a. Overview

Tesla’s Policy with respect to bribery and 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.

Tesla’s Policy is clear: There is no place for bribery or corruption in any of our business dealings.

### b. Improper Payments

Bribes come in many forms. Anti-corruption laws and this Policy prohibit Tesla employees and representatives from giving, offering, or authorizing anyone else to give “Anything of Value” to a Government Official or someone else when the purpose is to improperly influence their actions or gain a business advantage. Anything of Value includes money, of course, but also covers all kinds of other things, such as: gift cards, gifts, travel expenses, meals, hospitality (more on all of that below), special perks, giving a job to someone’s relative or close friend, free Supercharging, or a Tesla vehicle.

Q: How do I know if I'm "improperly influencing" a government official by providing something?

A: Think about why you're providing it. Is it just basic hospitality during a meeting - like coffee and cake - or a free Tesla cap, to foster good will? Or are you trying to get the official to do something for you or Tesla by providing them with something really nice? Offering anything other than very minimal hospitality or gifts with an innocent intent. That's why Compliance has to approve all gifts provided to Government Officials (see below).

Tesla employees and representatives are also prohibited from asking anyone else - such as an agent, representative, or other Third Party - to improperly provide Anything of Value to a Government Official or someone else, or to provide funds to that Third Party when you know (or should know) that it may be offered or given improperly. Authorizing someone else to pay a bribe (or giving them money, knowing they might give it improperly) is equivalent to paying the bribe yourself.

Finally, Tesla employees may not accept Anything of Value from someone else - e.g., a supplier or vendor, customer - for an improper reason, such as in return for providing business. Accepting money in exchange for routing business to a certain vendor is a kickback and is never allowed.

In extraordinarily rare circumstances involving threats to life or safety, it may become necessary for a Tesla employee to make a payment to a Government Official. An extreme example would be a demand for payment to secure emergency admission into a hospital. In such circumstances, Tesla accepts that employees will need to use their best judgment to abide by this Policy while ensuring that any risk to life or safety is minimized. Whatever happens, employees must report any such incident as soon as possible and without delay to Compliance and any payments must be properly recorded.

#### **c. Facilitation Payments**

Facilitation payments - sometimes called "grease" payments - are payments, usually in cash, given to Government Officials to speed up some process (e.g., customs clearance, issuing permits) or in other cases simply to do their job, where there are no rules that allow for it. Although certain countries' laws may permit facilitation payments, Tesla's Policy is more restrictive. Tesla does not allow facilitation payments under any circumstances.

#### **d. Travel, Gifts, Entertainment, and Other Hospitality**

Tesla has strict rules around providing and receiving benefits in the form of travel, gifts, entertainment, and other hospitality. We must ensure that we do not give or receive gifts or cover expenses such as travel or meals that could be seen as influencing a business decision. Below are circumstances where exchange of gifts and hospitality is never allowed:

- It involves cash or cash equivalents, such as gift cards,
- The gift or hospitality is not customary or tasteful,
- It could be viewed as a bribe or attempt to secure improper influence,
- It violates a policy or rule, either of Tesla or the other party's organization, or The value is excessive.

Tesla has strict rules around providing travel, gifts, entertainment and other hospitality to anyone - vendors, potential customers, and especially government officials.

How do you know if the value is excessive? The value should be modest, reasonable, and proportional to the business at issue. It should be for work purposes and maintaining business relationships, not part of an exchange of favors or quid pro quo. A Tesla-branded hat or shirt at the conclusion of a successful business meeting is an example of an appropriate gift; a four-course dinner at the best restaurant in San Francisco is not. Always think how you would feel if news of the gift or hospitality appeared on the front page of the newspaper – would it be embarrassing to you or Tesla? If so, do not proceed.

