
**SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT**

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for the use of the Commission only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

WORKHORSE GROUP INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11 (a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



WORKHORSE

Workhorse Group Inc.

2021

NOTICE OF ANNUAL MEETING

AND

PROXY STATEMENT

December 28, 2021

at 12:00 p.m. Eastern Time

100 Commerce Drive
Loveland, Ohio 45140

WORKHORSE GROUP INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON DECEMBER 28, 2021

The 2021 Annual Meeting of Stockholders (the "Annual Meeting") of Workhorse Group Inc. ("Workhorse" or the "Company") will be held on December 28, 2021, at 12:00 p.m. Eastern Time, to consider the below proposals. **Due to the public health impact of the coronavirus outbreak (COVID-19) and to support the health and well-being of our employees and stockholders, the Annual Meeting will be held in a virtual meeting format at www.virtualshareholdermeeting.com/WKHS2021.**

- (1) To elect the eight director nominees named in the Proxy Statement to hold office until the next annual meeting of stockholders and until their successors are duly elected and qualified;
- (2) To ratify the appointment of Grant Thornton LLP as the Company's independent auditors for the fiscal year ending December 31, 2021;
- (3) To approve, on an advisory basis, the compensation of the Company's named executive officers;
and
- (4) To act on such other matters as may properly come before the meeting or any adjournment thereof.

BECAUSE OF THE SIGNIFICANCE OF THESE PROPOSALS TO THE COMPANY AND ITS STOCKHOLDERS, IT IS VITAL THAT EVERY STOCKHOLDER VOTE AT THE ANNUAL MEETING.

These proposals are fully set forth in the accompanying Proxy Statement which you are urged to read thoroughly. For the reasons set forth in the Proxy Statement, your Board of Directors recommends a vote "FOR" each of the director nominees under Proposal 1, "FOR" Proposal 2 and "FOR" Proposal 3. A list of all stockholders entitled to vote at the Annual Meeting will be available at the principal office of the Company during usual business hours for examination by any stockholder for any purpose germane to the Annual Meeting for 10 days prior to the date thereof. After reading the enclosed Proxy Statement, please sign, date, and return promptly the enclosed Proxy in the accompanying postpaid envelope we have provided for your convenience or vote via the Internet as instructed herein to ensure that your shares will be represented. You may wish to provide your response electronically through the Internet by following the instructions set out on the enclosed Proxy Card.

To be admitted to the Annual Meeting at www.virtualshareholdermeeting.com/WKHS2021 you must have your control number available and follow the instructions found on your proxy card or voting instruction form. You may vote during the Annual Meeting, but we suggest you vote beforehand by following the instructions available on the meeting website during the meeting. Please allow sufficient time before the Annual Meeting to complete the online check-in process. Your vote is very important.

Proxy materials or a Notice of Internet Availability of Proxy Materials (the "Notice") are being first released or mailed on or about November 18, 2021, to all shareholders entitled to vote at the Annual Meeting. In accordance with rules and regulations adopted by the Securities and Exchange Commission (the "SEC"), instead of mailing a printed copy of our proxy materials to each record shareholder, we may furnish proxy materials by providing internet access to those documents. The Notice contains instructions on how to access our proxy materials and vote online, or in the alternative, request a paper copy of the proxy materials and a proxy card.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held December 28, 2021. In addition to the copies you have received, the Proxy Statement and our 2020 Annual Report on Form 10-K to Stockholders are available at: <https://www.proxyvote.com>.

By Order of the Board of Directors

/s/ Raymond Chess

Raymond Chess

Chairman of the Board of Directors

WHETHER OR NOT YOU PLAN ON ATTENDING THE MEETING IN PERSON, PLEASE VOTE AS PROMPTLY AS POSSIBLE TO ENSURE THAT YOUR VOTE IS COUNTED.

Workhorse Group Inc.
100 Commerce Drive
Loveland, Ohio 45140
(513) 297-3640

Dear Fellow Workhorse Shareholders:

We are holding our 2021 Annual Meeting of Stockholders at an important time for our Company. The Board of Directors and management team are taking decisive and necessary actions to strengthen and build Workhorse into a more competitive and well-positioned EV industry leader.

In doing so, the Board of Directors has appointed a new and experienced leadership team that is undertaking a comprehensive review of the business and developing a strategic roadmap to enhance our trucks and operational capabilities. These enhancements include improving our product roadmaps and completing testing on our C-1000 series vehicles while continuing to build out our capabilities to transition Workhorse from an advanced tech startup to an efficient manufacturing company. I am confident our new leadership team has the skillsets and industry expertise to help lead us into the future, as we work to achieve our goal of driving value creation for all our shareholders.

In October the management team identified, and the Board approved, Workhorse's vision and values which embody the type of company we want to be. The vision of Workhorse is: To pioneer the transition to zero-emission vehicles. The values of the company are: Transparency, Teamwork, Excellence, Accountability, and Integrity. Our vision will drive our strategic decisions as we move forward, while the values will govern how we implement our vision on a day-to-day basis and allow us to hold each other accountable to live up to and emulate them.

Workhorse is committed to maintaining strong governance practices. The Board regularly evaluates our board composition to ensure we have highly qualified individuals with relevant experience to oversee our business strategy and drive shareholder value. This includes selecting individuals with experience in the industrial, automotive and aerospace sectors, financial and accounting expertise and executives with a proven track record of driving business transformations as well as those with a deep understanding of managing and operating companies.

Our virtual Annual Meeting can be accessed by visiting www.virtualshareholdermeeting.com/WKHS2021 where you will be able to listen to the meeting live, submit questions and vote online. Details regarding how to attend the Annual Meeting online and the business to be conducted at the Annual Meeting are more fully described in the accompanying Notice of Annual Meeting and Proxy Statement.

We ask for your voting support on the items described in this proxy statement and thank you for your support and investment in Workhorse.

Sincerely,

Rick Dauch
CEO
Workhorse Group

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Workhorse Group Inc. (“Workhorse” or the “Company”) to be voted at the Annual Meeting of Stockholders (the “Annual Meeting”) which will be held on December 28, 2021, at 12:00 p.m. Eastern Time, and at any postponements or adjournments thereof. The proxy materials will be furnished to stockholders on or about November 18, 2021. **This year’s annual meeting of shareholders will be held as a virtual meeting. Shareholders attending the virtual meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting.** You will be able to attend and participate in the annual meeting online via a live webcast by visiting www.virtualshareholdermeeting.com/WKHS2021. In addition to voting by submitting your proxy prior to the annual meeting, you also will be able to vote your shares electronically during the annual meeting.

REVOCABILITY OF PROXY AND SOLICITATION

Any stockholder executing a proxy that is solicited hereby has the power to revoke it prior to the voting of the proxy. Revocation may be made by attending the Annual Meeting and voting the shares of stock in person, or by delivering to the General Counsel of the Company at the principal office of the Company prior to the Annual Meeting a written notice of revocation or a later-dated, properly executed proxy. Solicitation of proxies may be made by directors, officers and other employees of the Company by personal interview, telephone, facsimile transmittal or electronic communications. No additional compensation will be paid for any such services. This solicitation of proxies is being made by the Company, which will bear all costs associated with the mailing of this Proxy Statement and the solicitation of proxies.

RECORD DATE

Stockholders of record at the close of business on November 8, 2021, will be entitled to receive notice of, attend and vote at the Annual Meeting.

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why am I receiving these materials?

The Company has furnished these materials to you by mail, in connection with the Company's solicitation of proxies for use at the Annual Meeting of Stockholders to be held on December 28, 2021, at 12:00 p.m. local time. **This year's annual meeting of shareholders will be held as a virtual meeting. Shareholders attending the virtual meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting.** You will be able to attend and participate in the annual meeting online via a live webcast by visiting www.virtualshareholdermeeting.com/WKHS2021. These materials have also been made available to you on the Internet. These materials describe the proposals on which the Company would like you to vote and also give you information on these proposals so that you can make an informed decision. We are furnishing our proxy materials on or about November 18, 2021 to all stockholders of record entitled to vote at the Annual Meeting.

Notice of Internet Availability (Notice and Access)

Instead of mailing a printed copy of our proxy materials to each shareholder, we are furnishing proxy materials via the Internet. This reduces both the costs and the environmental impact of sending our proxy materials to our shareholders. If you received a "Notice of Internet Availability," you will not receive a printed copy of the proxy materials unless you specifically request a printed copy. The Notice of Internet Availability will instruct you how to access and review all of the important information contained in the proxy materials. The Notice of Internet Availability also instructs you how to submit your proxy on the Internet and how to vote by telephone.

If you would like to receive a printed or emailed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability. In addition, if you received paper copies of our proxy materials and wish to receive all future proxy materials, proxy cards and annual reports electronically, please follow the electronic delivery instructions on www.proxyvote.com. We encourage shareholders to take advantage of the availability of the proxy materials on the Internet to help reduce the cost and environmental impact of our annual shareholder meetings.

The Notice of Internet Availability is first being sent to shareholders on or about November 18, 2021. Also on or about November 18, 2021, we will first make available to our shareholders this Proxy Statement and the form of proxy relating to the 2021 Annual Meeting filed with the SEC on November 18, 2021.

What is included in these materials?

These materials include:

- this Proxy Statement for the Annual Meeting; and
- the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

What is the proxy card?

The proxy card enables you to appoint Richard Dauch, our Chief Executive Officer, and James Harrington, our Chief Administrative Officer and General Counsel, as your representatives at the Annual Meeting. By completing and returning a proxy card, you are authorizing these individuals to vote your shares at the Annual Meeting in accordance with your instructions on the proxy card. This way, your shares will be voted whether or not you attend the Annual Meeting.

What is the purpose of the Annual Meeting?

At our Annual Meeting, stockholders will act upon the matters outlined in the Notice of Annual Meeting on the cover page of this Proxy Statement, including (i) the election of eight persons named herein as nominees for directors of the Company, to hold office subject to the provisions of the bylaws of the Company, until the next annual meeting of stockholders and until their successors are duly elected and qualified; and (ii) ratification of the appointment of Grant Thornton LLP as the Company's independent auditors for the fiscal year ending December 31, 2021 and (iii) to approve, on an advisory basis, the compensation of the Company's named executive officers. In addition, management will report on the performance of the Company during fiscal year 2020 and respond to questions from stockholders.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of the number of shares of common stock issued and outstanding on the record date will constitute a quorum permitting the meeting to conduct its business. As of the record date, there were 155,986,109 shares of Workhorse common stock issued and outstanding. Thus, the presence of the holders of common stock representing at least 77,993,055 votes will be required to establish a quorum.

What is the difference between a stockholder of record and a beneficial owner of shares held in street name?

Most of our stockholders hold their shares in an account at a brokerage firm, bank or other nominee holder, rather than holding share certificates in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially in street name.

How can I get electronic access to the proxy materials?

The Notice provides you with instructions regarding how to:

- view the Company’s proxy materials for the Annual Meeting on the Internet;
- request hard copies of the materials; and
- instruct the Company to send future proxy materials to you electronically by email.

Choosing to receive future proxy materials by email will save the Company the cost of printing and mailing documents to you and will reduce the impact of the Company’s annual meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email message next year with instructions containing a link to those materials and a link to the proxy voting website. Your election to receive proxy materials by email will remain in effect until you terminate it.

Stockholder of Record

If on November 8, 2021, your shares were registered directly in your name with our transfer agent, Empire Stock Transfer, Inc., you are considered a stockholder of record with respect to those shares, and the Notice of Annual Meeting and Proxy Statement was sent directly to you by the Company. As the stockholder of record, you have the right to direct the voting of your shares by returning the proxy card to us. Whether or not you plan to attend the Annual Meeting, if you do not vote over the Internet, please complete, date, sign and return a proxy card to ensure that your vote is counted.

Beneficial Owner of Shares Held in Street Name

If on November 8, 2021, your shares were held in an account at a brokerage firm, bank, broker-dealer, or other nominee holder, then you are considered the beneficial owner of shares held in “street name,” and the Notice of Annual Meeting & Proxy statement was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As the beneficial owner, you have the right to instruct that organization on how to vote the shares held in your account. However, since you are not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you receive a valid proxy from the organization.

How do I vote?

Stockholders of Record. If you are a stockholder of record, you may vote by any of the following methods:

- *Via the Internet.* You may vote by proxy via the Internet by following the instructions provided on the enclosed Proxy Card.
- *By Mail.* You may vote by completing, signing, dating and returning your proxy card in the pre-addressed, postage-paid envelope provided.
- *Online at the Meeting.* You can vote at the meeting at www.virtualshareholdermeeting.com/WKHS2021.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name, you may vote by any of the following methods:

- *Via the Internet.* You may vote by proxy via the Internet by following the instructions provided on the enclosed Proxy Card.
- *By Mail.* You may vote by proxy by filling out the vote instruction form and returning it in the pre-addressed, postage-paid envelope provided.
- *Online at the Meeting.* You can vote at the meeting at www.virtualshareholdermeeting.com/WKHS2021.

What are abstentions and broker non-votes?

While the inspector of elections will treat shares represented by proxies that reflect abstentions or include “broker non-votes” as shares that are present and entitled to vote for purposes of determining the presence of a quorum, abstentions or “broker non-votes” do not constitute a vote “for” or “against” any matter and thus will be disregarded in any calculation of “votes cast.” However, abstentions and “broker non-votes” will have the effect of a negative vote if an item requires the approval of a majority of a quorum or of a specified proportion of all issued and outstanding shares.

Brokers holding shares of record for customers generally are not entitled to vote on “non-routine” matters, unless they receive voting instructions from their customers (*see What happens if I do not give specific voting instructions*). As used herein, “uninstructed shares” means shares held by a broker who has not received voting instructions from its customers on a proposal. A “broker non-vote” occurs when a nominee holding uninstructed shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that non-routine matter.

What happens if I do not give specific voting instructions?

