

AMENDED AND RESTATED  
AUDIT COMMITTEE CHARTER  
ADOPTED BY THE BOARD OF DIRECTORS OF WORKHORSE GROUP INC.  
ON FEBRUARY 22, 2023

**A. Purpose**

The purpose of the Audit Committee of the Board of Directors (the “Board”) of Workhorse Group Inc. (the “Company”) is to assist in fulfilling the Board’s oversight responsibility to shareholders, potential shareholders, the investment community and others relating to the integrity of the Company’s audited consolidated financial statements and the effectiveness of the Company’s internal control over financial reporting.

**B. Structure and Membership**

1. Number. Except as otherwise permitted by the applicable Nasdaq Listing Rules (the “Nasdaq Rules”), the Audit Committee shall consist of at least three members of the Board.
2. Independence. Except as otherwise permitted by the applicable Nasdaq Rules, each member of the Audit Committee shall be independent as defined by such rules, meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934 (the “Exchange Act”) (subject to the exemptions provided in Rule 10A-3(c)), and not have participated in the preparation of the consolidated financial statements of the Company or any current subsidiary of the Company at any time during the past three years.
3. Financial Literacy. Each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company’s consolidated balance sheet, consolidated statement of operations, consolidated statement of comprehensive (loss) income, , consolidated statement of stockholders’ equity (deficit) and consolidated statement of cash flows , at the time of his or her appointment to the Audit Committee. In addition, at least one member must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. Unless otherwise determined by the Board (in which case disclosure of such determination shall be made in the Company’s annual report filed with the Securities and Exchange Commission (the “SEC”)), at least one member of the Audit Committee shall be an “audit committee financial expert” (as defined by applicable SEC rules).
4. Chair. Unless the Board elects a Chair of the Audit Committee, the Audit Committee shall elect a Chair by majority vote.
5. Compensation. The compensation of Audit Committee members shall be as determined by the Board. No member of the Audit Committee may receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than fees paid in his or her capacity as a member of the Board or a committee of the Board.
6. Selection and Removal. Members of the Audit Committee shall be appointed by the Board, upon the recommendation of the Nominating and Corporate Governance Committee. The Board may remove members of the Audit Committee from such committee, with or without cause.

## C. Authority and Responsibilities

### General

The Audit Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management and the Company's registered public accounting firm (the "independent auditor"), in accordance with its business judgment. Management is responsible for the preparation, presentation, and integrity of the Company's consolidated financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining adequate internal control over financial reporting. The independent auditors are responsible for auditing the Company's consolidated financial statements and the Company's internal control over financial reporting and for reviewing the Company's unaudited interim consolidated financial statements. The authority and responsibilities set forth in this Charter do not reflect or create any duty or obligation of the Audit Committee to plan or conduct any audits, to determine or certify that the Company's financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable law, or to guarantee the independent auditor's reports. In carrying out its oversight responsibilities, the Audit Committee is not providing any expert, professional or special assurance as to the Company's consolidated financial statements or any professional certification. Audit Committee members are not deemed to have accepted a duty of care greater than the duty of other directors.

### Oversight of Independent Auditors

1. Selection. The Audit Committee shall be solely and directly responsible for appointing, evaluating, retaining and, when necessary, terminating the engagement of the independent auditors. The Audit Committee may, in its discretion, seek stockholder ratification of the independent auditors it appoints.
2. Independence. The Audit Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditors. In connection with this responsibility, the Audit Committee shall obtain and review a formal written statement from the independent auditors describing all relationships between the independent auditors and the Company. The Audit Committee shall actively engage in dialogue with the independent auditors concerning any disclosed relationships or services that might impact the objectivity and independence of the independent auditors.
3. Compensation. The Audit Committee shall have sole and direct responsibility for setting the compensation of the independent auditors. The Audit Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of the independent auditors established by the Audit Committee.
4. Preapproval of Services. The Audit Committee shall preapprove all audit services to be provided to the Company, whether provided by the principal independent auditors or other firms, and all other services (review, attest and non-audit) to be provided to the Company by the independent auditors; provided, however, that de minimis non-audit services may instead be approved in accordance with applicable SEC rules.
5. Oversight. The independent auditors shall report directly to the Audit Committee, and the Audit Committee shall have sole and direct responsibility for overseeing the work of the independent auditors, including resolution of disagreements between Company management and the independent auditors regarding financial reporting. The Audit Committee shall meet with the independent auditors at least four (4) times annually, including before the filing of the Company's quarterly reports on Form 10-Q and annual reports on Form 10-K with the SEC. In connection with its oversight role, the Audit Committee shall, from time to time as appropriate, receive and consider the reports required to be made by the independent auditors regarding:
  - critical accounting policies and practices;

- alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with Company management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and
- other material written communications between the independent auditors and Company management.

### **Audited Financial Statements**

6. Review and Discussion. The Audit Committee shall review and discuss with the Company's management and the independent auditors the Company's audited consolidated financial statements.
7. Recommendation to Board Regarding Financial Statements. The Audit Committee shall consider whether it will recommend to the Board that the Company's audited consolidated financial statements be included in the Company's Annual Report on Form 10-K.
8. Audit Committee Report. The Audit Committee shall prepare an annual committee report for inclusion where necessary in the proxy statement of the Company relating to its annual meeting of security holders.

