



Policy: Child and Forced Labor Policy

Revision Level /Date: Rev. 0- 01/23/2023

Department: Legal

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REVISION HISTORY

REVISION LEVEL/DATE	DESCRIPTION
Rev. 0- 01/23/2023	Initial Release

I. Purpose and Scope

Workhorse Group Inc. and its subsidiaries (collectively, the “Company”) are committed to being a responsible corporate citizen wherever we do business. The Company takes a proactive approach towards compliance with all applicable laws, rules, and regulations regarding the prohibition of convict, indentured, and forced labor, which includes forced or indentured child labor (collectively, “forced labor”) and has a zero-tolerance policy regarding forced labor with its suppliers and sub-contractors.

Federal, state, and local laws generally prohibit the use of forced labor, including importing goods produced or manufactured wholly or in part through forced labor. Accordingly, this Child and Forced Labor Policy (the “Policy”) establishes the Company’s practices to ensure adherence to applicable laws.

Compliance is a legal obligation, an ethical imperative, and a critical component of our reputation and success. Further, any failure to comply with forced labor prohibitions may result in US Customs and Border Protection’s detention or seizure of our merchandise.

Senior management is fully committed to ensuring that the Company sources its imported merchandise in compliance with all laws and in a socially responsible manner. In furtherance of this commitment, senior management will ensure that sufficient resources are provided for the maintenance of internal controls and procedures to implement this policy. The Company’s management will also ensure that the Company’s employees and buying agents receive sufficient training, appropriate to their responsibilities, to enable them to fulfill their obligations in accordance with this policy. The Company will also endeavor to provide training on forced labor prohibitions to its direct suppliers and, to the extent possible, suppliers beyond the first tier in the supply chain.

II. Statement of Policies

- a) The Company shall not, and shall ensure that its suppliers, subcontractors, and other business partners involved in the production, or manufacture of goods in our supply chain do not, use any form of forced labor at any stage of the process for the goods or any of its components.
- b) The Company shall take additional steps to evaluate suppliers, subcontractors, and other business partners to prevent the sourcing of goods or any raw materials originating from a region where there is a high risk that such goods or raw materials were mined, produced, or manufactured wholly or in part by the labor of North Korean nationals or citizens, pursuant to the Countering America’s Adversaries Through Sanctions Act (CAATSA), or members of the Uyghur ethnic group of China, pursuant to the Uyghur Forced Labor Prevention Act (UFLPA).



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- c) In order to comply with the federal law regulating the employment of minors under the Fair Labor Standards Act (FLSA), the Company does not employ any individual under the age of eighteen years of age.

III. Procedures

As part of our forced labor due diligence, it is the Company's policy to:

- a) Evaluate new and existing suppliers for forced labor risks, through questionnaires, on-site inspections, and other means.
- b) Screen our prospective purchases against US Department of Labor (DOL) lists of products and source countries that the DOL has reason to believe pose a risk of forced labor and against US State Department lists of industries and countries at heightened risk for forced labor use, including North Korea.
- c) Conduct audits, which may be announced or unannounced, of our suppliers' operations, to be performed by Company personnel, third-party auditors, or both.

IV. Supplier Obligations

The Company shall require its suppliers to:

- a) Comply with the terms of the Supplier Code of Conduct and Supply Chain Management Policy applicable to child and forced labor and human trafficking.
- b) Ensure that neither they nor their sub-contractors or other supply chain business partners use forced labor at any point in the production process.
- c) Require suppliers to certify that merchandise sold to us was not produced or manufactured by forced labor.
- d) Require our suppliers to cooperate with any investigation by the Company into the suspected use of forced labor by the supplier or any of its business partners.
- e) Maintain a reliable system to verify the eligibility of all workers, including age eligibility and the legal status of foreign workers.
- f) Set out the consequences for violation of these terms and conditions, including the Company's cancellation of the affected purchase and termination of the contractual relationship with the supplier.

V. Administration of this Policy

The Legal Department is responsible for the administration of this policy in conjunction with the Company's Director of Internal Audit. If you have any questions regarding this policy, please contact the General Counsel.