Stockholders of Record. If you are a stockholder of record and you:

- indicate when voting on the Internet that you wish to vote as recommended by the Board of Directors, or
- sign and return a proxy card without giving specific voting instructions,

then the proxy holders will vote your shares in the manner recommended by the Board of Directors on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the rules of various national and regional securities exchanges, the organization that holds your shares may generally vote on routine matters, but not on non-routine matters. Under New York Stock Exchange (“NYSE”) rules, if your shares are held by a member organization, as that term is defined under NYSE rules, responsibility for making a final determination as to whether a specific proposal constitutes a routine or non-routine matter rests with that organization, or third parties acting on its behalf.

What are the Board’s recommendations?

The Board’s recommendation is set forth together with the description of each item in this Proxy Statement. In summary, the Board recommends a vote:

- *for* election of the eight director nominees named in the Proxy Statement to hold office until the next annual meeting of stockholders and until their successors are duly elected and qualified;
- *for* ratification of the appointment of Grant Thornton LLP as the Company’s independent auditors for the fiscal year ending December 31, 2021; and
- *to approve*, on an advisory basis, the compensation of the Company’s named executive officers.

With respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote as recommended by the Board of Directors or, if no recommendation is given, in their own discretion.

How are proxy materials delivered to households?

Only one copy of the Company's Notice of Internet Availability, Annual Report on Form 10-K for the fiscal year ending December 31, 2020 and this Proxy Statement will be delivered to an address where two or more stockholders reside with the same last name or who otherwise reasonably appear to be members of the same family based on the stockholders' prior express or implied consent.

We will deliver promptly upon written or oral request a separate copy of the Company's Notice of Internet Availability, Annual Report on Form 10-K for the fiscal year ending December 31, 2020 and this Proxy Statement. If you share an address with at least one other stockholder, currently receive one copy of our Annual Report on Form 10-K and Proxy Statement at your residence, and would like to receive a separate copy of our Annual Report on Form 10-K and Proxy Statement for future stockholder meetings of the Company, please specify such request in writing and send such written request to Workhorse Group Inc., 100 Commerce Drive, Loveland, Ohio 45140; Attention: Chief Administrative Officer and General Counsel.

Interest of Officers and Directors in matters to be acted upon

Except for the election to our Board of the eight nominees and Proposal 3, none of our officers or directors has any interest in any of the matters to be acted upon at the Annual Meeting.

SECURITY OWNERSHIP OF PRINCIPAL STOCKHOLDERS AND MANAGEMENT

The following table shows the number of shares of common stock beneficially owned as of the Record Date by (i) each director and nominee for director, by each current executive officer, and by all directors, nominees, and current executive officers as a group and (ii) all the persons who were known to be beneficial owners of five percent or more of our common stock, our only voting securities, on November 9, 2021. Applicable percentage ownership is based on 155,986,109 shares of common stock outstanding as of November 8, 2021.

Name of Beneficial Owner ⁽¹⁾	Common Stock Beneficially Owned	Percentage of Common Stock ⁽²⁾
Directors		
Raymond Chess †	127,008	*
Richard Dauch †	1,000,000 ⁽³⁾	*
Benjamin Samuels †	1,064,056 ⁽⁴⁾	*
Gerald Budde †	218,013 ⁽⁵⁾	*
Harry DeMott †	31,871 ⁽⁶⁾	*
Michael Clark †	132,321 ⁽⁷⁾	*
Jacqueline Dedo †	15,905	*
Pamela Mader †	7,905	*
Executive Officers		
Gregory Ackerson †	100,035 ⁽⁸⁾	*
Joshua Anderson †	100,000 ⁽⁹⁾	*
Anthony Furey †	213,156 ⁽¹⁰⁾	*
Ryan Gaul †	36,116 ⁽¹¹⁾	*
John Graber †	34,863 ⁽¹²⁾	*
James Harrington †	100,000 ⁽¹³⁾	*
All officers and directors as a group (14 people)	3,181,249	2.04%

* Less than one percent.

† Executive officer and/or director.

(1) Except as otherwise indicated, the address of each beneficial owner is c/o Workhorse Group Inc, 100 Commerce Drive, Loveland, Ohio 45140.

(2) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Stock options to purchase shares of common stock that are currently exercisable or exercisable within 60 days of November 8, 2021 are deemed to be beneficially owned by the person holding such securities for the purpose of computing the percentage of ownership of such person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

(3) Includes (i) 500,000 shares of restricted stock held by Mr. Dauch, which vest in six equal semi-annual installments beginning on March 1, 2022; (ii) 250,000 shares of restricted stock held by Mr. Dauch, which vest in six equal semi-annual installments beginning on March 1, 2022; and (iii) 250,000 performance Share units held by Mr. Dauch, which vest based on the Company's performance compared to certain peer issuers, measured by the total return to shareholders over a performance period ending on December 31, 2024.

(4) Includes (i) 445,421 shares of common stock held by Samuel 2012 Children's Trust UAD 10/28/12; and 220,966 shares of common stock held by the Marci Rosenberg 2012 Family Trust, a trust managed by Mr. Samuels' wife. Mr. Samuels is a trustee of the Children's Trust.

(5) Includes 119,692 shares of common stock owned by the Gerald B. Budde Living Trust, of which Mr. Budde is the trustee.

(6) Includes options to purchase 4,000 shares of common stock at an exercise price of \$8.20 held by Mr. DeMott, all of which options are currently exercisable.

(7) Includes (i) options to purchase 30,000 shares of common stock at an exercise price of \$1.10 held by Mr. Clark, all of which options are currently exercisable; and (ii) options to purchase 4,000 shares of common stock at an exercise price of \$1.10 held by Mr. Clark, which will be exercisable in the next 60 days.

(8) Includes (i) 50,111 shares of restricted stock held by Mr. Ackerson, all of which vest no later than February 25, 2024; (ii) options to purchase 7,500 shares of common stock at an exercise price of \$1.19 held by Mr. Ackerson, all of which options are currently exercisable; and (iii) options to purchase 625 shares of common stock at an exercise price of \$1.19 held by Mr. Ackerson, which will be exercisable in the next 60 days.

(9) Includes 100,000 shares of restricted stock held by Mr. Anderson, which vest in six equal semi-annual installments beginning on April 20, 2022.

(10) Includes (i) 74,384 shares of restricted stock held by Mr. Furey, all of which vest no later than February 25, 2024; (ii) 38,199 shares of common stock held by Fastnet Advisors, LLC. Mr. Furey is the owner and manager of Fastnet Advisors, LLC.

(11) Includes 30,096 shares of restricted stock held by Mr. Gaul, which vest in five equal semi-annual installments beginning on April 22, 2022.

(12) Includes 30,562 shares of restricted stock held by Mr. Graber, which vest in five equal semi-annual installments beginning on April 20, 2022.

(13) Includes 100,000 shares of restricted stock held by Mr. Harrington, which vest in six equal semi-annual installments beginning on March 15, 2022.

INFORMATION ABOUT THE BOARD OF DIRECTORS

The Board of Directors oversees our business and affairs and monitors the performance of management. In accordance with corporate governance principles, the Board does not involve itself in day-to-day operations. The directors keep themselves informed through discussions with the Chief Executive Officer and other key executives, visits to the Company's facilities, by reading the reports and other materials that we send them and by participating in Board and committee meetings. Each director's term will continue until the election and qualification of his or her successor, or his or her earlier death, resignation or removal. Biographical information about our directors is provided in "Proposal No. 1 — Proposal for the Election of Eight Directors" on page 29. Except as set forth in this Proxy Statement, none of our directors held directorships in other reporting companies or registered investment companies at any time during the past five years. Our Board currently consists of eight persons, all of whom have been nominated by the Company to stand for re-election.

Name	Age	Position	Director Since
Raymond J. Chess ⁽²⁾	64	Director, Chairman	2013
Richard Dauch	60	Director and Chief Executive Officer	2021
H. Benjamin Samuels ⁽¹⁾⁽³⁾	54	Director	2015
Gerald B. Budde ^(1*)	60	Director	2015
Harry DeMott ⁽²⁾⁽³⁾	55	Director	2016
Michael L. Clark ^{(1)(3*)}	50	Director	2018
Jacqueline A. Dedo ^{(1)(2*)}	60	Director	2020
Pamela S. Mader ⁽²⁾⁽³⁾	57	Director	2020

(1) Audit Committee

(2) Nominating and Corporate Governance Committee

(3) Compensation Committee

* Committee Chair

Board meetings during the 2020 fiscal year

During 2020, the Board of Directors held 11 meetings. Each director attended all of the meetings of the Board and all of the meetings held by all committees on which such director served. The Board also approved certain actions by unanimous written consent.

Committees established by the Board

The Board of Directors has standing Audit, Compensation, and Nominating and Corporate Governance Committees. Information concerning the function of each Board committee follows.

Audit Committee

We have a separately-designated standing Audit Committee established in accordance with Section 3(a)(58) (A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), consisting of Gerald Budde, Jacqueline Dedo, H. Benjamin Samuels and Michael Clark. Our board of directors has determined that the members are all "independent directors" as defined by the rules of the Nasdaq Stock Market (the "Nasdaq") applicable to members of an audit committee and Rule 10A-3(b)(i) under the Exchange Act. In addition, Mr. Budde is an "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K and demonstrates "financial sophistication" as defined by the rules of the Nasdaq. The Audit Committee is appointed by our board of directors to assist our board of directors in monitoring (1) the integrity of our financial statements, (2) our compliance with legal and regulatory requirements, and (3) the independence and performance of our internal and external auditors. The Audit Committee's principal functions include:

- reviewing our annual audited consolidated financial statements with management and our independent auditors, including major issues regarding accounting and auditing principles and practices and financial reporting that could significantly affect our financial statements;
- reviewing our quarterly consolidated financial statements with management and our independent auditor prior to the filing of our Quarterly Reports on Form 10-Q, including the results of the independent auditors' reviews of the quarterly financial statements;

- recommending to the board of directors the appointment of, and continued evaluation of the performance of, our independent auditor;
- approving the fees to be paid to our independent auditor for audit services and approving the retention of our independent auditor for non-audit services and all fees for such services;
- reviewing periodic reports from our independent auditor regarding our auditor's independence, including discussion of such reports with the auditor;
- reviewing the adequacy of our overall control environment, including internal financial controls and disclosure controls and procedures; and
- reviewing with our management and legal counsel legal matters that may have a material impact on our financial statements or our compliance policies and any material reports or inquiries received from regulators or governmental agencies.

During 2020, the audit committee met four times. A copy of the Audit Committee's charter is posted on the Company's website at www.workhorse.com in the "Investors" section of the website.

Meetings may be held from time to time to consider matters for which approval of our Board of Directors is desirable or is required by law.

Compensation Committee

Our compensation committee consists of Michael Clark, Harry DeMott, Benjamin Samuels and Pamela S. Mader. Our board of directors has determined that each of the members is an "independent director" as defined by the rules of the Nasdaq applicable to members of a compensation committee. The Compensation Committee is responsible for establishing the compensation of our senior management, including salaries, bonuses, termination arrangements, and other executive officer benefits as well as director compensation. The Compensation Committee also administers our equity incentive plans. The Compensation Committee works with the Chairman of the Board and Chief Executive Officer and reviews and approves compensation decisions regarding senior management including compensation levels and equity incentive awards. The Compensation Committee also approves employment and compensation agreements with our key personnel and directors. The Compensation Committee has the power and authority to conduct or authorize studies, retain independent consultants, accountants or others, and obtain unrestricted access to management, our internal auditors, human resources and accounting employees and all information relevant to its responsibilities. The Compensation Committee is responsible for developing the executive compensation philosophy and reviewing and recommending to the Board of Directors for approval all compensation policies and compensation programs for the executive team.

The responsibilities of the Compensation Committee, as stated in its charter, include the following:

- review and approve the Company's compensation guidelines and structure;
- review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer;
- review and approve on an annual basis the evaluation process and compensation structure for the Company's other officers, including salary, bonus, incentive and equity compensation; and
- periodically review and make recommendations to the Board of Directors regarding the compensation of non-management directors.

During 2020, the Compensation Committee met five times. The Compensation Committee is governed by a written charter approved by the board of directors. A copy of the Compensation Committee's charter is posted on the Company's website at www.workhorse.com in the "Investors" section of the website.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Jacqueline Dedo, Ray Chess, Harry DeMott and Pamela S. Mader. Our board of directors has determined that each of the members of the Governance Committee is an "independent director" as defined by the rules of the Nasdaq. The Nominating and Corporate Governance Committee is generally responsible for recommending to our full board of directors' policies, procedures, and practices designed to help ensure that our corporate governance policies, procedures, and practices continue to assist

the board of directors and our management in effectively and efficiently promoting the best interests of our stockholders. The Nominating and Corporate Governance Committee is also responsible for selecting and recommending for approval by our board of directors and our stockholders a slate of director nominees for election at each of our annual meetings of stockholders, and otherwise for determining the board committee members and chairmen, subject to board of directors ratification, as well as recommending to the board director nominees to fill vacancies or new positions on the board of directors or its committees that may occur or be created from time to time, all in accordance with our bylaws and applicable law. The Nominating and Corporate Governance Committee's principal functions include:

- developing and maintaining our corporate governance policy guidelines;
- developing and maintaining our codes of conduct and ethics;
- overseeing the interpretation and enforcement of our Code of Conduct and our Code of Ethics for Chief Executive Officer and Senior Financial and Accounting Officers;
- evaluating the performance of our board of directors, its committees, and committee chairmen and our directors; and
- selecting and recommending a slate of director nominees for election at each of our annual meetings of the stockholders and recommending to the board director nominees to fill vacancies or new positions on the board of directors or its committees that may occur from time to time.