### **Review of Other Financial Disclosures**

9. Independent Auditors Review of Interim Financial Statements. The Audit Committee shall direct the independent auditors to use their best efforts to perform all reviews of interim financial information prior to disclosure by the Company of such information and to discuss promptly with the Audit Committee and the Chief Financial Officer any matters identified in connection with the independent auditors' review of interim financial information which are required to be discussed by applicable auditing standards. The Audit Committee shall direct management to advise the Audit Committee in the event the Company proposes to disclose interim financial information prior to completion of the independent auditors' review of interim financial information.

### **Controls and Procedures**

10. Oversight of Internal Control over Financial Reporting. The Audit Committee shall review, with management and the independent auditors, the Company's overall system of internal control, including: (a) management's annual assessment of the adequacy and effectiveness of the Company's accounting and internal control over financial reporting and the related report issued by the independent auditors prior to the filing of the Company's Form 10-K; (b) any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial reporting; (c) any fraud (regardless of materiality) involving management or other employees having a significant role in internal control over financial reporting; and (d) any changes in the Company's internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.
11. Oversight of Internal Audit. The Audit Committee shall review the Company's internal audit department, including proposed audit plans for the year, the coordination of its audit reviews and testing with the independent auditors and the results of such reviews and testing. As necessary, the Audit Committee shall review the appointment of the head of the internal audit department, and the Committee Chair shall meet separately with such executive at least once every quarter. The Committee shall review any significant issues raised in reports to management by the internal audit department.

12. Procedures for Complaints. The Audit Committee shall establish and oversee procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Company shall post the relevant policy on its website.
13. Related-Party Transactions. The Audit Committee shall review all “related party transactions” (defined as transactions required to be disclosed pursuant to Item 404 of Regulation S-K) on an ongoing basis, and all such transactions shall be approved by the Audit Committee.
14. Risk Oversight. The Audit Committee shall oversee the Company’s risk management policies and risk management framework, including (i) the Company’s enterprise risk management program and (ii) risks associated with the Company’s accounting and financial reporting processes and the audits of the Company’s consolidated financial statements; provided that this risk management oversight responsibility shall not abrogate the risk assessment and oversight responsibilities of the Board..
15. Compliance Programs. The Audit Committee shall periodically review and discuss with management and the independent auditors the overall adequacy and effectiveness of the Company’s legal, regulatory and ethics and compliance programs, including the Company’s Code of Ethics and Code of Conduct. The Audit Committee shall meet at least twice per year with the Company’s Chief Compliance Officer (the “CCO”) to discuss ongoing and potential litigation and compliance issues. The Audit Committee shall also review and discuss any material, proposed compliance-related disclosures in the Company’s annual and quarterly financial statements with the CCO. The Audit Committee shall conduct an annual review of the effectiveness of the Company’s policies and procedures related to legal and regulatory compliance, including its disclosure controls and procedures, with the assistance of the CCO. The Audit Committee shall identify and monitor material risks relating to the Company’s compliance with applicable laws and regulations and public disclosures (including all SEC filings) regarding the Company’s business affairs, financial reporting, and risk exposure, and the Audit Committee shall timely report any such material risks to the Board.
16. Disclosure Committee. The Audit Committee shall oversee the Company’s Disclosure Committee. The Audit Committee shall meet separately with the Disclosure Committee (or an appropriate subcommittee of the Disclosure Committee) at least once per quarter and more frequently if necessary to effectively supervise the Company’s disclosure function and specific disclosure issues of material issues. The Audit Committee shall review with the Disclosure Committee (or an appropriate subcommittee of the Disclosure Committee) any financial statements, including, but not limited to, in any Form 10-Q, Form 10-K, Form 8-K, and annual Proxy Statement issued by the Company for accurate disclosures. Prior to the issuance of earnings or production guidance, the Audit Committee shall review and approve any such guidance with the Disclosure Committee (or an appropriate subcommittee of the Disclosure Committee) to ensure that the proposed guidance has a reasonable basis and that all material risks and contingencies are properly disclosed.
17. Additional Powers. The Audit Committee shall have such other duties as may be delegated from time to time by the Board.

**D. Procedures and Administration**

1. Meetings. The Audit Committee shall meet as often as it deems necessary to perform its responsibilities, but at least four (4) times annually, including prior to the commencement and completion of the annual audit and prior to the filing with the SEC of each quarterly report on Form 10-Q or annual report on Form 10-K. The Audit Committee may also act by unanimous written consent in lieu of a meeting; provided that, absent unusual circumstances, action by unanimous written consent in lieu of a meeting does not count towards the foregoing minimum annual meeting requirements. The Audit Committee shall periodically meet separately with: (i) the independent auditors; (ii) Company management and (iii) the Company's internal auditors. The Audit Committee shall keep such records of its meetings as it shall deem appropriate but not for less than seven years.
2. Subcommittees. The Audit Committee may form and delegate authority to one or more subcommittees, as it deems appropriate from time to time under the circumstances (including a subcommittee consisting of a single member). Any decision of a subcommittee to preapprove audit, review, attest or non-audit services shall be presented to the full Audit Committee at its next scheduled meeting.
3. Reports to Board. The Audit Committee shall report regularly to the Board.
4. Charter. At least annually, the Audit Committee shall review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. Independent Advisors. The Audit Committee is authorized, without further action by the Board, to engage such independent legal, accounting and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be the regular advisors to the Company. The Audit Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such advisors as established by the Audit Committee.
6. Investigations. The Audit Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Audit Committee or any advisors engaged by the Audit Committee.
7. Funding. The Audit Committee is empowered, without further action by the Board, to cause the Company to pay the ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.
8. Annual Self-Evaluation. At least annually, the Audit Committee shall evaluate its own performance.