



**REPORT UNDER THE  
*FIGHTING AGAINST FORCED LABOUR AND  
CHILD LABOUR IN SUPPLY CHAINS ACT***

**FINANCIAL YEAR ENDED DECEMBER 31, 2023**

## Application

This report, prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”), pertains to APCO Holdings, LLC. and its subject wholly owned subsidiaries, National Auto Care Corporation, and Glassparency Products, Inc., (collectively, the “Corporation”, “we” or “us”).

The above-mentioned entities hereby report to the Minister of Public Safety and Emergency Preparedness on the steps taken during their previous financial year ended December 31, 2023, to prevent and reduce the risk that forced labor or child labor is used at any step of the production of their goods, in Canada or elsewhere, or of goods imported into Canada thereby.

## Measures to Prevent and Reduce the Risks of Forced Labor and Child Labor

In preparation to file this report, we reviewed our Human Resources Policies and Guidebooks, the order documentation and contracts with suppliers of the products we purchase goods from, the material available online related to the suppliers from which we purchase materials to be resold in Canada, our employee training materials, and our practices related to supply chains and sales.

## STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

### Review

In this report, we detail the review we made of our corporate governance, processes, and policies. We will discuss the nature of our business, and the limited business associated with the procurement and resale of goods, including the supply chains we purchase raw materials from. We will also highlight the changes we are making to further strengthen our commitment to human rights.

### Our Activities and Supply Chains

APCO Holdings, LLC. offers products and services related to the purchase and ownership of automobiles. The majority of our revenue is derived from the sale and administration of service contracts, financial products, and other types of contracts sold to consumers through, or in conjunction with, automobile dealers and finance entities. These contractual agreements are all related to vehicle ownership and maintenance. We also offer a relatively minor line of chemical products applied to a vehicle’s surfaces which protect the vehicle's appearance. All Corporate sales in Canada are of these protective application offerings. We make one sale each year to a Canadian distributor consisting of products sold for application on an automobile’s paint and interior surfaces to protect those surfaces from damage or

wear and tear. Revenue derived from this sale in 2023 was \$236,869.00 CAN (\$173,505.00 US). Through our recent acquisition of GlassParency in May of 2024, we offer another product to commercial businesses in Canada, this product enhances windshield glass visibility and boosts the glass resiliency; it is sold to retail businesses that apply the product for their customers. Revenue from the sale of the second product in 2023 was \$25,818.66 CAN (\$18,912.00 US). Combined, these sales constitute less than .1% of APCO's applied-product sales revenue.

In Canada, the Corporation distributes its products only through the commercial entities notated above.

With only one exception, the suppliers of the raw materials and goods we sell into Canada are in the United States, with the origin of the products being the United States. Only one component of each type of product's application kit, consisting of application cloth wipes, is manufactured in China.

## **Policies and Due Diligence Processes**

The majority of our business enterprise is sold serviced, administered, sourced, and managed within the United States, therefore our policy and diligence review focused primarily on our hiring and human resources policies and practices, and the education available to our employee base. However, we also reviewed our suppliers and our procurement practices related to the products sold into Canada. Our primary suppliers of raw materials are located in areas with low risk of forced and child labour, i.e. the United States.

We have a zero-tolerance approach to modern slavery: no form of forced labour, such as slave, bonded, indentured, or prison labour will be used on our operations. All employees and contractors are employed as at-will employees voluntarily providing services to our Corporation. All forms of harassment are prohibited and all employees are free to leave work or terminate their employment with us, for any reason. We provide an anonymous and confidential hotline to all of our employees, and encourage its use for any suspected harassment, abuse, or inappropriate behavior.

### **Determining the Risk of Forced Labor or Child Labor**

#### **a. Among our personnel**

We believe that the risk of forced labor or child labor among our personnel is negligible. Our Board of Directors, our VP of Human Resources, and our executive team oversee our human resource policies, and our adherence to them. Our recruiting processes ensure compliance with the standards currently in force in the United States, where all our personnel come from.

#### **b. Within our supply chains**

We are aware that there may be a risk of forced labor at all levels of any supply

chain. Currently, the processes in place within the Corporation to determine the risk of forced labor or child labor are limited to the personnel of APCO Holdings, LLC., its subsidiaries and its first- level suppliers.

In general, our applied product kits are procured from within the United States. For certain components of the application kit, the prevalence of risk increases for suppliers located further down the supply chain. Identifying the risk for these indirect suppliers over which we have little control and visibility may prove to be complex and will require certain additional measures that we as a company are reviewing and exploring. Throughout 2023, our products were sourced through purchase orders rather than formal written agreements. We are exploring ways to hold our suppliers responsible to ensure that they are combating forced labour and modern slavery within their own employee base, and that of their suppliers. Where contractual agreements are appropriate, we intend to require suppliers to adhere to these standards and commitments. We do note that one of our two suppliers of products sourced from China already does hold their own suppliers to a high standard of relevant care to ensure compliance with the International Labour Organization conventions, The Labor Law of the People's Republic of China guidelines, local laws and regulations, and a categorical rejection of the use of child labor.

## **Steps Taken to Assess and Manage the Risk in our Operations and Supply Chains**

The supply of goods and services is governed by a certain number of operating philosophies and principles that guide our strategies and practices and which are consistent with our global growth plan. We have a duty to use our influence to fight forced labor and child labor. That said, all members of the supply chain also have a role to play in that regard. We rely on the cooperation of all our suppliers and expect them to meet the highest standards of quality and ethics. We will document these expectations, and where appropriate, require them to do so pursuant to contract provisions. We are also considering moving all Chinese-manufactured product sourcing to a third-party supplier who can better oversee and require commitment from, the suppliers and manufacturers further down the supply chain lines.

## **Remediation Measures**

In the last financial year, we have not identified any incident of forced labor or child labor in our activities or supply chain. We therefore did not need to take any measures to remediate an incident of forced labor or child labor.

## **Training Provided to Employees**

In 2023 the Corporation did not engage in training for employees related to forced labour. However, we are actively exploring available training for those employees who are engaged in hiring practices and sourcing materials.

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## **Continuous Improvements and Prospective Interventions**

APCO Holdings, LLC. is reviewing all measures aimed at reducing the risk that forced labor or child labor which will be used in our activities and within our supply chains. We have identified areas that we may improve upon, including introducing employee training for Human Resource recruitment professionals, and any employee engaged in procuring products; we are committed to a revised written employee policy that opposes and combats forced labor; and we will strengthen our procurement process to include a policy aimed at defending against forced labor practices.

We are currently reviewing and creating a responsible sourcing roadmap that includes more specific actions to identify and reduce forced labor or child labor risks, such as:

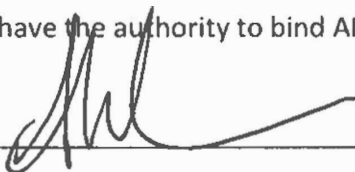
- Clear identification of source material origination.
- Use of suppliers committed to third party intermediaries that engage only with organizations committed to protecting human rights.

## **Approval and Attestation**

**January 1, 2023-December 31, 2023**

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.

I have the authority to bind APCO Holdings, LLC.



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ANTON WANDERON

Name

CEO

Title

5/29/24

Date