During 2020, the Nominating and Corporate Governance Committee met one time. The Nominating and Corporate Governance Committee is governed by a written charter approved by our board of directors. A copy of the Nominating and Corporate Governance Committee's charter is posted on the Company's website at www.workhorse.com in the "Investors" section of the website. In identifying potential independent board of directors' candidates with significant senior-level professional experience, the Governance Committee solicits candidates from the board of directors, senior management and others and may engage a search firm in the process. The Governance Committee reviews and narrows the list of candidates and interviews potential nominees. The final candidate is also introduced and interviewed by the board of directors and the lead director if one has been appointed. In general, in considering whether to recommend a particular candidate for inclusion in our board of directors' slate of recommended director nominees, the Nominating and Corporate Governance Committee will apply the criteria set forth in our corporate governance guidelines. These criteria include the candidate's integrity, business acumen, commitment to understanding our business and industry, experience, conflicts of interest and the ability to act in the interests of our stockholders. Further, specific consideration is given to, among other things, diversity of background and experience that a candidate would bring to our board of directors. The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. We believe that the backgrounds and qualifications of our directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow our board of directors to fulfill its responsibilities. Stockholders may recommend individuals to the Nominating and Corporate Governance Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials to our Nominating and Corporate Governance Committee. Assuming that appropriate biographical and background material has been provided on a timely basis, the Nominating and Corporate Governance Committee will evaluate stockholder recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

Nomination of Directors

As provided in its charter, the Nominating and Corporate Governance Committee is responsible for identifying individuals qualified to become directors. The Nominating and Corporate Governance Committee seeks to identify director candidates based on input provided by a number of sources including (1) the Nominating and Corporate Governance Committee members, (2) our other directors, (3) our stockholders, (4) our Chief Executive Officer or Chair of the Board, and (5) third parties such as service providers. In evaluating potential candidates for director, the Nominating and Corporate Governance Committee considers the entirety of each candidate's credentials.

Qualifications for consideration as a director nominee may vary according to the particular areas of expertise being sought as a complement to the existing composition of the Board of Directors. However, at a minimum, candidates for director must possess:

- high personal and professional ethics and integrity;
- the ability to exercise sound judgment;
- the ability to make independent analytical inquiries;
- a willingness and ability to devote adequate time and resources to diligently perform Board and committee duties; and
- the appropriate and relevant business experience and acumen.

The Nominating and Corporate Governance Committee will consider nominees recommended by stockholders if such recommendations are made in writing to the committee. The Nominating and Corporate Governance Committee does not plan to change the manner in which the committee evaluates nominees for election as a director based on whether the nominee has been recommended by a stockholder or otherwise.

The Nominating and Corporate Governance Committee does not have a formal policy relating to diversity among directors. In considering new nominees and whether to re-nominate existing members of the Board, the committee seeks to achieve a Board with strengths in its collective knowledge and a broad diversity of perspectives, skills and business and professional experience. Among other items, the committee looks for a range of experience in strategic planning, sales, finance, executive leadership, industry and similar attributes.

At least a majority of the directors on the Board must be Independent Directors as this term is defined in the rules of the Nasdaq.

Board Leadership Structure and Role in Risk Oversight

The Company has separated the positions of Chair of the Board of Directors and Chief Executive Officer. Given the demanding nature of these positions, the Board believes it is appropriate to separate the positions of Chair and Chief Executive Officer. Our Chair presides over all meetings of the Board of Directors, including executive sessions when held. He briefs the Chief Executive Officer on issues arising in executive sessions and communicates frequently with him on matters of importance. He has responsibility for shaping the Board's agenda and consults with all directors to ensure that the board agendas and board materials provide the Board with the information needed to fulfill its responsibilities. From time to time he may also represent the Company in interactions with external stakeholders at the discretion of the Board.

The Board of Directors has determined that each of our current directors, except for Mr. Dauch, is an "independent director" as that term is defined in the listing standards of the Nasdaq. The Board of Directors has also determined that each member of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee meets the independence standards applicable to those committees prescribed by the Nasdaq and the SEC. In making this decision, the Board considered all relationships between the Company and the directors. The Board determined each such relationship, and the aggregate of such relationships, to be immaterial to the applicable director's ability to exercise independent judgment.

Our Board has overall responsibility for risk oversight. The oversight is conducted primarily through committees of the Board of Directors, as disclosed in each of the descriptions of each of the committees above and in the charters of each of the committees, but the full Board of Directors has retained responsibility for general oversight of risks.

Stockholder Communications

Stockholders requesting communication with directors can do so by writing to Workhorse Group Inc., c/o Chief Administrative Officer and General Counsel, 100 Commerce Drive, Loveland, Ohio 45140 or emailing to jim.harrington@workhorse.com. At this time we do not screen communications received and would forward any requests directly to the named director. If no director was named in a general inquiry, the Chief Administrative Officer and General Counsel would contact either the Chair of the Board of Directors or the chairperson of a particular committee, as appropriate. We do not provide the physical address, email address, or phone numbers of directors to outside parties without a Director's permission.

Code of Ethics and Business Conduct

We have adopted a Code of Ethics and Business Conduct that applies to all of our directors, officers and employees including our Chief Executive Officer, Chief Financial Officer, Chief Administrative Officer and General Counsel, and Principal Accounting Officer. The Code of Ethics and Business Conduct is posted on our website at <http://www.workhorse.com>.

COMPENSATION OF DIRECTORS

Under the Non-Employee Director Compensation Program, our non-employee directors are generally eligible to receive compensation for services they provide to us consisting of retainers and equity compensation as described below. During 2020, each non-employee director was eligible to receive the following for their service on the Board pursuant to the Non-Employee Director Compensation Program:

- An annual Board retainer of \$50,000; and
- An additional retainer of \$10,000 for the Chairman of the Board

In addition to cash compensation, our non-employee directors are eligible to receive annual equity-based compensation consisting of restricted stock awards with an aggregate grant date value equal to \$60,000 or, in the case of the Chairman of the Board, \$70,000. Generally, the forfeiture restrictions applicable to the restricted stock awards lapse on the six month anniversary of the date of grant of such awards. The restricted stock awards granted to our non-employee directors are subject to the terms and conditions of the Stock Plan and the award agreements pursuant to which such awards are granted. Each non-employee director is also reimbursed for travel and miscellaneous expenses to attend meetings and activities of the Board or its committees.

Name	Fees Earned or Paid in Cash \$(1)	Stock Awards \$(2)(3)	Total \$
Raymond Chess	\$65,000	\$70,000	\$135,000
H. Benjamin Samuels	54,167	60,000	114,167
Gerald Budde	54,167	60,000	114,167
Harry DeMott	54,167	60,000	114,167
Michael Clark	54,167	60,000	114,167
Pamela Mader	33,333	35,000	68,333
Jacqueline Dedo	33,333	35,000	68,333

- (1) Amounts reported in this column reflect annual cash retainer amounts received by our non-employee directors for service on our Board. In 2020, Mr. Chess, Mr. Samuels, Mr. Budde, Mr. DeMott, and Mr. Clark received monthly retainer payments of \$4,167. In addition, Mr. Chess received an additional monthly retainer of \$833 for his service as Chairman of the Board (annual value of \$10,000). Ms. Mader and Ms. Dedo were appointed as directors of the Company on May 1, 2020. As such, Ms. Mader and Ms. Dedo received monthly retainer payments of \$4,167 for eight months of the year. Amounts for Mr. Chess, Mr. Samuels, Mr. Budde, Mr. DeMott and Mr. Clark reflect the payment of the retainer for December 2019 being paid in January 2020.
- (2) In May 2020, Mr. Samuels, Mr. Budde, Mr. DeMott, and Mr. Clark received restricted stock awards for 22,642 shares of common stock with a grant date fair value equal to \$60,000 for their service on our Board. Mr. Chess received a restricted stock award for 26,415 shares of common stock with a grant date fair value equal to \$70,000 for his service as Chairman of the Board. Ms. Mader and Ms. Dedo received restricted stock awards for 11,939 shares of common stock with a grant date fair value equal to \$35,000 for their service on our Board.
- (3) The amounts reflected in the "Stock Awards" column represent the grant date fair value of restricted stock awards granted to our non-employee directors pursuant to the Stock Plan, as computed in accordance with FASB ASC Topic 718.

Directors' and Officers' Insurance

The Company has purchased directors and officer's liability insurance ("D&O Insurance") for the benefit of its directors and officers, and the directors and officers of its subsidiaries, against liability incurred by them in the performance of their duties as directors and officers of the Company, or its subsidiaries, as the case may be. The primary policy also provides coverage to the corporate entity for security claims.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee, on behalf of our Board of Directors, serves as an independent and objective party to monitor and provide general oversight of the integrity of our consolidated financial statements, our independent registered public accounting firm's qualifications and independence, the performance of our independent registered public accounting firm and our standards of business conduct. The Audit Committee performs these oversight responsibilities in accordance with its Audit Committee Charter.

Our management is responsible for preparing our consolidated financial statements and managing our financial reporting process. Our independent registered public accounting firm is responsible for expressing an opinion on the conformity of our audited consolidated financial statements to generally accepted accounting principles in the United States of America. The Audit Committee met with our independent registered public accounting firm, with and without management present, to discuss the results of their examinations and the overall quality of our financial reporting.

In this context, the Audit Committee reviewed and discussed our audited consolidated financial statements for the year ended December 31, 2020 with management and with our independent registered public accounting firm. The Audit Committee has discussed with our independent registered public accounting firm the matters required to be discussed by the statement on PCAOB AS 16 (Communications with Audit Committees), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, which includes, among other items, matters related to the conduct of the audit of our annual consolidated financial statements.

The Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding such independent registered public accounting firm's communications with the Audit Committee concerning independence, and has discussed with the independent registered public accounting firm its independence from us and our management.

Based on its review of the audited financial statements and the various discussions noted above, the Audit Committee recommended to our Board of Directors that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2020.

Respectfully submitted by the Audit Committee,

Gerald Budde, Chair
Jacqueline Dedo
H. Benjamin Samuels
Michael Clark

The foregoing Audit Committee Report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any other filing of our Company under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent we specifically incorporate this Audit Committee Report by reference therein.

INFORMATION ABOUT THE EXECUTIVE OFFICERS

The executive officers are appointed annually by our Board of Directors and hold office until their successors are elected and duly qualified unless otherwise specified in an individual's employment agreement. There are no family relationships between any of our directors or executive officers. The current executive officers of the Company, and their ages as of November 8, 2021 are as follows:

Name	Age	Position	Officer Since
Richard Dauch	60	Chief Executive Officer	Chief Executive Officer since August 2021
Gregory Ackerson	44	Interim Chief Financial Officer	Controller since 2019, Interim Chief Financial Officer since September 2021
Joshua Anderson	45	Chief Technology Officer	Chief Technology Officer since September 2021
Anthony Furey	48	Vice President of Finance	Vice President of Finance since April 2019
Ryan Gaul	46	President, Commercial Trucks	President, Commercial Trucks since April 2021
John Graber	64	President, Aerospace	President, Aerospace since April 2021
James Harrington	60	Chief Administrative Officer and General Counsel	Chief Administrative Officer and General Counsel since August 2021

Biographical information regarding our executive officers as of November 8, 2021 is set forth below:

Richard Dauch, Chief Executive Officer, Director

Mr. Dauch has nearly 30 years of experience in the automotive and manufacturing industries, including most recently as the Chief Executive Officer of the publicly traded automotive supplier firm, Delphi Technologies (NYSE: DLPH). Previously, Mr. Dauch served as the President and CEO of Accuride Corporation from 2011 to 2019 and of Acument Global Technologies from 2008 to 2011, in various executive roles at American Axle & Manufacturing from 1995 to 2008 and United Technologies from 1992 to 1995 and as an officer in the United States Army from 1983 to 1990. Mr. Dauch attended the United States Military Academy at West Point, where he graduated with a bachelor's of science degree in engineering, and the Massachusetts Institute of Technology, where he graduated with a dual master's of science in engineering and management.

Gregory Ackerson, Interim Chief Financial Officer

Mr. Ackerson has been with the Company since April 2018, most recently serving as the Corporate Controller and Chief Accounting Officer prior to being named Interim Chief Financial Officer in September 2021. Prior to joining the Company, Mr. Ackerson was an Assurance Senior Manager with BDO USA LLP from December 2015 through March 2018 and Senior Manager Technical Accounting for NewPage Corporation from April 2011 through March 2015. Mr. Ackerson has also served as an Inspection Specialist for PCAOB and various progressive audit roles with PwC. Mr. Ackerson received his Master of Science in Accounting and Bachelor of Business Administration and Finance from the University of Cincinnati in 2000.

Joshua Anderson, Chief Technology Officer

Mr. Anderson most recently served in several capacities including as Founder and President of Leiten beginning in 2019, a startup next-generation electric vehicle developer targeted at the medium duty chassis market, President of RexRover beginning in 2020, a final stage manufacturer and upfitter of work trucks and equipment, and President of DESCH Systems beginning in 2013, a design services firm focused on medium- and heavy-duty truck and bus development and electrification. Prior to these roles, Mr. Anderson served as Executive Vice President of Engineering and Director of Research and Development at DesignLine Corporation from 2009 to 2013 and served in various capacities at Transportation Techniques between 1999 and 2008, including as Chief Technology Officer and Vice President of Vehicle Development. Mr. Anderson received his Bachelor of Science degree in engineering from Harvey Mudd College. He is also the co-inventor on eleven patents issued, including ten for electric vehicle and hybrid powertrain and controls for ground vehicles.

Anthony Furey, Vice President of Finance

Mr. Furey is a senior-level finance executive with more than 25 years of experience in corporate finance and capital markets and is currently serving as our Vice President of Finance. Prior to that, Mr. Furey was the Director of Business Development for Workhorse and Director of Finance for SureFly a former subsidiary of Workhorse

Group. Prior to joining Workhorse, Mr. Furey owned and was president of Fastnet Advisors, LLC, a mergers and acquisition and corporate advisory practice. As President, Mr. Furey led over \$300 million in financing and uplisting transactions and was responsible for managing the company's day-to-day growth and operations. Prior to Fastnet Advisors, LLC, Mr. Furey spent fifteen years on both the buy and sell side in institutional sales and trading, holding Series 7,65 & 63 licenses.

