

2024 MODERN SLAVERY REPORT

1. Introduction

The California Transparency in Supply Chains Act of 2010 and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 require businesses to disclose information relating to their efforts to prevent and reduce the risk of modern slavery (including forced labor and human trafficking) and child labor in their operations and supply chains.

The following report responds to these requirements and outlines the policies and activities of Augusta Sportswear, Inc. and its affiliated companies, including Augusta Sportswear Canada Inc. (taken together as "Augusta") during the fiscal year ending December 31, 2024.

2. Steps taken to prevent and reduce the risk of forced labor and child labor

Augusta is committed to the highest standards of business ethics and respect for human rights. We operationalize this commitment through enforcement of our Code of Conduct ("Code" or "Code of Conduct"), which is based on internationally recognized labor and human rights standards, including prohibiting all forms of forced labor and child labor. Our Code of Conduct implementation program includes education, monitoring, tracking audit results, and partnering with suppliers on remediation and preventative measures. We require that our Code be posted in the language(s) of employees at all facilities that manufacture products for the company, and training must be provided on our Code standards. To ensure that all employees have access to grievance mechanisms, all facilities must implement internal programs for handling reports of workplace grievances, including anonymous reports. In addition, we include a QR Code on our Code of Conduct posters for reporting suspected violations as well as the company's non-retaliation policy, which prohibits retaliation against anyone who reports violations of our Code or participates in an investigation of possible violations.

All finished goods suppliers are required to be audited for compliance with our Code of Conduct prior to production and on an annual basis. As part of the social compliance monitoring process, auditors assess the policies, procedures, and management systems that suppliers have in place to prevent forced labor and child labor, such as recruitment and hiring procedures and age verification procedures. The facility's grievance mechanisms are also evaluated to ensure that workers have trusted and accessible channels to raise concerns, including at least one anonymous channel. We also require that finished goods suppliers hold their suppliers to the same Code standards in their upstream supply chains and specifically prohibit production and raw material inputs from countries and regions known to have forced labor. Additional details on our policies and due diligence procedures are provided in section 4.

3. Structure, activities, and supply chain

Augusta is a United States corporation, incorporated in the state of Delaware, with its principal place of business in Statesville, North Carolina. The company is a manufacturer, buyer, and distributor of performance apparel, team uniforms, and headwear. The company has operations in Mexico, Nicaragua, the Philippines, the Dominican Republic, and the US, and purchases finished products from third-party suppliers in 10 countries outside the US. The company imports products into Canada through its Canadian subsidiary, Augusta Sportswear Canada Inc.

In 2024, Augusta Sportswear's financial investor purchased Badger Sportswear, LLC d/b/a Founder Sport Group ("Founder"), and these two entities now operate as a d/b/a, Momentec Brands ("Momentec"). Momentec will launch its website in 2025 and sell both Augusta and Founder apparel.

4. Policies and due diligence processes in relation to forced labor and child labor

As noted above, Augusta (and its d/b/a Momentec) has adopted a Code of Conduct for its own operations and supply chain based on international labor standards and internationally accepted good labor practices. The company is committed to embedding responsible business conduct in its policies and decision-making processes. Our policy under the Code of Conduct regarding Child Labor states: "Suppliers shall not, under any circumstances, use child labor as defined by the International Labor Organization and/or national law, whichever is more stringent. In no event will Suppliers employ workers under age 15 or the age for completion of compulsory education, whichever is higher." Our policy regarding Forced Labor states: "Slavery and human trafficking can take many forms including forced and child labor. Suppliers and any third party working on their behalf, shall not, under any circumstances, use forced, bonded, or indentured labor or involuntary prison labor." All facilities are required to comply with all relevant and applicable laws and regulations in the country of manufacture, and where there are differences or conflicts between the Code standards and applicable law, the highest standard shall be applied.

All suppliers are contractually obligated under our Supply Agreement to adhere to our Code of Conduct and related social compliance policies. This includes compliance with our sourcing restrictions, where we prohibit sourcing from high-risk countries or regions known for forced labor.

Through these and other activities of our social compliance program, we aim to prevent forced labor, child labor, and other forms of labor, safety, and human rights non-compliance in our operations and supply chain.

5. Risk identification in the supply chain related to forced and child labor, steps to address and manage risk

We conduct regular risk assessments of our supply chain to identify risk areas and prioritize prevention and mitigation efforts. To inform our risk assessments, we draw from a variety of sources knowledgeable about forced labor and child labor risks in the apparel sector, such as the US Government (e.g., the Department of Labor's International Labor Affairs Bureau reports on international child labor and forced labor and the Department of Homeland Security's Forced Labor Enforcement Task Force resources), the Fair Labor Association, the American Apparel and Footwear Association, and the Business and Human Rights Resource Center, among others. For example, we identified cotton as a high-risk material for forced and child labor, and established policies prohibiting sourcing cotton from China and Turkmenistan. We require that our supply chain partners adopt necessary measures to identify the origin of the cotton used in the manufacturing of our products and maintain those records for audit. In addition, in accordance with the Uyghur Forced Labor Prevention Act (UFLPA) in the US, we ban all manufacturing and sourcing of products, components, and raw materials from the Xinjiang Uyghur Autonomous Region of China and entities on the UFLPA Entity List. We review and update our country of origin restrictions on an annual basis to ensure we are minimizing our risk and exposure to forced labor and child labor in the supply chain.

6. Remediation of forced labor or child labor; remediation of loss of income

In 2024, we did not identify any cases of forced labor or child labor in our owned operations or supply chain. Consequently, we did not identify any instances of loss of income to vulnerable families resulting from measures taken by the company to eliminate forced labor or child labor risks.

7. Training to employees on forced labor and/or child labor

Training is provided to all employees on the company's commitment to the Code of Conduct and the Code standards, which includes our policies on forced labor and child labor. This training is mandatory for all employees and was carried out in 2024. In addition, compliance staff receive specialized training on social compliance topics through the Fair Labor Association licensee training program.

8. Methods to assess effectiveness in ensuring that forced labor and child labor are not being used

To assess the effectiveness of our Code of Conduct program and continuously improve, we track relevant performance indicators, such as the number and percent of our facility base audited for compliance against our Code of Conduct standards, the type and severity of non-compliance issues identified in audits, the closure rate of corrective action plans, and the number of reports received and resolved through our grievance mechanism. We also track the number and percent of suppliers that have signed the company's Supply Agreement, which includes all policies related to forced labor and child labor.

9. Approval and Attestation

This Report was approved by the Board of Directors of Augusta.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this 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 Augusta.

Signed by:


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John Anton
Chief Executive Officer
Augusta Sportswear, Inc. d/b/a Momentec Brands
May 31, 2025