



Forced Labour and Child Labour Report 2025

Introduction

KSR is a privately held company with manufacturing facilities in North America, Europe, and Asia. We set the industry standard for automotive brake pedal modules, including traditional fixed systems and advanced adjustable systems. With a rich history of reliable manufacturing, superior customer service, and continual improvement, KSR has become the go-to technology solutions provider for the automotive industry.

Respect for human rights is embedded in KSR's Mission, Vision, and Values. KSR's commitment to prevent and reduce the risk of forced and child labour applies to our operations and facilities globally, our business partners and our global supply chain network. We expect our business partners and suppliers to uphold these same principles within their operations and adhere to applicable human rights and employment standards legislation.

Reporting Context

KSR International ULC is an entity subject to the legal requirements in section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act). This report was made according to the Act on April 17, 2026.

For the purposes of the Act, the reporting entities covered in this report include operations and assets that have been wholly owned and/or operated by KSR International ULC for the financial year of January 1st, 2025, to December 31st, 2025.

KSR International ULC also holds interests in joint venture assets not operated by KSR International ULC. Non-operated assets are not included in the scope of this report.

The terms "KSR International ULC.", "we", "our" and "the Company" refer to KSR International ULC.

Corporate Structure and Business Activities

KSR International ULC is headquartered in Ridgetown, Ontario Canada. We are a team of over 1400 working to create a sustainable organization that provides our customers with innovative solutions to produce a safe interface between drivers and their vehicles.

KSR International ULC has centralized corporate and administrative functions that provide governance, financing, procurement, and other support to all KSR's core business activities as well as to our affiliates and subsidiaries.

Our Supply Chain

KSR International ULC imports automotive components and materials into Canada through its global supply chain, primarily from China, United States, Czech Republic, Germany and Mexico. This report covers risks related to goods imported into Canada as well as global operations. Currently KSR has approximately 220 global suppliers. Our suppliers play a key role in our ability to live up to our sustainability commitments and attain our environmental, social, and governance (ESG) goals.

[Source Countries and Regions of Origin](#)

Our global supply base is primarily from Canada, United States, China, Czech Republic, Germany, and Mexico, which primarily provide materials such as steel, aluminum, plastics, electronic components, and paints.

Due Diligence Processes Related to Forced and Child Labour

[Code of Ethics and Professional Conduct](#)

KSR's Code of Ethics and Professional Conduct applies to all officers, directors, team members, suppliers, contractors, and visitors of our wholly owned subsidiaries and operated entities in all countries where KSR conducts business. The Code is reviewed annually and approved by the Global Executive Team.

The Code reinforces the Company's standards and expectations for conducting business and expected behaviour and includes a statement outlining KSR's commitment to preventing forced and child labour. As part of our commitment to human rights, we stand firmly against the use of forced and child labour in our operations and across our supply chain.

The Code affirms the Company's standards and expectations for business conduct and employee behaviour and provides a statement regarding KSR's dedication to preventing forced and child labour.

[Supplier Handbook](#)

Our Supplier Handbook reiterates our position against the use of force and child labour and contributes to ensuring that no forced or child labour is used in our supply chain. By entering into standard terms and conditions or other contractual agreements with KSR, suppliers accept the terms of the Supplier Handbook and affirm compliance with its requirements.

The Supplier Handbook sets minimum expectations and guidelines for suppliers and obliges them to comply with applicable laws, including those regulations related to forced and child labour. The Supplier Handbook is managed and reviewed annually by the Global Purchasing Department and updated when required.

[Human Rights Policy](#)

KSR International ULC and its subsidiaries are committed to fostering an environment that aligns with our Mission, Vision, and Values in an open and ethical manner. The achievement of such success is a culture of accountability, honesty, empathy, and integrity. We believe in fair and equitable treatment for all and ensure that we comply with applicable laws and regulations concerning working hours, wages, working conditions, and minimum age of employment. The Human Rights Policy is reviewed annually by Global Human Resources and updated when necessary.