Ryan Gaul, President, Commercial Trucks

Mr. Gaul has more than 20 years of automotive experience with more than 15 of those years in senior management. Before joining Workhorse, Mr. Gaul was employed by Gentherm, Inc (NASDAQ: THRM) a leading automotive technology company where he served in various roles since 2000. He brings broad functional leadership experience, having led IT, Strategy, M&A, Business Development, Marketing, Manufacturing and Supply Chain. While at Gentherm, Mr. Gaul held various senior executive leadership roles, including international assignments in Germany and China, where he led Gentherm's lean manufacturing transformation and commercial and manufacturing expansion in Asia. As SVP of Global Manufacturing and Supply Chain, he led over 10,000 associates and 12 manufacturing sites. Mr. Gaul also brings significant commercial experience, having led Marketing, Business Development, Strategy and M&A functions at the senior executive level. Mr. Gaul has a B.A. in Philosophy from the University of Missouri, Columbia.

John Graber, President, Aerospace

Mr. Graber has over twenty years of C-level experience in public and private companies engaged in the aerospace industry. Mr. Graber also has had leadership experience in corporate strategy, business development and M&A. Prior to his appointment as President, Aerospace, Mr. Graber had been leading the development of the Company's HorseFly™ last-mile drone delivery program since March, 2020. Mr. Graber was Managing Partner of Master Aviation Group, an aerospace consulting business from 2014 through 2020. Prior to forming Master Aviation Group, Mr. Graber served as President and Chief Executive Officer of Global Aviation Holdings, as President of CHC Helicopter Services, President of ABX Air and Senior Vice President and Managing Director of ATA Airlines. Mr. Graber served as an Army Aviator for the US Army for 21 years and is a veteran of Operation Desert Storm. Mr. Graber received his Master of Business Administration from the University of Notre Dame and Bachelor of Arts from Thomas Edison State University. Mr. Graber is a member of the Board of Directors of Thrush Aircraft.

James Harrington, Chief Administrative Officer and General Counsel

Mr. Harrington most recently served as Senior Vice President, General Counsel, Secretary and Chief Compliance Officer at Delphi Technologies from 2017 to 2020 and held various roles within the legal department at Tenneco including Senior Vice President, General Counsel, Secretary and Chief Compliance Officer from 2009 to 2017. Mr. Harrington received a Bachelor of Business Administration in accounting from Notre Dame, a Master of Business Administration from the University of Chicago and a Law Degree from Northwestern University. He is also a Certified Public Accountant.

DELINQUENT SECTION 16 REPORTS

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors and persons who own more than 10% of any class of our equity securities to file forms with the SEC reporting their ownership and any changes in their ownership of those securities. These persons also must provide us with copies of these forms when filed. Based on a review of copies of those forms, our records, and written representations from our directors and executive officers that no other reports were required, the following filings were not reported timely due to administrative delays: initial filing for the hiring of Mr. Schrader on December 12, 2019 was not reported until January 2, 2020, one grant made to Mr. Furey on January 1, 2020 that was not reported until March 2, 2020, and one sale by Mr. Chess pursuant to a 10b5-1 trading plan on December 18, 2020 that was not reported until December 23, 2020. We understand that Anthony T. Lukens, then an owner of 10% or more of our Common Stock, made several acquisitions and dispositions between April 30, 2018 and July 7, 2020 that were not reported until July 10, 2020. Other than these instances, we believe that all Section 16(a) filing requirements were complied with during 2020.

Dear Fellow Stockholders:

Our executive compensation program is designed to attract, motivate and retain our named executive officers, who are critical to our success. Our programs are evolving to reward our named executive officers for strong corporate performance, the achievement of annual goals and ultimately the realization of increased stockholder value.

The Compensation Committee continually reviews the compensation program for our named executive officers to ensure the program achieves the desired goals of aligning our executive compensation structure with our stockholders' interests and current market practices. We have recently made and continue to make adjustments to our programs to further align them with the following objectives:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive stockholder returns;
- Support our business strategies; and
- Maximize the return on our human resource investment.

CEO & Leadership Team Transition:

In July we hired our new Chief Executive Officer, Rick Dauch, a known leader in our industry with excellent business judgment. Over the last few months Mr. Dauch has had the opportunity to bring in his own executive team most of whom have extensive backgrounds in the automotive and related industries. We are confident that Rick and his new team will lead Workhorse to achieve the results we all expect. I am proud that Workhorse has successfully assembled a world class team in a relatively short period of time in the midst of an extremely competitive labor market.

Looking Forward:

With the hiring of our new executive team we are striving to further enhance the link between pay and our performance. Alignment of our executive compensation program with long-term shareholder interests is critical, and we are taking steps to ensure that occurs. Our new CEO's recent equity grant includes long-term awards that vest only if we meet certain stock price performance goals. This pay-for-performance philosophy will impact compensation program design and payouts throughout the organization, and we expect performance-based long-term incentive awards to be a part of our executive compensation program going forward.

While the rules and timing of our disclosure require that we discuss pay levels to our previous executives in our CD&A, I ask that stockholders consider these most recent changes in leadership and program structure and continue to support Workhorse and our compensation programs. It is critical that we incentivize and retain our new executive team.

Thank you for your continued support and interest in Workhorse Group Inc.

Sincerely,

Mike Clark, Chairman – Compensation Committee

COMPENSATION DISCUSSION AND ANALYSIS (“CD&A”)

This CD&A is designed to provide our shareholders with an understanding of our compensation philosophy and objectives, as well as the analysis that we performed in setting executive compensation for 2020. It discusses the Compensation Committee’s (referred to as the Committee in this CD&A) determination of how and why, in addition to what, compensation actions were taken during 2020 for our Chief Executive Officer and our two next highest paid executive officers (the “Named Executive Officers” or “NEOs”).

Recent Events

As discussed above, we are required to provide disclosure concerning the compensation of our Chief Executive Officer and Named Executive Officers for our most recently ended fiscal year, which concluded December 31, 2020 (“Fiscal 2020”). For Fiscal 2020, these officers were Duane Hughes, Chief Executive Officer and Director, Rob Willison, Chief Operating Officer, and Stephen Fleming, Vice President and General Counsel. As we have previously reported, effective August 2, 2021, Mr. Hughes has ceased to be a director of the Company and Chief Executive Officer of the Company, and Richard Dauch has become Chief Executive Officer and a director of the Company. As we have also previously disclosed, in the third quarter of 2021, the Company informed Mr. Willison and Mr. Fleming, as well as Steve Schrader, the Company’s Chief Financial Officer, that it would not be renewing their respective employment agreements. The Company has appointed Greg Ackerson, the Company’s Corporate Controller, as interim Chief Financial Officer, and James Harrington, as Chief Administrative Officer and General Counsel. Additional information regarding Mr. Dauch, Mr. Ackerson and Mr. Harrington is provided under “Information about the Executive Officers” above.

Overview

Many of our compensation decisions in recent years reflect our continued transition of our executive compensation program. Workhorse’s historical compensation philosophy was to provide base salaries with equity-based incentives, primarily in the form of stock options. However, in order to continue to attract high quality executives and employees, we recognized that we needed to be more competitive on cash compensation going forward by offering a more structured annual bonus program, and we also shifted to granting restricted stock awards mixed with options as part of our equity incentives to better align with market practices.

Highlights of 2020 Executive Compensation Actions:

Executive Salaries

After making a few adjustments in 2019, our executive level base salaries remained flat in 2020. Generally, our NEO salaries were comparable to the 30th percentile of the market.

Annual Incentives

Annual incentive target opportunities remain unchanged. As part of our effort to align our executive compensation program with market, each NEO has a target bonus opportunity expressed as a percentage of base salary.

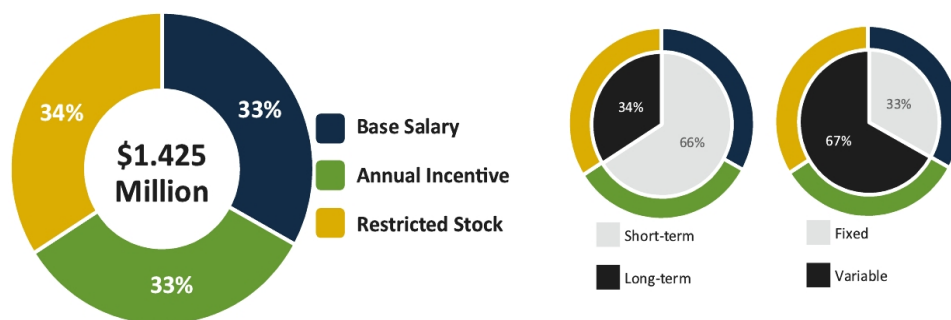
We maintained a formalized approach to funding annual incentives during 2020. The bonus funding for 2020 was formulaically determined based on a mix of financial and individual performance targets. Although we made substantial progress on our operating model in 2020, both adjusted EBITDA and Gross Margin were below threshold. We had strong safety performance in 2020 and individual performance was assessed by the Compensation Committee to be at maximum performance levels, resulting in overall annual incentive funding below target opportunity level.

Restricted Stock Awards

During 2020, we granted restricted stock awards with time-based vesting over a 3 year period. Given our historical reliance on stock options, this form of equity provides greater retention incentives, creates more direct alignment with stockholders, and is more consistent with peer practices.

CEO Compensation

We emphasized allocating a significant portion of our CEO’s compensation to at-risk and variable pay. Approximately 67% of our CEO’s target total compensation qualifies as at-risk or variable in nature. The graph below illustrates the allocation of our CEO’s pay under our latest programs and awards.



Our Named Executive Officers

Our Named Executive Officers, along with other select members of the senior management team participate in the compensation plans and programs described in this CD&A. While different in some aspects of their operation, the compensation programs for the broader employee population at Workhorse are driven by consistent principles which seek to compete effectively in our industry with the ability to reward for strong corporate and individual performance.

The table below reflects our Principal Executive Officer and our two other highest paid executive officers in 2020. As discussed under “Information about the Executive Officers,” above, in August 2021, the Company appointed a new executive leadership team, including Richard Dauch as Chief Executive Officer.

Name	Age	Position
Duane Hughes	58	Chief Executive Officer, President and Director
Robert Willison	60	Chief Operating Officer
Stephen Fleming	48	General Counsel and Vice President

Workhorse’s Executive Compensation Objections & Practices

In order to accomplish our goals and to ensure that the Company’s executive compensation program is consistent with its direction and business strategy, the compensation program for our senior executive officers is based on the following objectives:

- to attract, motivate, retain and reward a knowledgeable and driven management team and to encourage them to attain and exceed performance expectations within a calculated risk framework; and
- to reward each executive based on individual and corporate performance and to incentivize such executives to drive the organization’s current growth and sustainability objectives.

These objectives serve to assure our long-term success and are built on the following compensation principles:

- compensation is designed to align executives to the critical business issues facing the Company;
- compensation should be fair and reasonable to shareholders and be set with reference to the local market and similar positions in comparable companies;
- an appropriate portion of total compensation should be equity-based, aligning the interest of executives with shareholders; and
- compensation should be transparent to the Board of Directors, executives, and our shareholders.

All elements of compensation are compared to the total compensation packages of a peer group of companies, which includes both competitors and companies representing our industry broadly to reflect the markets in which we compete for business and people.

Compensation Best Practices

We have made significant effort to align our executive compensation programs and practices with stockholder interests, and to incorporate strong governance standards within our compensation program, such as:

† **Annual Incentives Based on Performance** - In 2020, we designed and implemented an annual incentive award program that is based on Company financial and operational performance; we include an assessment of individual performance as determined by the Committee and added safety performance to the bonus plan, incorporating a measure that incorporates environmental, social, and corporate governance into our plan.

† **Cap on Incentive Award Payouts** - Incentive award payouts are capped in our incentive program.

† **Balanced Mix of Variable & Performance Based Compensation** - We provide our executives with a balanced mix of variable and performance based compensation designed to motivate our executives to improve both our financial performance and stock price over the short and long-term.

† **Actively Engage with our Shareholders** - We actively engage with our largest shareholders and consider feedback and input on our programs and practices.

† **Anti-Hedging & Anti-Pledging Policies** - We prohibit our executives and directors from hedging and pledging Company securities.

† **“Double Trigger” Change of Control Payments** - Our change of control program provides for cash payments that are triggered only if a qualifying termination of employment occurs in connection with the change in control.

† **Clawback Policy** - Our annual incentive awards and any future performance based awards are subject to a clawback policy which applies to all of our executive officers and provides for the forfeiture of these awards or the return of any related gain in the event of a restatement of our financial statements.

† **Stock Ownership Guidelines** - We encourage and require stock ownership by our executive team. Our CEO is required to own six times his base salary and our other NEO's are required to own three times their respective base salaries.

† **No Excise Tax Gross-Ups** - We do not provide gross-ups in any executive employment agreement or severance program.

† **Engagement of Independent Compensation Consultant** - Our Committee retains an independent compensation consultant who reports directly to the Committee and does not provide any other services to management or the Company.

What We Don't Do

- ✗ No Guaranteed Annual Salary Increases or Bonuses.
- ✗ No Special Tax Gross Ups.
- ✗ No Repricing or Exchange of Underwater Stock Options.
- ✗ No Plans that Encourage Excessive Risk-Taking.
- ✗ No Hedging or Pledging of Workhorse Securities.
- ✗ No Excessive Perks.

