


MEETING DATE	Tue, 09 Jun 2015 14:00 pm	TYPE	AGM	ISSUE DATE	Fri, 05 Jun 2015
MEETING LOCATION	Computer History Museum, 1401 N. Shoreline Blvd., Mountain View, CA 94043				
CURRENT INDICES	PIRC Global				
SECTOR	Motor vehicles and passenger car bodies				

PROPOSALS		ADVICE
1.01	Elect Antonio J. Gracias Lead Non-Executive Director. Not considered independent as he is a director of SpaceX where Elon Musk, the CEO of the Company, is also the Chief Executive Officer, Chief Technology Officer, Chairman and a significant stockholder, and as he is a director of SolarCity, of which Elon Musk is the Chairman. VMC funds, where Mr. Gracias serves as CEO is a minority investor in SpaceX and SolarCity. There is insufficient independent representation on the board.	Oppose
1.02	Elect Kimbal Musk Non-Executive Director. Not independent as he is the brother of Elon Musk, CEO and Chairman of the Company. There is insufficient independent representation on the board.	Oppose
2	Appoint the auditors PwC LLP proposed. Non-audit fees represented 0.40% of audit fees during the year under review and 6.68% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Triodos opposes this resolution.	Oppose
3	Shareholder Resolution: Reduced Environmental Impact Proposed by: Mark Peters. The proponent states that Tesla Motors (TM) was created, in part, to address the significant environmental impact inherent in fossil-fuel powered transportation. While the Company seeks environmentally sustainable solutions, TM has made choices which conflict with these goals. This proposal encourages TM to consider establishing goals that: reduce the use of animal-sourced materials by 5% in 2016, 30% in 2017, and 60% in 2018, with complete elimination by 2019 (baseline: 2014); and, cease the practice of penalizing customers who choose the most environmentally conscious, non-animal sourced interior choices, by 2015. The Board states that it has considered this proposal and believes that it is not in the best interest of shareholders. 'Tesla's mission when it was created more than a decade ago was the same as it is today: to accelerate the advent of sustainable transport by bringing compelling and increasingly affordable electric cars to market. This is why it is building the Gigafactory, expanding its production capacity at the Tesla Factory, and developing new electric vehicles. Achieving this mission requires that the Company prioritize its efforts. In some cases, this means using existing materials to meet consumer expectations, where exploring alternatives would impede or delay the Company'. Ultimately, by focusing on its mission, the Board believes it will create the most possible good. The proponent's 'proposal' is not framed in the form of a resolution, so it is unclear as to what exactly shareholders are being asked to vote on. The proponent's wish is for the Company to stop using leather for its car interiors according to a prescriptive time-frame and to make the full model range available to customers not wanting leather interiors. The selection of materials used by the Company in its interiors is a matter for the Board and the proponent has not established why this is a matter to be determined by shareholders in general meeting. Such micro-management by shareholders would be inappropriate. Triodos opposes this resolution.	Oppose

4 Shareholder Resolution: Tesla Motors as a Cruelty-free Brand

Oppose

Proposed by: Elizabeth Farrell Peters The proponent is requesting that TM should consider becoming the first cruelty-free premium brand. As with resolution three, the proponent does not frame the 'proposal' as a resolution, so it is unclear quite what shareholders are being asked to vote on. It appears that the underlying intention is for the Company to stop using leather in its car interiors and thus become a 'cruelty-free' brand. With the same rationale as for resolution three, Triodos opposes this resolution.

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