



**OREGON  
STATE  
TREASURY**

**Elizabeth Steiner, MD**  
Oregon State Treasurer

**George Naughton**  
Deputy State Treasurer

April 8, 2025

Tesla, Inc.  
1 Tesla Road  
Austin, TX 78725  
Attn: Robyn Denholm, Chair of the Board

Dear Chair Denholm:

As Oregon State Treasurer, I am writing on behalf of the beneficiaries of the Oregon Public Employee Retirement Fund (OPERF) and the other funds the Oregon State Treasury (OST) manages. OST is the fifteenth largest institutional investor in the United States, and holds shares in Tesla, Inc. ("Tesla"). In light of Tesla's recent declines in stock value, soft sales figures and public demonstrations at Tesla dealerships, I am concerned that Tesla's current leadership lacks the focus necessary to maintain Tesla's value. I would appreciate understanding what actions the Tesla Board of Directors (the "Board") is taking to ensure management is proactively addressing these issues.

The Oregon State Treasury has a fiduciary responsibility to safeguard investment returns for the beneficiaries and public agencies who put their savings in our trust. As a Tesla shareholder, we are troubled by Tesla's recent underperformance. According to recent reports:

- Tesla reported 366,681 deliveries for Q1 2025, down from 386,810 deliveries a year ago and far short of analysts' expectations.
- Tesla's stock price has fallen a staggering 36% in the first quarter of 2025.
- Cybertruck sales in the United States fell 33% between January and February.

During this time, Tesla Chief Executive Officer Elon Musk has been working in an unpaid "special government employee" capacity with the Trump administration leading the Department of Government Efficiency (DOGE). In this role, Mr. Musk has stated that he and his team work 120 hours a week. Yet in addition to his role at DOGE, Mr. Musk remains in leadership positions at other major companies, including X Corporation, Space-X, the Boring Company and other enterprises. All these activities inevitably take substantial time and attention away from Tesla at the expense of shareholders – the true owners of the company.

Tesla has established itself as one of the world's most innovative brands, yet the company's recent performance signals that Mr. Musk's outside activities are being prioritized over – or are, at the very least a distraction to – the management of Tesla, damaging Tesla's reputation and its appeal in the market. While the White House has announced that Mr. Musk will conclude his special government employee role at the end of the designated 130-day limited duration period, conflicting reports



Treasurer's Office - Capitol  
900 Court Street NE, Room 159  
Salem, OR 97301-3896  
503.378.4329

Main Office  
867 Hawthorne Ave SE  
Salem, OR 97301  
503.378.4000

[oregon.gov/treasury](https://oregon.gov/treasury)  
[oregon.treasurer@state.or.us](mailto:oregon.treasurer@state.or.us)

indicate Mr. Musk will remain an informal advisor to the president and DOGE's activities will continue until July 4, 2026. This situation creates the potential for more distraction for Mr. Musk and reputational risk for Tesla.

In that context, I would appreciate the Board's prompt response to the following questions:

1. How is Tesla's Board evaluating the financial impact of Mr. Musk's outside activities on Tesla's value and competitiveness in the market? Is the Board considering any proactive measures to address the recent performance issues?
2. What oversight is Tesla's Board exercising to ensure that Tesla has focused and effective leadership that can rectify its recent struggles?
3. Will Tesla's Board set expectations or implement governance policies for Mr. Musk or other senior executives on paid or unpaid work or business activities outside of Tesla?
4. Is the Board considering any limitations on public political activities of the CEO and other senior executives?
5. How is the Compensation Committee evaluating the impact of Mr. Musk's time allocation to outside activities on Tesla's performance, and how will this assessment be reflected in executive compensation decisions?
6. How will the Board structure future compensation arrangements to strengthen and align performance metrics that ensure Mr. Musk dedicates sufficient time and attention to Tesla's operations and strategic priorities?
7. Does the Board intend on being transparent with Tesla shareholders by communicating its plans to address these concerning issues?

Tesla remains one of the world's most valuable companies. As a shareholder and fiduciary for Oregon retirees and others, we want Tesla to continue to innovate and bring clean energy technology to the market. Thank you for your attention to these concerns. I look forward to your response.

Sincerely,



Elizabeth Steiner, MD  
Oregon State Treasurer

CC:

Travis Axelrod, Head of Investor Relations  
Ira Ehrenpreis, Chair of Compensation Committee

Page 2 of 2