Executive Compensation Recoupment Policy

The Board can recoup all or part of any compensation paid to an executive officer in the event of a material restatement of the Company's financial results. The Board will consider:

- whether any executive officer received compensation based on the original consolidated financial statements because it appeared he or she achieved financial performance targets that in fact were not achieved based on the restatement; and
- the accountability of any executive officer whose acts or omissions were responsible, in whole or in part, for the events that led to the restatement and whether such actions or omissions constituted misconduct.

Role of the Compensation Committee in Setting Compensation & Overall Oversight of Our Programs

Our compensation committee consists of Michael Clark, Harry DeMott, H. Benjamin Samuels, and Pamela Mader. Our board of directors has determined that each of the members are an "independent director" as defined by the rules of the Nasdaq applicable to members of a compensation committee. The Compensation Committee is responsible for establishing the compensation of our senior management, including salaries, bonuses, termination arrangements, and other executive officer benefits as well as director compensation. The Compensation Committee also administers our equity incentive plans. During 2020, the Compensation Committee met three times. The Compensation Committee is governed by a written charter approved by the board of directors. A copy of the Compensation Committee's charter is posted on the Company's website at www.workhorse.com in the "Investors" section of the website. The Compensation Committee works with the Chairman of the Board and Chief Executive Officer and reviews and approves compensation decisions regarding senior management including compensation levels and equity incentive awards. The Compensation Committee also approves employment and compensation agreements with our key personnel and directors. The Compensation Committee has the power and authority to conduct or authorize studies, retain independent consultants, accountants or others, and obtain unrestricted access to management, our internal auditors, human resources and accounting employees and all information relevant to its responsibilities.

The responsibilities of the Compensation Committee, as stated in its charter, include the following:

- review and approve the Company's compensation guidelines and structure;
- review and approve, on an annual basis, the corporate goals and objectives with respect to compensation for the Chief Executive Officer;
- review and approve, on an annual basis, the evaluation process and compensation structure for the Company's other officers, including salary, bonus, incentive and equity compensation; and
- periodically review and make recommendations to the Board of Directors regarding the compensation of non-management directors.

The Compensation Committee is responsible for developing the executive compensation philosophy and reviewing and recommending to the Board of Directors for approval all compensation policies and compensation programs for the executive team.

Role of Management in Setting Compensation

Our CEO is consulted in the Committee's determination of compensation matters related to the executive officers reporting directly to the CEO. Each year, the CEO makes recommendations to the Committee regarding such components as salary adjustments, target annual incentive opportunities and the value of long-term incentive awards. In making his recommendations, the CEO considers such components as experience level, individual performance, overall contribution to Company performance and market data for similar positions. The Committee takes the CEO's recommendations under advisement, but the Committee makes all final decisions regarding such individual compensation.

Our CEO's compensation is reviewed and discussed by the Committee, which then makes recommendations regarding his compensation to the independent members of our board of directors. Our board of directors ultimately makes decisions regarding the CEO's compensation.

Our CEO attends Committee meetings as necessary. He is excused from any meeting when the Committee deems it advisable to meet in executive session or when the Committee meets to discuss items that would impact the

CEO's compensation. The Committee may also consult other employees, including the remaining Named Executive Officers, when making compensation decisions, but the Committee is under no obligation to involve the Named Executive Officers in its decision-making process.

Role of the Compensation Consultant in Setting Compensation

The Compensation Committee has engaged the services of Compensation Advisory Partners, LLC ("CAP") as its independent executive compensation consultant. Certain of our Board members have worked with CAP in the past and value the firm's collective knowledge and capabilities, and its ability to help us develop compensation programs that incentivize our executives and align performance with company strategies and stockholders' interests.

CAP's current role is to advise the Committee on matters relating to executive compensation to help guide, develop, and implement our executive compensation programs. CAP reports directly to the Compensation Committee. The Committee regularly reviews the services provided by CAP and believe the firm to be independent in providing executive compensation consulting services to us. A review of CAP's relationship did not raise any conflicts of interest, consistent with the guidelines provided under the Dodd-Frank Act and by the SEC and the Nasdaq. In making this determination, the Committee notes that during 2020:

- CAP did not provide any services to the Company or management, other than services requested by or with the approval of the Committee, and its services were limited to executive and director compensation consulting;
- The Committee or members of the Committee meet regularly in executive sessions with CAP, outside the presence of management;
- CAP maintains a conflicts policy, which was provided to the Committee with specific policies and procedures designed to ensure independence;
- Fees paid to CAP by Workhorse during 2020 were less than 1% of CAP's total revenue;
- None of the CAP consultants working on matters with us had any business or personal relationships with Committee members (other than in connection with working on matters with us);
- None of the CAP consultants working on matters with us (or any consultants at CAP) had any business or personal relationships with any of our executive officers; and
- None of the CAP consultants working on matters with us own shares of our common stock.

The Committee continues to monitor the independence of its compensation consultant on a periodic basis.

Compensation Peer Group

We have developed a compensation peer group, which is composed of specific peer companies within our industry. Our peer group was developed with the assistance of CAP and is used to analyze our executive and director compensation levels and overall program design. This compensation peer group is used to determine market levels of the main elements of executive compensation (base salary, annual incentives/bonus, long-term incentives, as well as total direct compensation).

The peer group is also used to gauge industry practices regarding the structure and mechanics of annual and long-term incentive plans, employment agreements, severance and change in control policies and employee benefits. The composition of the peer group is reviewed by the Committee on an annual basis to ensure that we have and maintain an appropriate group of comparator companies.

In September 2020, with the assistance of CAP, the Committee developed and approved the peer group for use as a source of executive compensation and practices data. Criteria for selecting peer companies for compensation benchmarking is based on a number of factors. The peer companies selected should reflect an optimum mix of the criteria listed below in their relative order of importance:

Competitive market:

- † Competing Talent—companies with executive talent similar to that valued by us;
- † Competitors—companies in the same or similar industry sector; and
- † Competing Industry—companies in the same general industry sector having similar talent pools.

Size and demographics:

† Companies that are generally similar in revenue and/or market cap size and whose median revenue for the group approximates our revenue;

† Firms with a competitive posture and comparable area of operations; and

† Companies within our corporate headquarters region

The Committee, based on CAP's analysis and our internal analysis, determined to use the following peer group of 17 companies to evaluate and compare our compensation practices in 2020:

Ticker	Peer Company	HQ Location	~Miles to WKHS	Insiders Ownership	Post IPO Yrs	Fiscal Yr End	TTM Revenue \$	% Change TTM Rev.	Primary Industry	Market CAP \$	TSR 1-Year	TSR 3-Year
SMP	Standard Motor Products	Long Island City, NY	561	10%	52.6	12/20	1,051.2	(7.2)%	Auto Parts & Equipment	998	(7.2)%	(1.1)%
DORM	Dorman Products	Colmar, PA	478	11%	29.4	12/20	984.3	(2.2)%	Auto Parts & Equipment	2,912	13.6%	8.1%
BLBD	Blue Bird Corp.	Macon, GA	444	11%	5.5	09/20	941.3	(6.5)%	Const. Machinery/Hvy Trucks	329	(36.1)%	(16.1)%
THRM	Gentherm	Northville, MI	219	1%	27.2	12/20	835.1	(18.0)%	Auto Parts & Equipment	1,336	(50.0)%	3.3%
SHLO	Shiloh Industries	Valley City, OH	230	5%	27.1	10/20	815.7	(25.6)%	Auto Parts & Equipment	2	(97.7)%	(79.1)%
CVGI	Commercial Vehicle Grp	New Albany, OH	84	4%	16.0	12/20	728.9	(22.0)%	Const. Machinery/Hvy Trucks	213	(9.4)%	(3.9)%
SHYF	Shyft Group, The	Novi, MI	236	4%	36.1	12/20	705.6	24.8%	Const. Machinery/Hvy Trucks	671	38.6%	20.6%
MLR	Miller Industries	Ooltewah, TN	292	4%	24.6	12/20	703.2	(11.6)%	Const. Machinery/Hvy Trucks	349	(6.0)%	5.6%
HZN	Horizon Global Corp.	Plymouth, MI	219	10%	5.1	12/20	603.9	(14.0)%	Auto Parts & Equipment	148	50.5%	(31.2)%
MPAA	Motorcar Parts of America	Torrance, CA	>625	2%	26.4	03/21	522.0	6.5%	Auto Parts & Equipment	296	(7.9)%	(19.2)%
STRT	Strattec Security Corp.	Milwaukee, WI	324	5%	25.5	06/20	385.3	(20.9)%	Auto Parts & Equipment	77	1.3%	(20.0)%
VOXX	VOXX Intl. Corp.	Orlando, FL	>625	21%	33.2	02/21	373.4	(15.0)%	Consumer Electronics	184	63.6%	(3.5)%
AMOT	Allied Motion Tech.	Amherst, NY	376	19%	51.6	12/20	363.6	6.8%	Elect. Components & Equip.	402	17.3%	18.0%
ULBI	Ultralife Corp.	Newark, NY	461	35%	27.6	12/20	112.9	26.1%	Elect. Components & Equip.	94	(31.9)%	(4.4)%
SYPR	Sypris Solutions	Louisville, KY	106	33%	26.2	12/20	83.5	(6.3)%	Auto Parts & Equipment	23	6.2%	(8.3)%
PRCP	Perceptron	Plymouth, MI	219	2%	28.0	06/20	62.3	(19.0)%	Elect. Components & Equip.	66	41.9%	(4.8)%
TAYD	Taylor Devices	N. Tonawanda, NY	391	13%	40.6	05/21	28.4	(11.2)%	Industrial Machinery	33	(7.3)%	(8.2)%
75th Percentile							815.7	(2.2)%		402	17.3%	3.3%
Median		<i>Company Count = 17</i>					603.9	(11.2)%		213	(50.0)%	(4.4)%
25th Percentile							363.6	(18.0)%		77	(7.9)%	(16.1)%
WKHS	Workhorse Group Inc.	Loveland, OH	—	9%	10.6	12/20	0.2	(54.4)%	Auto Parts & Equipment	2,658	622.3%	109.2%

TTM (Trailing Twelve Months) up to June 30, 2020

Information from Standard & Poor's Capital IQ

All dollar values are in millions (000s)

Current Market Cap and TSR as of September 30, 2020

We will continue to monitor this group each year to determine the best mix of companies to use as comparators for compensation related purposes.

Overview of Executive Compensation

The Company recognizes that people are our primary asset and our principal source of competitive advantage. In order to recruit, motivate and retain the most qualified individuals as senior executive officers, the Company strives to maintain an executive compensation program that is competitive in the commercial transportation industry, which is a competitive, global labor market.

The Compensation Committee's compensation objective is designed to attract and retain the best available talent while efficiently utilizing available resources. The Compensation Committee compensates executive management primarily through base salary and equity compensation designed to be competitive with comparable companies, and to align management's compensation with the long-term interests of shareholders. In determining executive management's compensation, the Compensation Committee also takes into consideration the financial condition of the Company and discussions with the executive.

In order to accomplish our goals and to ensure that the Company's executive compensation program is consistent with its direction and business strategy, the compensation program for our senior executive officers is based on the following objectives:

- to attract, motivate, retain and reward a knowledgeable and driven management team and to encourage them to attain and exceed performance expectations within a calculated risk framework; and
- to reward each executive based on individual and corporate performance and to incentivize such executives to drive the organization's current growth and sustainability objectives.

The following key principles guide the Company's overall compensation philosophy:

- compensation is designed to align executives to the critical business issues facing the Company;
- compensation should be fair and reasonable to shareholders and be set with reference to the local market and similar positions in comparable companies;
- an appropriate portion of total compensation should be equity-based, aligning the interests of executives with shareholders; and
- compensation should be transparent to the Board of Directors, executives, and shareholders.

Compensation Elements and Rationale

There are three basic components to the Company's executive compensation program: base salary, our annual incentive program, and long-term incentive equity compensation. The Compensation Committee actively evaluates our executive compensation program design against best market practices as the Company experiences further growth. A recent review of our NEO compensation levels relative to market found that overall total compensation is below the median of our peer group. This result was in part due to our 2020 annual incentive program which yielded payouts below target for the year. We believe our structure provides compensation opportunity that is competitive with market but also requires the executive team to perform and execute our goals to be earned.

Base Salary

Base salary is the foundation of the compensation program and is intended to compensate competitively relative to comparable companies within our industry and the marketplace where we compete for talent. Base salary is a fixed component of the compensation program and is used as the base to determine elements of incentive compensation and benefits. As shown in the table below, Mr. Hughes base salary remained at \$475,000 and our other NEO salaries remained flat in 2020.

Position	2020 Salary	2019 Salary	% Change
Chief Executive Officer, President and Director	\$475,000	\$475,000	0%
Chief Operating Officer	\$300,000	\$300,000	0%
General Counsel and Vice President	\$300,000	\$300,000	0%

Annual Incentive Program (Bonus)

During the 1st quarter of 2020, the Committee established the 2020 annual cash incentive bonus program, pursuant to which our NEOs were eligible to receive performance-based cash bonuses based on certain quantitative

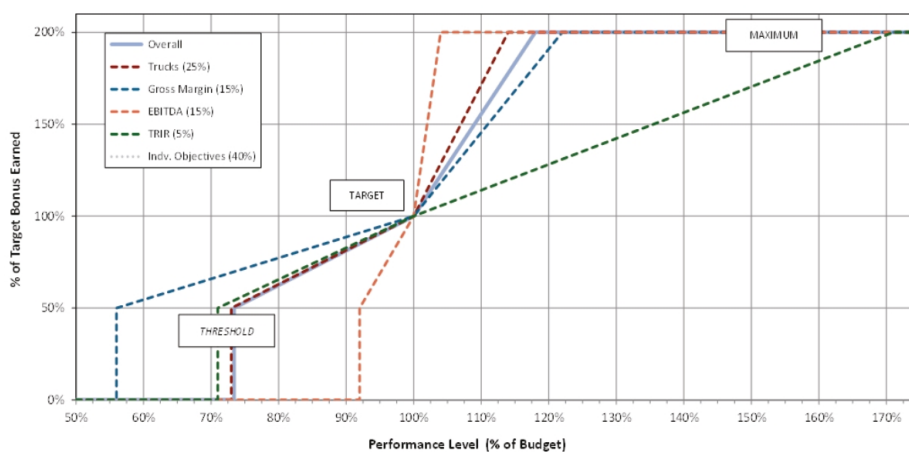
and qualitative performance metrics. For 2020, our NEOs' target bonus opportunities were set based on market norms and each executive's role within the Company. Our CEO bonus target is set at 100% of base salary, and 50% for our General Counsel and VP Finance. Our NEOs' maximum bonus opportunities were 200% for our CEO and 75% for our General Counsel and VP Finance.