[Global Sustainability](#)

KSR recognizes that sustainability does not end with environmental responsibilities but extends to social and economic sustainability, which combined, creates sustainable development for the future.

Our Social Pillar provides a focus on the overall quality of life and human health, human rights, equity, inclusion and diversity, fair labour practices, compliance with labour laws, and ethical and fair treatment for all, including community support and development. The Global Sustainability Policy is reviewed annually by Global Human Resources and updated when necessary.

[Country and Sector Risk Assessment](#)

KSR has identified that our greatest risk exposure to forced and child labour is through our supply chain, with the primary sources of these risks coming from the procurement of goods in higher-risk geographies and sectors.

KSR has also identified that there is the potential risk of forced and child labour in our extended supply chain and the challenges with achieving full compliance within our supply chains.

A Country and Sector Risk Assessment was conducted to identify the geographical areas considered high risk; to assess the controls we currently have in place, and their effectiveness. We mapped all Tier 1 suppliers and identified the country of origin, the countries of operation, supplier type, and commodity.

[Supplier Screening and Self-Assessments](#)

KSR has a process to qualify suppliers. A new Supplier Self-Assessment has been created for new supplier sourcing that incorporates forced and child labour along with other ESG components.

[Contractual Controls](#)

KSR will assess our suppliers' contractual terms and conditions and improve the language in contracts and documents used in supplier sourcing. Significant changes were made to the Supplier Handbook in regard to ethical requirements and ensuring a grievance mechanism is established for our direct suppliers. The Supplier Handbook also set out requirements for cascading Environmental, Social, and Governance standard to our sub-suppliers.

[Operational Review](#)

We have conducted a country level review of Canada which audited Human Trafficking Framework, Child Labour Framework, Canadian Labour Rights and Conditions of Work, Canadian Freedom of Association and Collective Bargaining Rights, Migrant Worker Rights, and Canadian Justice system.

This review included the ratification of the eight core ILO conventions that establish internationally accepted standards for freedom of association, the elimination of child labour and forced labour and the elimination of discrimination in the workplace.

In 2025 we introduced an Internal HR Compliance Audit where we conducted an internal review of our employment practices in each region where KSR operates or conducts business. These countries include-Canada, United States, United Kingdom, Czech Republic, China, Mexico and Germany. The purpose of the review was to assess whether our organization's employment practices are fair, compliant and whether working conditions are met.

[Speak Up and the Grievance Appeal Mechanism](#)

At KSR, we report and encourage the reporting of actual or potential non-compliance with our Code of Ethics and Professional Conduct, company standards or legal requirements, including those concerning forced and child labour, so they can be addressed appropriately.

Our Ethics and Integrity Reporting Platform, SpeakUp, is operated by an external provider and is an anonymous and confidential system that allows reports to be submitted via telephone, website, or through an app. All reports are taken seriously and investigated.

Internal team members, as well as external stakeholders, are required to report any actual or suspected violations of the law or Code of Ethics and Professional Conduct, including those in the context of forced and child labour, health and safety, environmental, human rights, discrimination, violence, workplace harassment and sexual harassment.

Team members and external stakeholders have several avenues to report an issue, depending on the nature of the incident. A grievance appeal procedure is also in place to address appeals.

[Periodic Review Cadence](#)

KSR International ULC maintains a structured and ongoing review process to ensure the continued effectiveness of its measures to prevent and reduce the risk of forced labour and child labour within its operations and supply chain.

