

DSME Consulting Group, Inc.

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
Maria Mendoza	2025	International Business
Eva Le Roux	2025	International Business
Daniela Valdivia	2026	Health Management and Policy
Sara Storniolo	2025	International Business

Advisor(s): Dr. Joan Martinez Evora

Topic Title: Tesla's Clean Mobility and the Tolls of Electric Dreams

Audience: Tesla's Board of Directors

Sustainable Development Goal

SDG # 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

SDG # 12: Ensure sustainable consumption and production patterns.

Executive Summary

With a current market capitalization of 1.25 trillion USD according to NASDAQ, Tesla's valuation reflects extraordinary strength in innovation. However, the company risk profile is unique. Its visionary founder-style leadership is combined with high scrutiny and measurable litigation and governance challenges.

DSME Consulting Group, Inc. has been retained by Tesla's Board of Directors to address these challenges and turn them into measurable shareholder value. The proposal to the Board advances three main goals: (1) A reinforced independent governance structure, which will establish an independent committee to strengthen oversight over executive compensation, and an independent audit committee; (2) litigation and key-person risk mitigation strategies; and (3) disclosure compliance with oversight of executive communications. The proposal aims to reduce litigation exposure and unlock \$15-\$30 billion USD of potential valuation support over 24 to 36 months. As a key player in the EV manufacturing industry, the goals are not only financially, ethically, and legally sound but moral imperatives for an industry leader as it navigates various relationships with key stakeholders and its sustainable business practices in the long-term.