Position	Target Bonus (as % of base)	Maximum Bonus (as % of base)
Chief Executive Officer, President and Director	100%	200%
Chief Operating Officer	50%	75%
General Counsel and Vice President	50%	75%

The financial measures of adjusted EBITDA and Gross Margin accounted for a total of 30% of the target bonus opportunity, while individual performance objectives account for 40% of target bonus opportunity. We added a measure which set targets for trucks produced and delivered. It accounted for 25% of the target bonus opportunity. The final 5% of the bonus is based on our safety record by measuring our Total Recordable Incident Rate ("TRIR").

Performance Metric	Weight
Individual Objectives	40%
Trucks produced and delivered	25%
Gross margin (sales less BOM)	15%
EBITDA	15%
TRIR	5%

Payout opportunities were established according to a threshold, target and maximum performance for each performance metric. For each financial performance metric, threshold performance is equal to 50% of target performance and maximum performance is equal to 200% of target performance. In addition, with respect to each financial performance metric, if threshold level performance is achieved, then a threshold level payout is triggered, and if the maximum performance is achieved then a maximum level payout occurs. The chart below shows our CEO's performance requirements and payout curves for each performance metric under the 2020 annual cash incentive bonus program:



After the level of performance is determined by the Compensation Committee, the payout percentage for each individual metric is added together to calculate the total payout percentage for each Named Executive Officer. The final payout percentage is then multiplied by the participant's target bonus opportunity in order to calculate the total bonus payable to each Named Executive Officer. On February 24, 2021, based on the Company's achievement relative to the adjusted EBITDA, gross margin, trucks produced and delivered, safety and each Named Executive

Officer's individual performance, our Compensation Committee approved payouts to be made to our Named Executive Officers under the 2020 annual cash incentive bonus program in the amounts set forth in the "Non-Equity Incentive Plan Compensation" column in the Summary Compensation Table.

2020 Payouts

Performance for our adjusted EBITDA, gross margin, and trucks produced and delivered fell below threshold levels. As a result our executives did not receive a bonus payout related to these measures which accounts for 55% of the target opportunity. Our safety component paid out at target, which is 5% of the total target bonus opportunity, based on our total recordable incident rate in 2020. For the individual performance component of our program, the Compensation Committee determined that our executives performed at a very high level navigating through capital raises while developing our Horsefly-UPS relationship, getting EPA and CARB certifications, as well as successfully engaging in shareholder outreach among other accomplishments. The Committee also considered how well the stock performed in 2020 during our CEO's tenure and determined that the individual performance component should pay out at above target.

Overall 2020 payouts to our NEO's were below target and ranged from 45%-81% of target.

Position	2020 Payout as a % of Target
Chief Executive Officer	81%
Chief Operating Officer	45%
General Counsel and Vice President	68%

Long-Term Incentive (Equity)

The Company's long-term incentive program provides for the granting of stock options and restricted stock to executive officers to both motivate executive performance and retention, as well as to align executive officer performance to shareholder value creation. In awarding long-term incentives, the Company compares the long-term incentive program to that of comparable companies within our industry and evaluates such factors as the value of awards granted to each executive position within the market, the number of shares available under our Stock Incentive Plan, and the number of awarded shares outstanding relative to our total common shares outstanding. The Board of Directors fixes the exercise price of stock options at the time of the grant based on the market price of our stock on the Nasdaq

Each long-term incentive grant is based on the level of the position held and overall market competitiveness. The Compensation Committee takes into consideration previous grants when it considers new grants of stock options and restricted stock.

Each of the NEOs has a target LTI value expressed as a percentage of base salary. These targets are reviewed on an annual basis and serve as a guide to the Committee in establishing grant values each year. Our 2020 LTI award targets are shown in the table below.

Position	Target LTI Award Value (% of base salary)
Chief Executive Officer, President and Director	100%
Chief Operating Officer	75%
General Counsel and Vice President	50%

2020 NEO Awards

In 2020, we awarded restricted stock to our CEO and other NEOs. Our Chief Executive Officer, President and Director, Mr. Hughes, received a grant of 179,245 restricted shares with a grant date fair value of \$475,000. Mr. Fleming, our General Counsel and Vice President, received a grant of 84,906 restricted shares with a grant date fair value of \$225,000. Mr. Furey, our Vice President of Finance, received a grant of 42,453 restricted shares with a grant date fair value of \$112,500. All of these restricted share awards to our executives vest ratably over a three year period. We believe that awarding restricted stock to balance our history of granting stock options was important in 2020 for retention and to directly tie our executives interests to those of our shareholders through share ownership.

Non-Cash Compensation

The Company provides standard health benefits to its executives, including medical, dental and disability insurance.

The Company's non-cash compensation is intended to provide a similar level of benefits as those provided by comparable companies within our industry.

Pension Benefits

None.

Non-Qualified Deferred Compensation

None.

Retirement, Resignation or Termination Plans

Each of the Company's executive employment agreements with Messrs. Hughes, Fleming, and Furey contemplates the case of termination due to various provisions whereby the named executive officers will receive severance payments, as described below.

Compensation and Risk

We do not believe that our compensation policies and practices are reasonably likely to have a material adverse effect on us. We have taken steps to ensure our executive compensation program does not incentivize risk outside the Company's risk appetite. Some of the key ways that we currently manage compensation risk are as follows:

- appointed a Compensation Committee which is composed entirely of independent directors to oversee the executive compensation program;
- the use of a mix of deferred equity compensation in the form of stock options in 2019 and restricted stock awards in 2020 to encourage a focus on long-term corporate performance versus short-term results and retention of key executive talent; and
- disclosure of executive compensation to stakeholders.

Consideration of Most Recent Shareholder Advisory Vote on Executive Compensation

As required by Section 14A of the Exchange Act, at our 2018 Annual Meeting of Stockholders our stockholders voted, in an advisory manner, on a proposal to approve our named executive officer compensation. This was our most recent stockholder advisory vote to approve named executive officer compensation. The proposal was approved by our stockholders, receiving approximately 91% of the vote of the stockholders present in person or represented by proxy and voting at the meeting.

Compensation Committee Interlocks and Insider Participation

No person who served as a member of our Compensation Committee during the 2020 fiscal year was a current or former officer or employee of our Company or engaged in certain transactions with our Company required to be disclosed by regulations of the SEC. Additionally, during the 2020 fiscal year there were no Compensation Committee "interlocks," which generally means that no executive officer of our Company served: (a) as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity which had an executive officer serving as a member of our Company's Compensation Committee; (b) as a director of another entity which had an executive officer serving as a member of our Company's Compensation Committee; or (c) as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity which had an executive officer serving as a director of our Company.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the foregoing compensation discussion and analysis with Company management. Based on that review and those discussions, the Compensation Committee recommended to the Board of Directors that the compensation discussion and analysis be included in the Company's Form 10-K for the year ended December 31, 2020 and this proxy statement.

Respectfully submitted by the Compensation Committee,

Michael Clark, Chair
 Harry DeMott
 H. Benjamin Samuels
 Pamela Mader

Summary Compensation Table

The following summary compensation table sets out details of compensation paid to (a) our principal executive officer; (b) each of our two most highly compensated executive officers who served as executive officers during the fiscal year ended December 31, 2020; and (c) up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at the end of the year ended December 31, 2020.

As discussed above under "Recent Events," Mr. Hughes, Mr. Willison and Mr. Fleming no longer serve the Company in any capacity. In connection with their respective separations, each person forfeited unvested equity awards in accordance with the terms of their respective employment and separation agreements. The number and type of awards forfeited by each person is set forth in the footnotes to the table below.

Name	Year	Salary (\$)	Bonus (\$)	Stock Awards \$(1)	Option Awards \$(2)	Non-equity Incentive Plan Compensation	All Other Compensation (\$)	Total (\$)
Duane Hughes ⁽³⁾ <i>Chief Executive Officer, President and Director</i>	2020	\$475,000	\$ —	\$ 475,000	\$ —	\$384,750	\$ —	\$1,334,750
	2019	\$391,058	\$50,000	\$ 600,000	\$666,015	\$132,500	\$ —	\$1,839,573
Robert Willison ⁽⁴⁾ <i>Chief Operating Officer</i>	2020	\$300,000	\$ —	\$ 225,000	\$ —	101,250	—	\$ 626,250
	2019	\$217,308	\$ —	\$ 300,000	\$170,600	42,000	—	\$ 729,908
Stephen Fleming ⁽⁵⁾ <i>General Counsel and Vice President</i>	2020	\$300,000	\$ —	\$ 225,000	\$ —	101,250	—	\$ 626,250
	2019	\$ 32,307	\$ —	\$1,300,000	\$ —	45,000	295,000	\$1,672,307

(1) Represents restricted stock awards granted to Mr. Hughes, Mr. Willison, and Mr. Fleming.

(2) Represents the aggregate grant date fair value of the award computed in accordance with FASB ASC Topic 718 to each of our Named Executive Officers. For 2019, these amounts included stock option awards granted to Mr. Hughes in February and to Mr. Willison in May. In connection with his departure from the Company, Mr. Hughes will receive severance payments totalling \$855,000 and certain other benefits.

(3) Mr. Hughes was appointed Chief Executive Officer and President on February 4, 2019. For his role as a Director, he was paid a retainer of \$30,000, which is included in the 2019 Salary column above. Upon the execution of Mr. Hughes' employment agreement, he was entitled to receive a bonus of \$25,000 and an additional \$25,000 upon the successful closing of a financing in excess of \$10.0 million. This \$50,000 is reflected in the 2019 Bonus column above. Pursuant to Mr. Hughes' separation agreement, he forfeited 20,000 unvested stock options and 248,752 unvested restricted stock awards.

(4) Mr. Willison was appointed as our Chief Operating Officer on February 19, 2019. In connection with Mr. Willison's separation from the Company, he forfeited 150,000 unvested stock options and 112,971 unvested restricted stock awards.

(5) Mr. Fleming was appointed our General Counsel and Vice President on November 6, 2019. Mr. Fleming was paid \$295,000 in 2019 for outside legal consultation and guidance, which is reflected in the 2019 All Other Compensation column above. In connection with Mr. Fleming's separation from the Company, he forfeited 37,500 in unvested stock options and 122,607 unvested restricted stock awards.

Employment Agreements

In November 2019, the Company entered into new employment agreements with its executive officers. These new agreements define the position held by each executive officer as well as base salary level and eligibility to participate in the Company's short and long term incentive programs.

Pursuant to the terms of the executive retention agreements in certain circumstances, the Company agreed to provide specified severance and bonus amounts and to accelerate the vesting on their equity awards upon termination upon a change of control, as the term is defined in the agreements. In the event of a termination upon a change of control or an involuntary termination, our CEO is entitled to receive an amount equal to 24 months of his base salary plus two times the target annual bonus then in effect. Our Chief Operating Officer and General Counsel are entitled to receive 16 months of base salary plus 1.25 times their respective target bonus amounts. Executives are also entitled to receive payment equal to the target bonus then in effect for the executive officer for the year in which such termination occurs, such bonus payment to be pro-rated to reflect the full number of months the executive remained in the Company's employ. In addition, the vesting on any equity award held by the executive officer will be accelerated in full upon a termination and change of control or an involuntary termination. In the event the executive is terminated for cause, then the vesting of all equity awards shall cease and such equity awards will be terminated. In the event the executive leaves for any reason that is not considered a good reason, then the vesting of equity award shall cease. At the election of the executive officer, the Company will also continue to provide health related employee insurance coverage for nine-twelve months, at the Company's expense upon termination upon a change of control or an involuntary termination.

If the Executive's employment with the Company terminates by reason of an Involuntary Termination, then the Executive shall be entitled to receive an amount equal to nine-twelve months of base salary. Our CEO is entitled to receive 12 months of his base salary while our General Counsel and COO are entitled to receive 9 months of their then current base salaries. Executives are also entitled to receive the amount equal to the target Cash Bonus then in effect for the Executive for the year in which such termination occurs prorated to reflect the number of full or partial months the Executive was employed with the Company during such calendar year. Acceleration of vesting on outstanding equity awards in the event of an Involuntary Termination occurs only at the discretion of the Board.

Grants of Plan-Based Awards

The following table provides information regarding grants of share-based awards to the Named Executive Officers in 2020:

Name	Principal Position	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units #	Grant Data Fair Value of Stock and Options Awards \$(1)
Duane Hughes	Chief Executive Officer, President and Director	5/21/2020	179,245	\$475,000
Robert Willison	Chief Operating Officer	5/21/2020	84,906	\$225,000
Stephen Fleming	General Counsel and Vice President	5/21/2020	84,906	\$225,000

(1) Represents the aggregate grant date fair value of the award computed in accordance with FASB ASC Topic 718.