The Company conducts a formal annual review of its forced labour and child labour risk management framework. This review includes:

- An assessment of identified risks across operations and the supply chain
- A review of relevant policies, standards, and contractual controls
- An evaluation of supplier due diligence activities, including supplier self-assessments
- An analysis of ethical reporting data, audit results, and training completion metrics

In addition to the annual review, periodic monitoring activities are conducted throughout the year, including:

- Ongoing analysis of SpeakUp reports and allegations related to human rights concerns
- Review of supplier information and risk indicators, particularly for suppliers operating in higher-risk geographies or sectors
- Monitoring of regulatory, legislative, and geopolitical developments relevant to forced and child labour risks

Findings from these reviews are documented and used to:

- Identify gaps or emerging risks
- Determine corrective or preventive actions
- Inform updates to policies, standards, training programs, and supplier requirements; and
- Support continuous improvement of the Company's human rights due diligence processes

Oversight of the periodic review process is maintained through cross-functional collaboration involving Global Purchasing, Global Human Resources and EHS, with escalation to senior leadership as appropriate.

Risks of Forced and Child Labour

Risk Indicators

KSR International ULC identifies and assesses the risk of forced labour and child labour by monitoring risk indicators related to geographic location, sector and industry characteristics, supply chain structure, workforce composition, supplier practices, and reporting mechanisms. These indicators are used to inform risk assessments and determine where enhanced due diligence or mitigation measures may be required.

Geographic Risk Indicators

The Company considers whether operations or suppliers are located in countries or regions that:

- Are known to present a higher risk of forced labour or child labour based on publicly available and internationally recognized sources
- Have limited enforcement of labour laws or weaker regulatory frameworks
- Are affected by political instability, economic vulnerability, or heightened reliance on informal labour practices

Sector and Industry Risk Indicators

Risk is assessed based on whether suppliers operate in sectors or industries that are commonly associated with:

- Labour-intensive production processes
- Low-wage or lower-skilled workforces
- Use of temporary, contract, or agency labour
- Extensive subcontracting arrangements

Supply Chain Structure and Complexity Indicators

The Company considers risks arising from supply chain characteristics, including:

- Multi-tier supply chains where visibility beyond Tier 1 suppliers is limited
- Use of recruitment agencies
- Limited transparency regarding the sourcing of materials, components, or services

Workforce and Employment Practice Indicators

KSR evaluates risks related to workforce practices, including:

- Use of migrant or foreign workers
- Indicators of excessive working hours, wage withholding, or unlawful deductions
- Recruitment practices that may involve worker-paid recruitment fees; and
- Inadequate or inconsistent age-verification or employment documentation

[Supplier Compliance and Behaviour Indicators](#)

Supplier-specific indicators include:

- Incomplete, inconsistent, or inaccurate responses to supplier self-assessments
- Resistance to contractual obligations related to ethical standards or human rights
- Prior allegations, audit findings, or substantiated reports of labour-related non-compliance

[Reporting and Grievance Indicators](#)

The Company also considers:

- Reports, allegations, or concerns raised through its Ethics and Integrity Reporting Platform (SpeakUp)
- Issues identified through internal audits or reviews
- Concerns raised by customers, regulators, or other external stakeholders

[Application of Risk Indicators](#)

These risk indicators are used to:

- Identify suppliers, regions, or activities that may present a higher risk for violations
- Prioritize enhanced due diligence, monitoring, or supplier engagement activities
- Revise supplier requirements, contractual terms, and onboarding processes
- Continuously improve the Company's forced and child labour risk strategy

Preventative Controls

These actions are designed to prevent, mitigate, and reduce the risk of forced and child labour before incidents occur.

[Established a Cross-Functional Team](#)

KSR has established a global cross-functional team consisting of internal stakeholders to align our internal activities and further enhance our due diligence and risk management activities relating to forced and child labour. This team completed the risk assessment and identified actions to reduce our risk exposure.

[Established an ESG Roadmap](#)

In 2024, KSR established a global ESG roadmap to assist in the implementation of the three pillars: Environmental, Social and Governance. The roadmap will identify our gaps and areas of focus. KSR aligned with the United Nations "Protect, Respect and Remedy" Framework for the Guiding Principles on Business and Human Rights when establishing the roadmap for the social pillar.