Here are the specific rules:

- Before giving Anything of Value above USD \$50 to an outside - non-Government - party, you must obtain written pre-approval from the Vice President in charge of the relevant business unit (or, if none, the most senior director or manager), and also Compliance (compliance@tesla.com). Vice Presidents and other directors or managers in charge of business units who seek to give Anything of Value above USD \$50 to an outside (non-Government) party, must obtain written pre-approval from their managers and Compliance.
- The same rules apply to receiving Anything of Value above USD \$50 from a non-Tesla party, like a vendor. If you receive a gift from a vendor that you know you cannot accept, politely return it and explain our policy. This goes for accepting travel or other hospitality as well.
- The above rules apply per person on a single occasion. However, gifts to any specific individual must be infrequent (e.g., once or twice per year only) and recurrent or frequent exchanges of gifts or hospitality may still require approval.
- The rules for Government Officials are even stricter. Written pre-approval from Compliance and the Vice President in charge of the relevant business unit (or, if none, the most senior director or manager) is required prior to providing Anything of Value, regardless of amount, to a Government Official.

We recognize that providing gifts and hospitality is common in many cultures, but it is important that these are never used to improperly influence a business decision. By following the rules above, we can ensure that Tesla both gets and gives business honestly and legitimately.

All travel, gifts, entertainment, or other hospitality expenses must also be in accordance with Tesla's Global Travel and Expense Policy and Expense Reimbursement Policy.

#### **e. Political and Charitable Contributions**

Charitable contributions may only be made in furtherance of official Tesla business and never for purposes of securing an improper advantage. Your manager must provide written pre-approval for any charitable contribution that is made in Tesla's name or with Tesla funds, even if reimbursed. Any charitable contribution above USD \$250, whether cash or in-kind, must be pre-approved in writing by the Vice President in charge of the relevant business unit (or, if non, the most senior director or manager) with a copy to Compliance.

Where made, political contributions must be transparent and comply with all applicable laws and must never be made with the expectation of a direct or immediate return for Tesla. All political contributions must be approved by the head of policy and government relations, in consultation with Compliance.

	When is Approval Required?	(*) Who Must Approve?
Receiving Gifts, Hospitality, other Benefits from Others Outside of Tesla	> USD \$50	Vice President over business unit and Compliance
Giving Gifts, Hospitality, other Benefits to Others Outside of Tesla	Government Officials - for any amount  All Other Recipients > USD \$50	Vice President over business unit and Compliance must give written pre-approval
Charitable Donations	All Donations  Donations > USD \$250	Manager must give written pre-approval  Vice President over business unit must give written pre-approval with copy to Compliance
Political Donations	All Donations	Head of Policy and Government Relations and Legal Department

\* Where there is no Vice President in charge of a business unit, the most senior director or manager should approve. Vice Presidents and others in charge of business units seeking to give or receive gifts or hospitality should obtain approval from their manager, with a copy to Compliance.

#### f. Third Parties

Are you working with a vendor outside of the U.S./Canada and Northern/Western Europe?

Will they have any interactions with government entities or officials as part of their work for us?

Your vendor may be a TPI, and this section talks about due diligence requirements that may apply!

As discussed above, anti-corruption laws and this Policy prohibit giving Anything of Value to a Third Party – like a supplier, agent, or consultant – when you know or have a reason to suspect that they may provide some or all of it to a Government Official for an improper purpose.

For this reason, Third Parties working for us in certain countries, who have any kind of interaction with Government Officials or agencies on Tesla's behalf, create a major legal risk for our company. In fact, nearly all major FCPA enforcement actions involve these kinds of Third Parties. It is very important to understand our reasons for using one of these vendors and our arrangements with them, as well as their reputation, background, compliance program, and business practices before signing a contract or before any services are provided.

Tesla addresses this risk by requiring enhanced due diligence of these Third Parties, which we call "Third Party Intermediaries" ("TPIs"). A TPI is any Third Party who will represent Tesla or Tesla's interests before a Government Official in a "higher risk" country (i.e., a country with a higher level of corruption). This process consists of a questionnaire, background check, and assessment of their risk (including services to be provided and our arrangement with them) to consider, where deemed appropriate, possible mitigation measures - including, in higher-risk cases, a discussion with business partners about whether the TPI should be engaged at all. Certain other Third Parties may also be subject to due diligence or additional vetting depending on level of risk.