Outstanding Equity Awards

The following table sets forth information with respect to the outstanding equity awards of our Named Executive Officers as of December 31, 2020:

		Outstanding Equity Awards at Year-End				Stock Awards	
Name	Principal Position	Option Awards				Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested (\$)(1)
		Number of Securities underlying unexercised options (#) Exercisable	Number of securities underlying unexercised options (#) Unexercisable	Options exercise price (\$)	Option expiration date		
Duane Hughes	Chief Executive Officer, President and Director	—	—	\$ —	—	308,731	\$ 6,106,699
		950,000	—	\$ 0.97	2/4/2024	—	\$ —
		26,000	24,000	\$0.97	2/4/2024	—	\$ —
		325,000	25,000	\$5.28	5/19/2027	—	\$ —
Robert Willison	Chief Operating Officer	—	—	\$ —	—	150,435	\$2,975,604
		175,000	225,000	\$0.93	5/2/2024	—	\$ —
Stephen Fleming	General Counsel and Vice President	—	—	\$ —	—	349,003	\$6,903,279
		—	65,625	\$1.19	8/8/2023	—	\$ —

(1) The market value of unvested restricted stock is computed based on the \$19.78 closing price per share of our common stock on December 31, 2020.

No Pension Benefits

The Company does not maintain any plan that provides for payments or other benefits to its executive officers at, following or in connection with retirement and including, without limitation, any tax-qualified defined benefit plans or supplemental executive retirement plans.

No Deferred Compensation

The Company does not maintain any defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified.

ACTIONS TO BE TAKEN AT THE MEETING

PROPOSAL NO. 1

PROPOSAL FOR ELECTION OF EIGHT DIRECTORS

At this year's Annual Meeting, the Board of Directors proposes that the nominees listed below be elected to hold office until the next annual meeting of stockholders and until their successors are duly elected and qualified. All of the nominees are currently serving as directors. All nominees have consented to being named in this Proxy Statement and to serve if elected.

Assuming a quorum is present, the eight nominees receiving the highest number of affirmative votes of shares entitled to be voted for such persons will be elected as directors of the Company to hold office until the next annual meeting of stockholders and until their successors are duly elected and qualified. Unless marked otherwise, proxies received will be voted "FOR" the election of the nominees named below. In the event that additional persons are nominated for election as directors, the proxy holders intend to vote all proxies received by them in such a manner as will ensure the election of the nominees listed below, and, in such event, the specific nominees to be voted for will be determined by the proxy holders.

Information With Respect to Director Nominees

Listed below are the nominees for election to our Board with information showing the principal occupation or employment of the nominees for director, the principal business of the corporation or other organization in which such occupation or employment is carried on, and such nominees' business experience during the past five years. Such information has been furnished to the Company by the director nominees.

Name	Age	Position
Raymond J. Chess	64	Director, Chairman
Richard Dauch	60	Director, Chief Executive Officer
H. Benjamin Samuels	54	Director
Gerald B. Budde	60	Director
Harry DeMott	55	Director
Michael Clark	50	Director
Jacqueline A. Dedo	60	Director
Pamela S. Mader	57	Director

Raymond J. Chess, Chairman of the Board of Directors

Mr. Chess has more than 40 years of experience in the automotive industry. Mr. Chess joined General Motors in 1980, and during his 37 years with General Motors, he held ever increasing roles and responsibilities in both manufacturing and product development. While in manufacturing, Mr. Chess held key positions in both plant floor operations and manufacturing engineering such as Chief Manufacturing Engineer and Executive Director of Stamping and Assembly. While in product development, Mr. Chess was a Vehicle Line Executive, where he led global cross functional responsibilities for GM's commercial truck line from 2001 to 2009 and GM's cross over segment from 2009 through 2012. Upon retirement from General Motors, he formed his own engineering consulting company. Mr. Chess serves on the Board of Directors of Rush Enterprises, Inc. (NASDAQ: RUSHA). Mr. Chess holds a Bachelor of Science degree in Mechanical Engineering from Kettering University and an MBA from Indiana University. He started working with Workhorse in 2014 on our advisory board, was then elected to our Board of Directors and subsequently became our Chairman. Mr. Chess' extensive industry knowledge and executive experience in the automobile industry, together with his experience on other public company boards, position him well to serve as our Chairman and a member of our committees.

Richard Dauch, Director, Chief Executive Officer and Director

Mr. Dauch has nearly 30 years of experience in the automotive and manufacturing industries, including most recently as the Chief Executive Officer of the publicly traded automotive supplier firm, Delphi Technologies (NYSE: DLPH). Previously, Mr. Dauch served as the President and CEO of Accuride Corporation from 2011 to 2019 and of Acument Global Technologies from 2008 to 2011. He also served in various executive roles at American Axle

& Manufacturing from 1995 to 2008 and United Technologies from 1992 to 1995 and as an officer in the United States Army from 1983 to 1990. Mr. Dauch attended the United States Military Academy at West Point, where he graduated with a Bachelor of Science degree in engineering, and the Massachusetts Institute of Technology, where he graduated with a dual Master's of Science degree in Engineering and Management. His extensive knowledge of the automotive industry gained through more than a decade as a CEO of both public and private companies, together with his proven talents and leadership, position him well to serve as our Chief Executive Officer and as a member of our Board.

H. Benjamin Samuels, Director

Mr. Samuels has more than 25 years of experience as a senior business executive. He served as CEO of Victory Packaging from May 2007 through 2015, during which time he led an executive team managing more than 1,700 employees. From 2015 to 2019, Mr. Samuels was appointed as Co-President after Victory Packaging was acquired by KapStone Paper and Packaging Corporation. From 1995 through 2007, Mr. Samuels served in multiple roles, including as Vice Chairman and leader of Victory Packaging's national accounts group, real estate, and finance and legal departments, achieving a period of unprecedented growth in sales and profitability. He is currently the Board Chair of Saxco, a packaging distributor focused on the food and beverage industry, and of Leedo Manufacturing, a producer of kitchen and bath cabinets. Mr. Samuels is an active member in the community, where he serves as Board Chair of the Jewish Federation of Greater Houston and as a Director of the Samuels Family Foundation. Mr. Samuels also serves on the boards of, and holds leadership positions with, Teach For America, Children at Risk, Brighter Bites, Move For Hunger, Leo Baeck Education Center Foundation, and Houston Food Bank. Mr. Samuels received a Bachelor's Degree in American Studies and Economics from Amherst College as well as an MBA from the Harvard Graduate School of Business Administration. Mr. Samuels' business, management and financial knowledge and experience, including his deep understanding of managing and operating significant organizations as an executive, qualify him well to serve as a member of our Board and our committees.

Gerald B. Budde, Director

Mr. Budde is currently Vice President, Corporate Finance for AssuredPartners, Inc. Mr. Budde started his career in public accounting with EY after graduating with a Bachelor of Science degree in Accounting from the University of Dayton. After almost eleven years with EY as a licensed CPA, Mr. Budde joined Cincinnati Milacron Inc. in April 1994. Mr. Budde was appointed as Machine Tool Group Controller in January 1995, became the Vice President of Finance for Cincinnati Machine, a successor company, in October 1998, and was subsequently appointed as Vice President of Finance and Administration for UNOVA Manufacturing Technologies in 2002. Mr. Budde left UNOVA in 2003 to become the Chief Financial Officer at Neace Lukens, which was acquired by AssuredPartners in 2011. Prior to his current role, Mr. Budde was the Eastern Region Chief Financial Officer from 2018 to 2021 and the Midwest Region Chief Financial Officer overseeing multiple AssuredPartners entities. Mr. Budde is currently a member of the Finance Committee for St Margaret of York parish and previously served on the Board of Trustees and Finance Committee for Mount Notre Dame High School. Mr. Budde's business, management, and accounting knowledge and executive leadership experience qualify him well to serve as a member of our Board and as Chair of our Audit Committee. The Board has determined that Mr. Budde is an "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K and demonstrates "financial sophistication" as defined by the rules of the Nasdaq.

Harry DeMott, Director

Mr. DeMott has more than 25 years of experience in the investment community, having worked as an analyst and portfolio manager at leading brokerage firms and investment management firms. He has also served on the boards of several companies. He is a long-time operator and investor in the media, sports and entertainment industries. He is the co-founder of Raptor Ventures I LP, where he has been a General Partner since February 2011. In addition, Mr. DeMott is a member of the Board of Directors of Proper (where he also serves as executive Chairman), Hi.Fi, SecurityPoint Media, Australis and Ticket Evolution. He also serves as founder and managing partner for Hamerle Investments, a family investment company. Prior to co-founding Raptor Ventures, Mr. DeMott served on the Board of Directors of Pandora Media, Inc. from 2006 through 2011. Earlier, he served as senior analyst at Knighthead Capital Management, analyst at King Street Capital Management, portfolio manager at Bourgeon Capital Management and managing member and founder at Gothic Capital Management. During this 16-year period, Mr. DeMott focused on finding, fostering and investing in disruptive technology companies. He previously spent nine

years at First Boston (now Credit Suisse), where he was a director in the equity research division specializing in radio, TV, outdoor advertising and cell towers. Mr. DeMott is the founder and Executive Chairman of Temerity Media Inc. d/b/a Proper. He earned a Bachelor of Arts degree in economics from Princeton University in 1988 and an MBA in finance from New York University in 1991. We believe that Mr. DeMott's business management and financial experience and knowledge, including his deep understanding of the financial markets and his experience in starting and operating various companies, qualify him well to serve as a member of our Board and our committees.

Michael L. Clark, Director

Mr. Clark is a Chartered Financial Analyst (CFA) Charterholder with close to twenty years of investing and capital markets experience. He serves as a director of Laws Whiskey House, a privately held, Denver-based award-winning craft distillery. Mr. Clark has also served as a director of Halcón Resources from since September 2016 until October 2019 and as a director of Paragon Offshore Ltd., including as Chairman of the Corporate Governance and Compensation Committee and a member of its Audit Committee, from July 2017 until its sale to Borr Drilling Limited in March 2018. Mr. Clark was a Partner of SIR Capital Management, LLC from 2014 until his retirement in 2016 and from 2008 to 2013 he served as a Portfolio Manager and Partner. Prior to that, Mr. Clark valued equities as a Portfolio Manager at Satellite Asset Management, LLC from 2005 to 2007 and as an Equity Research Analyst at SAC Capital Management, LLC from 2003 to 2005 and at Merrill Lynch from 1997 to 2002. Mr. Clark began his career at Deloitte & Touche, LLP, progressing to Senior Auditor. He is a Certified Public Accountant licensed in New York State. The National Association of Corporate Directors (NACD) recognized him as an NACD Governance Fellow in 2017. Mr. Clark earned a Bachelor of Arts degree in Economics from the University of Pennsylvania and an MBA in Finance and Economics with Distinction from New York University's Stern School of Business. We believe that Mr. Clark's public company board service and his wealth of accounting, valuation and capital markets experience position him well to serve as a member of our Board and our committees.

Jacqueline A. Dedo, Director

Ms. Dedo has over 30 years of global automotive, off highway, industrial and aftermarket experience. She has held various leadership positions at Piston Group, Dana Holding Corp., The Timken Co., Motorola and Robert Bosch Corporation, among others, and has a proven background in managing full P&L responsibilities for major business units and entire companies responsible for up to \$2 billion in revenue. In 2015, Ms. Dedo co-founded Aware Mobility LLC, which is focused on the development, investing, partnering and application of both electrified propulsion and connectivity tools, platforms and applications. Prior to May 2015, Ms. Dedo served as President of Piston Group and held various positions with Dana Holding Corp, The Timken Company, Motorola, Covisint LLC, Robert Bosch Corporation and Cadillac Motor Car Company. Ms. Dedo received a Bachelor of Science degree in Electrical Engineering from Kettering University and holds a number of board positions including Cadillac Products Automotive, Kettering University and Michigan Science Center. We believe that Ms. Dedo's extensive and varied executive experience at several significant companies, together with her proven leadership skills, qualify her well to serve as a member of our Board and our committees.

Pamela S. Mader, Director

Ms. Mader brings over three decades of automotive, manufacturing, and consultancy experience, with an accomplished track record in leading Fortune 100 manufacturing organizations and driving growth in entrepreneurial companies. Prior to 2020, Ms. Mader served as VP of Consulting at Belcan Consulting, Engineering, and Technical Services, LLC. From 2012 through 2018, Ms. Mader held various executive positions leading manufacturing advisory services with Allegiant International, LLC. As VP of Internal Operations, she led purchasing and supplier management, sales and marketing, HR and talent acquisition, and customer relations. Ms. Mader drove significant growth in supply chain advisory services in the US market, while also expanding the business into Mexico and Europe. From 1986 through 2010, Ms. Mader held positions of increasing responsibility within General Motors including Plant Manager of several General Motor's assembly, stamping, and powertrain operations. Ms. Mader led plants with more than 4,500 employees, producing award winning, segment leading vehicles. She was recognized in Automotive News' 100 Leading Women and is a Distinguished Alumnus of Purdue University. Ms. Mader received a Bachelor of Science degree in Organizational Leadership from Purdue University and serves as a Board Member for Purdue University, College of Polytechnic. We believe that Ms. Mader's extensive automotive industry and manufacturing experience, together with her experience with emerging growth companies, position her well to serve as a member of our Board and our committees.

Required Vote

The election of the directors of the Company requires the affirmative vote of a plurality of the shares of the Company's common stock present in person or represented by Proxy at the Annual Meeting, which will be the nominees receiving the largest number of votes, which may or may not constitute a majority.

RECOMMENDATION OF THE BOARD FOR PROPOSAL NO. 1:

THE BOARD RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL THE NOMINEES DESCRIBED ABOVE.

PROPOSAL NO. 2

RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS

The audit committee of our board of directors has appointed Grant Thornton LLP (“GT”) as our independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2021.