[Training and Awareness - End Child Labour Masterclass](#)

Our global cross-functional team members have completed training in the End Child Labour Masterclass with the International Training Center of the International Labour Organization (ILO).

[Forced Labour Training](#)

KSR provides mandatory training and awareness to all team members on forced and child labour. This training is part of our Onboarding Learning Plan and is provided to all team members globally, upon hire.

[SpeakUp Reporter Training](#)

KSR provides mandatory training on how to report violations or potential non-compliances through the SpeakUp platform. This training is part of our Onboarding Learning Plan and is provided to all team members globally, upon hire.

[Supplier ESG Requirements](#)

Within our Supplier Handbook, suppliers are required to monitor the compliance of their operations and cascade the requirements with related parties, such as their contractors, sub-contractors, and sub-suppliers. They are obliged to report any known non-compliance or violation to KSR immediately.

Remediation Measures

[Supply Chain Violations](#)

Should a supplier fail to comply with the Supplier Handbook and General Terms and Conditions of Purchase, KSR reserves the right to request corrective action. Should the supplier fail to implement corrective action or fails to comply with the Supplier Handbook, KSR, in its sole discretion and without any further obligation to the supplier, suspend or terminate, in whole or in part, its relationship with the supplier. Serious and repeated violations by a supplier may result in suppliers being delisted permanently.

KSR has not identified any instances of forced or child labour in its activities and supply chains within the financial year ending December 31, 2025, and therefore, no remediation measures have been taken.

Measures Taken to Remediate Loss of Income

KSR has not identified any instances of forced or child labour in its activities and supply chains within the financial year ending December 31, 2025. Because no instances of forced or child labour were identified in 2025, no workers experienced loss of income requiring remediation.

Effectiveness Assessments

KSR International ULC assesses the effectiveness of the measures it has implemented to prevent and reduce the risk of forced labour and child labour through a combination of quantitative metrics, qualitative reviews, and periodic oversight activities.

The effectiveness of these measures is evaluated on an ongoing basis and as part of the Company's annual review process, using the following mechanisms:

[Monitoring of Reporting and Grievance Data](#)

KSR reviews data from its Ethics and Integrity Reporting Platform (SpeakUp), including the number, nature, and resolution of reports related to human rights, forced labour, or child labour. Trends and recurring themes are analyzed to identify potential control gaps, emerging risks, or areas requiring enhancement.

[Supplier Due Diligence and Self-Assessment Results](#)

The Company evaluates the effectiveness of its supplier-related measures through:

- Review of supplier self-assessment responses
- Identification of incomplete, inconsistent, or high-risk responses
- Monitoring supplier compliance with contractual and ethical requirements

The results of these assessments are used to determine whether additional engagement, corrective actions, or enhanced due diligence is required.

[Audit and Review Activities](#)

As part of its internal audit and ESG review processes, KSR assesses:

- Compliance with applicable labour and human rights requirements
- Adherence to internal policies and standards
- Effectiveness of supplier-related controls and processes

Findings are documented and used to inform continuous improvement initiatives.

[Training Participation and Completion](#)

KSR monitors training completion rates for forced labour, child labour, and Code of Ethics training to assess the effectiveness of awareness and education measures across its workforce and relevant functions.

[Continuous Improvement and Program Updates](#)

The outcomes of effectiveness assessments are used to:

- Identify opportunities to strengthen policies, standards, and procedures
- Update supplier requirements and due diligence tools
- Enhance training content and delivery
- Improve risk identification and mitigation measures over time


Oversight of effectiveness assessment activities is maintained through cross-functional collaboration, with findings reviewed by senior leadership and incorporated into broader ESG and compliance oversight processes.

Report Approval and Attestation

This report was approved by the Board of Directors of KSR International ULC on April 17, 2026.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Chris Wenaas
President and CEO
KSR International ULC.
April 17, 2026

DocuSigned by:

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I have the authority to bind KSR International ULC.