

Amet Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
Gabriella Pergament	2024	Real Estate, Legal Studies
Deven Reyes	2021	Legal Studies
Daniel Menendez	2022	Economics, Business Analytics
Jaimee Getty	2023	Finance, Business Analytics
Aidan Flint	2023	Finance, Computer Science

Advisor(s): Dr. Joan Martínez Evora

Topic: Ruse or Reality: Tesla's Road to a Sustainable Future

Audience: Tesla, Inc. Board of Directors

Sustainable Development Goal

SDG #12: Ensure sustainable consumption and production patterns

SDG #17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

Executive Summary

Serving as the global market leader in electrical vehicle production with a respectable slice of the U.S. residential rooftop market, Tesla has established itself as one of the leading technology companies shaping our future. Its rapidly increasing manufacture capability made Tesla successfully sell 18% of all electric vehicles globally in 2020, with no end in sight. However, with current trends exponentially increasing the demand for EV's, Tesla's future sustainable procurement does not seem clear.

Currently, Tesla has contracts with companies to source its battery materials from mines in China and the Democratic Republic of the Congo. These mines pose ethical challenges relating to human rights and child labor, along with environmental risks for local communities, poisoning the water sources and eliminating farmers' access to freshwater. The boundless impending need for battery materials and supporting supply chains brings significant concerns to the race to sustain the demand. So, what does this mean? While the commonly known "out with the old, in with the new" model continues to thrive, many companies are still too focused on building faster, stronger, and more efficient batteries while disregarding the need for better sourcing and methods of disposal.

Amet Consulting is proposing Tesla to act and invest in a long-term solution that guarantees ethical sourcing in alignment with one of Tesla's key corporate values: being a clean company. Through a merger (or partnership) with Li-Cycle, a leading player in the lithium recycling market that brings state-of-the-art technology, which can recover up to 95% of battery materials, Tesla can continue to push their mission forward. Opting for such a solution would address two imminent challenges that Tesla faces: the sustainability of sourcing, and the risks presented by engaging in business with companies located in countries where unethical and unsustainable practices are common.