At the Annual Meeting, stockholders will be asked to ratify the appointment of GT as our independent registered public accounting firm for the year ending December 31, 2021. Stockholder ratification of the appointment of our independent registered public accounting firm is not required by our bylaws or other applicable legal requirements. However, our board of directors submits the appointment of GT to our stockholders for ratification as a matter of good corporate governance. If this appointment is not ratified by the affirmative vote of a majority of the shares present in person or by proxy at the Annual Meeting and entitled to vote, the appointment will be reconsidered by our audit committee. Even if the appointment is ratified, our audit committee, in its sole discretion, may appoint another independent registered public accounting firm at any time during the fiscal year ending December 31, 2021 if our audit committee believes that such a change would be in the best interests of the Company and its stockholders. A representative of GT is expected to be present at the Annual Meeting, will have an opportunity to make a statement if he or she wishes to do so, and is expected to be available to respond to appropriate questions from stockholders.

Fees Paid to Independent Registered Public Accounting Firm

Fees for professional services provided by our independent auditors, Grant Thornton LLP, in each of the last two years, in each of the following categories including expenses are:

	2020	2019
Audit fees	\$329,820	\$285,170
Audit-related fees	25,350	22,357
Tax fees	—	—
All other fees	—	—
Total fees	<u>\$355,170</u>	<u>\$307,527</u>

Audit Fees

Audit fees include the audit of the Annual Report on Form 10-K, including the audit of internal control over financial reporting and reviews of the Quarterly Reports on Form 10-Q. Audit related fees include work associated with registration statements.

The policy of the audit committee is to approve the appointment of the principal auditing firm and any permissible audit-related services. Fees charged by Grant Thornton LLP were approved by the Board with engagement letters signed by Gerald Budde, Audit Committee Chairman.

The Audit Committee is responsible for the pre-approval of audit and permitted non-audit services to be performed by the Company’s independent auditor. The Audit Committee will, on an annual basis, consider and, if appropriate, approve the provision of audit and non-audit services by the auditor. Thereafter, the Audit Committee will, as necessary, consider and, if appropriate, approve the provision of additional audit and non-audit services by the auditor which are not encompassed by the Audit Committee’s annual pre-approval and are not prohibited by law. The Audit Committee has delegated to the Chair of the Audit Committee the authority to pre-approve, on a case-by-case basis, non-audit services to be performed by the auditor. The Audit Committee has approved all audit and permitted non-audit services performed by the auditor for the year ended December 31, 2020.

Required Vote

The ratification of the appointment of the Company’s independent auditors requires the receipt of the affirmative vote of a majority of the shares of the Company’s common stock present in person or by proxy and voting at the Annual Meeting.

RECOMMENDATION OF THE BOARD FOR PROPOSAL NO. 2:

THE BOARD RECOMMENDS A VOTE FOR RATIFICATION OF APPOINTMENT OF GRANT THORNTON LLP AS OUR INDEPENDENT AUDITORS FOR THE YEAR ENDED DECEMBER 31, 2021.

PROPOSAL NO. 3

ADVISORY VOTE ON THE APPROVAL OF EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and Section 14A of the Exchange Act entitle the Company's stockholders to vote to approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed in this Proxy Statement pursuant to the SEC's rules.

The Company's executive compensation programs are designed to (1) motivate and retain executive officers, (2) reward the achievement of the Company's short-term and long-term performance goals, (3) establish an appropriate relationship between executive pay and short-term and long-term performance and (4) align executive officers' interests with those of the Company's stockholders. Under these programs, the Company's executive officers are rewarded for the achievement of specific financial operating goals established by the Compensation Committee and the realization of increased stockholder value. Please read the section herein entitled "Executive Compensation" for additional details about the Company's executive compensation programs, including information about the fiscal year 2020 compensation of the Company's named executive officers.

The Compensation Committee continually reviews the compensation programs for the Company's executive officers to ensure they achieve the desired goals of aligning the Company's executive compensation structure with the Company's stockholders' interests and current market practices.

The Company is asking the Company's stockholders to indicate their support for the Company's named executive officer compensation as disclosed in this Proxy Statement and the accompanying Annual Report on Form 10-K for the fiscal year ended December 31, 2020. This proposal, commonly known as a "say-on-pay" proposal, gives the Company's stockholders the opportunity to express their views on the Company's executive compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the Company's named executive officers and the philosophy, policies and practices described in this Proxy Statement and the accompanying Annual Report on Form 10-K for the fiscal year ended December 31, 2020. Accordingly, the Company will ask its stockholders to vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed in the Company's Proxy Statement for the 2021 Annual Meeting of Stockholders and the accompanying Annual Report on Form 10-K for the fiscal year ended December 31, 2020 pursuant to Item 402 of Regulation S-K, including the compensation tables and narrative discussion, is hereby APPROVED."

The say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or the Company's Board. The Company's Board and the Company's Compensation Committee value the opinions of the Company's stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this Proxy Statement and the accompanying Annual Report on Form 10-K for the fiscal year ended December 31, 2020, the Company will consider the Company's stockholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

RECOMMENDATION OF THE BOARD FOR PROPOSAL NO. 3:

THE COMPANY BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE PROPOSAL TO APPROVE THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS AS DESCRIBED UNDER THE HEADING "EXECUTIVE COMPENSATION," AND THE RELATED DISCLOSURES CONTAINED IN THIS PROXY STATEMENT AND THE ACCOMPANYING ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020.

OTHER MATTERS

The Board of Directors knows of no other business which will be presented at the Annual Meeting. If any other matters properly come before the meeting, the persons named in the enclosed Proxy, or their substitutes, will vote the shares represented thereby in accordance with their judgment on such matters.

ADDITIONAL INFORMATION

Transactions with Related Persons

The Company obtains its property and casualty insurance through AssuredPartners NL, LLC (“Assured”). Gerald Budde, a director of the Company, is Vice President, Corporate Finance of AssuredPartners, Inc., the parent company of AssuredPartners Capital, Inc. and its subsidiary, AssuredPartners NL, LLC. The placement of insurance was completed by an agent outside of the Eastern Region (of which Mr. Budde was previously Chief Financial Officer) and Mr. Budde did not participate in any decisions about insurance, nor was he paid any portion of the brokerage fee. Assured earned brokerage fees of approximately \$121,000 and \$86,000 for the years ended December 31, 2020 and 2019, respectively.

Other than noted above, at no other time during the last two fiscal years has any executive officer, director or any member of these individuals’ immediate families, any corporation or organization with whom any of these individuals is an affiliate or any trust or estate in which any of these individuals serves as a trustee or in a similar capacity or has a substantial beneficial interest been indebted to the Company or was involved in any transaction in which the amount exceeded \$120,000 and such person had a direct or indirect material interest.

Procedures for Approval of Related Party Transactions

Our Board of Directors is charged with reviewing and approving all potential related party transactions. All such related party transactions must then be reported under applicable SEC rules. We have not adopted other procedures for review, or standards for approval, of such transactions, but instead review them on a case-by-case basis.

Director Independence

The Board of Directors has determined that Raymond Chess, Gerald Budde, H. Benjamin Samuels, Michael Clark, Harry DeMott, Pamela Mader and Jacqueline Dedo each qualify as independent directors under the listing standards of the Nasdaq.

Annual Reports on Form 10-K

Additional copies of Workhorse’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 may be obtained without charge by writing to the Chief Administrative Officer and General Counsel, Workhorse Group Inc., 100 Commerce Drive, Loveland, Ohio 45140. Workhorse’s Annual Report on Form 10-K can also be found on Workhorse’s website: www.workhorse.com.

Stockholders Proposals for the 2022 Annual Meeting

The Company expects its next annual meeting to occur in May 2022. Accordingly, stockholder proposals intended to be presented at the Company’s 2022 annual meeting must be received by the Company no later than January 4, 2022 (pursuant to Rule 14a-8 of the Exchange Act, this deadline is a reasonable time before we expect to mail proxy statements for our 2022 annual meeting to be eligible for inclusion in the Company’s proxy statement and form of proxy for next year’s meeting). Proposals should be addressed to Workhorse Group Inc., Attn. Chief Administrative Officer and General Counsel, 100 Commerce Drive, Loveland, Ohio 45140.

For any proposal that is not submitted for inclusion in next year’s proxy statement (as described in the preceding paragraph), but is instead sought to be presented directly at the 2022 annual meeting, the federal securities laws require stockholders to give advance notice of such proposals. The required notice must (pursuant to Rule 14a-4 of the Exchange Act) be given a reasonable time before we expect to mail proxy statements for our 2022 annual meeting. Accordingly, with respect to the Company’s 2022 annual meeting of stockholders, notice must be provided to Workhorse Group Inc., Attn. Chief Administrative Officer and General Counsel, 100 Commerce Drive, Loveland, Ohio 45140 no later than January 4, 2022. If a stockholder fails to provide timely notice of a proposal to be presented at the 2022 annual meeting, the chair of the meeting will declare it out of order and disregard any such matter.

Householding

Under SEC rules, only one annual report, proxy statement or Notice of Internet Availability of Proxy Materials, as applicable, need be sent to any household at which two or more of our stockholders reside if they appear to be members of the same family and contrary instructions have not been received from an affected stockholder. This procedure, referred to as householding, reduces the volume of duplicate information stockholders receive and reduces mailing and printing expenses for us. Brokers with account holders who are our stockholders may be householding these materials. Once you have received notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, now or at any time in the future, you no longer wish to participate in householding and would like to receive a separate annual report, proxy statement or Notice of Internet Availability of Proxy Materials, or if you currently receive multiple copies of these documents at your address and would prefer that the communications be househanded, you should contact us at jim.harrington@workhorse.com or James Harrington, Chief Administrative Officer and General Counsel, Workhorse Group Inc., 100 Commerce Drive, Loveland, Ohio 45140.

Proxy Solicitation Costs

The proxies being solicited hereby are being solicited by the Company. The Company will bear the entire cost of solicitation of proxies including preparation, assembly, printing and mailing of the Notice, the Proxy Statement, the Proxy card and establishment of the Internet site hosting the proxy material. We have engaged Morrow Sodali to assist us in the solicitation of votes described above. We will bear the costs of the fees for the solicitation agent, which includes a fee of \$10,000 and a fee of \$6.50 per proxy solicitation call with our shareholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of common stock beneficially owned by others to forward to such beneficial owners. Officers and regular employees of the Company may, but without compensation other than their regular compensation, solicit proxies by further mailing or personal conversations, or by telephone, telex, facsimile or electronic means. We will, upon request, reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation material to the beneficial owners of stock.

By Order of the Board of Directors,

/s/ Raymond Chess

Raymond Chess
Chairman of the Board of Directors

YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.

Vote by Internet – QUICK EASY
IMMEDIATE – 24 Hours a Day, 7 Days a Week or by Mail

Workhorse Group Inc.

As a shareholder of Workhorse Group Inc., you have the option of voting your shares electronically through the Internet, eliminating the need to return the proxy card. Your electronic vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, dated and returned the proxy card. Votes submitted electronically over the Internet must be received by 7:00 p.m., Eastern Time, on December [27], 2021.



INTERNET/MOBILE –
<https://www.proxyvote.com>

Use the Internet to vote your proxy. Have your proxy card available when you access the above website. Follow the prompts to vote your shares.



MAIL – Mark, sign and date your proxy card and return it in the postage-paid envelope provided.



ONLINE AT THE MEETING - You can vote at the meeting at www.virtualshareholdermeeting.com/WKHS2021

**PLEASE DO NOT RETURN THE PROXY CARD
IF YOU
ARE VOTING ELECTRONICALLY.**

FOLD HERE • DO NOT SEPARATE • INSERT IN ENVELOPE PROVIDED

PROXY

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE ELECTION OF THE NAMED NOMINEES AS DIRECTORS AND “FOR” PROPOSAL 2 AND PROPOSAL 3.

1. Election of Directors

(1) Raymond Chess	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(2) Harry DeMott	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(3) H. Benjamin Samuels	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(4) Gerald B. Budde	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(5) Richard Dauch	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(6) Michael Clark	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(7) Jacqueline A. Dedo	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>
(8) Pamela S. Mader	FOR <input type="checkbox"/> WITHHOLD <input type="checkbox"/>

2. Proposal to ratify the appointment of GRANT THORNTON LLP as the Company’s independent auditors for the fiscal year ending December 31, 2021.

FOR AGAINST ABSTAIN

3. Proposal to approve, on an advisory basis, the compensation of the Company’s named executive officers.

FOR AGAINST ABSTAIN

COMPANY ID:

PROXY NUMBER:

ACCOUNT NUMBER:

Signature _____ Signature, if held jointly _____ Date _____, 2021.

Note: Please sign exactly as name appears hereon. When shares are held by joint owners, both should sign. When signing as attorney, executor, administrator, trustee, guardian, or corporate officer, please give title as such.

FOLD HERE • DO NOT SEPARATE • INSERT IN ENVELOPE PROVIDED PROXY

Workhorse Group Inc.

PROXY FOR ANNUAL MEETING TO BE HELD ON DECEMBER 28, 2021
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned shareholder hereby appoints Richard Dauch, Chief Executive Officer, and James Harrington, Chief Administrative Officer and General Counsel, or either of them (each with full power to act alone), as attorneys and proxies for the undersigned, with the power to appoint his or her substitute, to represent and to vote all the shares of the common stock of Workhorse Group Inc. (the "Company"), which the undersigned would be entitled to vote, at the Company's Annual Meeting of Stockholders to be held on, December 28, 2021, at 12:00 p.m., Eastern Time, and any adjournments thereof, subject to the directions indicated on the reverse side hereof. **Due to the public health impact of the coronavirus outbreak (COVID-19) and to support the health and well-being of our employees and stockholders, the Annual Meeting will be held in a virtual meeting format at www.virtualshareholdermeeting.com/WKHS2021.**

In their discretion, the Proxy is authorized to vote upon any other matter that may properly come before the meeting or any adjournments thereof.

This proxy, when properly executed, will be voted in the manner directed on the reverse side by the undersigned shareholder. **If no direction is made, this proxy will be voted FOR the election of the named nominees as directors and FOR Proposal 2.**

PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

(IMPORTANT — This Proxy must be signed and dated on the reverse side.)