For complete details on this process, including what counts as a "higher risk" country, please see [Tesla's Third Party Due Diligence Procedures for Anti-Corruption Compliance](#) or reach out to Compliance at [compliance@tesla.com](mailto:compliance@tesla.com).

**g. Accurate Recordkeeping and Internal Accounting Controls**

Compliance with anti-corruption laws also requires that Tesla keep clear, complete, and accurate financial records. All books, records, and accounts must be detailed enough to accurately and fairly reflect all transactions and disposition of assets. Tesla must also establish and maintain a system of internal controls to assure that transactions are executed in accordance with management's authorization, access to assets is permitted only with the proper authorization, and the accounting records reflect the existing assets. False, misleading, incomplete, inaccurate, or artificial entries in Tesla's books and records are strictly prohibited, and accounts must never be kept "off the books" to facilitate or conceal improper payments.

**h. Training**

Tesla will provide mandatory anti-corruption training to relevant employees on a regular basis. Compliance may also require that certain personnel receive additional, specialized training because of the nature of their role and responsibilities at Tesla.

**4. Reporting Violations and Non-Retaliation**

All Tesla employees must immediately report violations or potential violations of this Policy. You may report to your manager, HR Partner, or Compliance. You may also report through the Integrity Line, which is available 24 hours a day, 7 days a week, and allows you to report concerns anonymously where allowed by law. You can access the Integrity Line by clicking [here](#) or navigating to the webpage available on the Intranet.

Tesla will not permit retaliation of any kind against anyone who makes a report or complaint in good faith or who similarly participates in the investigation of any such matter.

## 5. Consequences of Violating this Policy

You should be aware that violations of anti-corruption laws can result in severe civil and criminal penalties for individuals, as well as companies. Failure to adhere to this Policy may result in disciplinary action up to, and including, termination of employment.

## 6. Questions/Ownership of this Policy

The Legal Compliance team owns and maintains this Policy. For any questions about the Policy, please contact [compliance@tesla.com](mailto:compliance@tesla.com).

## 7. Definitions

### Anything of Value:

The term “Anything of Value” should be interpreted broadly and may include but is not limited to: cash or cash equivalents, such as gift certificates; gifts or free goods; meals, entertainment or hospitality; travel or payment of expenses; provision of services; favors; education expenses; charitable or political donations; and intangible benefits, such as enhanced reputational, social, or business standing.

### Government Official Includes:

- Employees and representatives of governments or government agencies, whether federal state, or local;
  - Examples: vehicle safety inspectors, employees at government permit offices, government building or construction inspectors, elected or appointed officials of any type, regulators setting environmental or auto standards, tax officials, customs officials, port authorities, police officers, etc.
- Employees or representatives of state-owned enterprises;
- Official representatives of political parties;
- Candidates for political office; and
- Representatives of public international organizations such as the World Bank or the United Nations

It is important to note that Government Official is broadly defined in this Policy and covers not only elected and appointed Government Officials, as the term may be commonly understood, but also employees of government-owned or government-controlled companies.

### Third Party:

Any outside party providing services or products to, or acting on behalf of, Tesla, including but not limited to: agents and intermediaries, consultants, representatives, channel partners, contractors and suppliers, and joint venture partners.

### Third Party Intermediary (“TPI”):

A Third Party engaged by or partnering with Tesla outside the U.S., and who represents Tesla or Tesla’s interests before non-U.S. Government Officials or any non-U.S. government entity in designated “higher risk” countries, or who sub-contracts or oversees this type of work.

## 8. Related Policies and Procedures

[Tesla Third Party Due Diligence Procedures for Anti-Corruption Compliance](#)  
[Tesla Code of Business Ethics](#)  
[Tesla Global Travel and Expense Policy and Expense Reimbursement Policy](#)

