



The Office Of State Treasurer
Denise L. Nappier

Statement

FOR IMMEDIATE RELEASE
June 9, 2017

**STATEMENT FROM STATE TREASURER DENISE L. NAPIER
CONCERNING THE SHAREHOLDER VOTE ON CONNECTICUT'S RESOLUTION ON
ANNUAL ELECTION OF ALL TESLA DIRECTORS**

HARTFORD, CT - Connecticut State Treasurer Denise L. Nappier issued a statement today regarding the June 6, 2017, vote on the resolution of the Connecticut Retirement Plans and Trust Funds calling for the declassification of Tesla's board and for the annual election of all of Tesla's directors.

The \$32 billion Connecticut Retirement Plans and Trust Funds ("CRPTF"), of which Treasurer Nappier is principal fiduciary, proposed the measure at the annual meeting, held June 6, 2017, in Mountain View, CA.

The CRPTF owned 32,837 shares of Tesla, Inc. common stock with a market value of \$11.6 million as of June 6, 2017.

Tesla's board currently is classified, which means that each year only a portion of the directors are elected by shareholders. This year shareholders had the opportunity to vote on three of Tesla's seven directors.

STATEMENT

"Independent shareholders gave Tesla a clear message: it's time to sharpen the company's governance profile and strengthen board member accountability to shareholders, whose interests they are elected to represent. Connecticut's resolution, the first ever filed to declassify Tesla's board, received an estimated 47 percent of the votes not controlled by directors and officers, indicating strong support for the annual election of directors. And now that Tesla has joined the ranks of the Fortune 500, we encourage the company to take particular heed of the recent vote, given that most of its largest U.S. company peers have already embraced annual election of directors. It should reconsider its opposition to this fundamental provision of good governance. At the end of the day, Tesla has and will continue to develop and deploy new technologies and products that will be an important part of the global economy's clean energy future. The company's corporate structure should likewise evolve toward a more accountable governance framework that will fortify its bottom line and sustainable value."

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