

A photograph of two women standing on a beach. The woman on the left is wearing a white dress with a large pink and black floral pattern, a wide-brimmed straw hat, and sunglasses. She is smiling and looking towards the right. The woman on the right is wearing a bright pink, long-sleeved, textured dress with a wide, light-colored woven belt. She is also wearing a wide-brimmed straw hat and is looking towards the left. The background is a clear blue sky and a hint of the ocean at the bottom. The text 'taking shape' is overlaid in a large, white, serif font, and 'Modern Slavery Statement' is overlaid in a smaller, white, sans-serif font below it.

# taking shape

## Modern Slavery Statement

**Reporting Year: 2**

**Reporting Period: 1 July 2020 - 30 June 2021**

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# Our message

At Taking Shape, our purpose is to provide quality curve fashion with a difference. We are innovative and passionate when it comes to delivering design-led styles and helping women find their fabulous.

We not only strive to make a difference in fashion and for our customers, we also aim to make a difference in the way we do business. This is why we are committed to operating responsibly and doing our part when it comes to ethical sourcing.

The exploitation of vulnerable workers or any form of modern slavery has no place at Taking Shape. Taking Shape continues to support the Australian Government objectives under the Modern Slavery Act 2018 by the Australian Government and is committed to complying with and embracing these important laws and providing openness and transparency around the steps we are taking.

Modern slavery is not a straightforward matter and is global and complex in nature. We recognise our role and responsibility as a design led company in the garment industry to take steps to identify and address these risks in our business and supply chain. In everything we do, our customers are at the heart of our decisions. We also know our customers care deeply about this issue – and so do we. For many years we have developed deep and long-standing relationships with our key suppliers, ensuring the workers who make our products are treated ethically, fairly and safely. This has always been a top priority at Taking Shape.

Prior to COVID-19, we would regularly visit the factories where our products are made, to personally check on the workers who play such a key role in making our 'quality fashion with a difference'.

We work closely with our key suppliers so that they understand our expectations when it comes to the ethical production of our products. We are looking forward to resuming our regular visits as soon as we can.

In this second Statement, we are pleased to report on the progress Taking Shape has made despite the challenges presented by COVID-19 including store closures and travel restrictions. We have made

significant inroads on a number of our key performance indicators set out in our last statement. In particular:

- we have advanced our modern slavery training and compliance program with a number of training and education sessions including with area managers;
- in response to not being able to conduct on site visits, we appointed a representative in India (a key and emerging jurisdiction for us) to be our 'eyes and ears' on the ground. This has provided us with invaluable insight; and
- we have continued to roll out our supplier compliance program which has been a long standing process we have in place to identify potential risks and take appropriate action.

Ethical sourcing is an issue that is attracting increasing attention from our customer base and is an issue we have cared deeply about for some time. As we emerge from the impacts of COVID-19, we look forward to resuming some aspects of our Modern Slavery compliance roadmap which were put on pause due to the unexpected challenges presented by the pandemic.

We have and will continue to put in place processes to understand, identify and address the risks of modern slavery in our operations and supply chains. We recognise the important role that we play and we are committed to enhancing and evolving our approach to this complex issue.



Alla Buinowicz  
Managing Director  
Taking Shape

For the identity of the reporting entity and approval and signing requirements, please refer to the MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE contained on page 24.



# Who we are

**In a world growing more inclusive and realistic about the 'average sized' person, curve fashion is now competing in a broader market.**

**Our purpose is to be the leading style alternative for curvy women seeking quality fashion with a difference, by delivering a boldly unique experience from the first glance to the final wear.**

# Quick facts

- Established in 1985, Taking Shape is a leader in curve fashion in Australia.
- For over 30 years, we have been a cornerstone brand in Australian curve fashion, specialising in fashion forward designer collections in sizes 12 to 24. Our purpose is to be the leading style alternative for women seeking quality fashion, with a focus on innovation and consistency of fit.
- We operate online via [takingshape.com](https://www.takingshape.com) as well as from a total of 152 stores located in Australia & New Zealand. This includes boutique stores, clearance outlets as well as concession stores within most Myer stores (which are run by major retailer Myer Pty Ltd).
- The majority of our operations are run out of our Head Office known as our Retail Support Centre, located in Victoria, Australia.

# 100%

of our product has been designed in Melbourne for over **35 years.**

# 152

stores across Australia and New Zealand with **89** Boutiques, **51** MYER Concession stores, **12** clearance stores and online.

\*As at 20 December 2021

#### **COVID-19 Lockdown – Store closures**

Our operations were significantly impacted during the year due to the various snap and long-term lockdowns affecting Australia and New Zealand, with up to 89 stores closed at any one time. Over half of our store staff were stood down during this time.

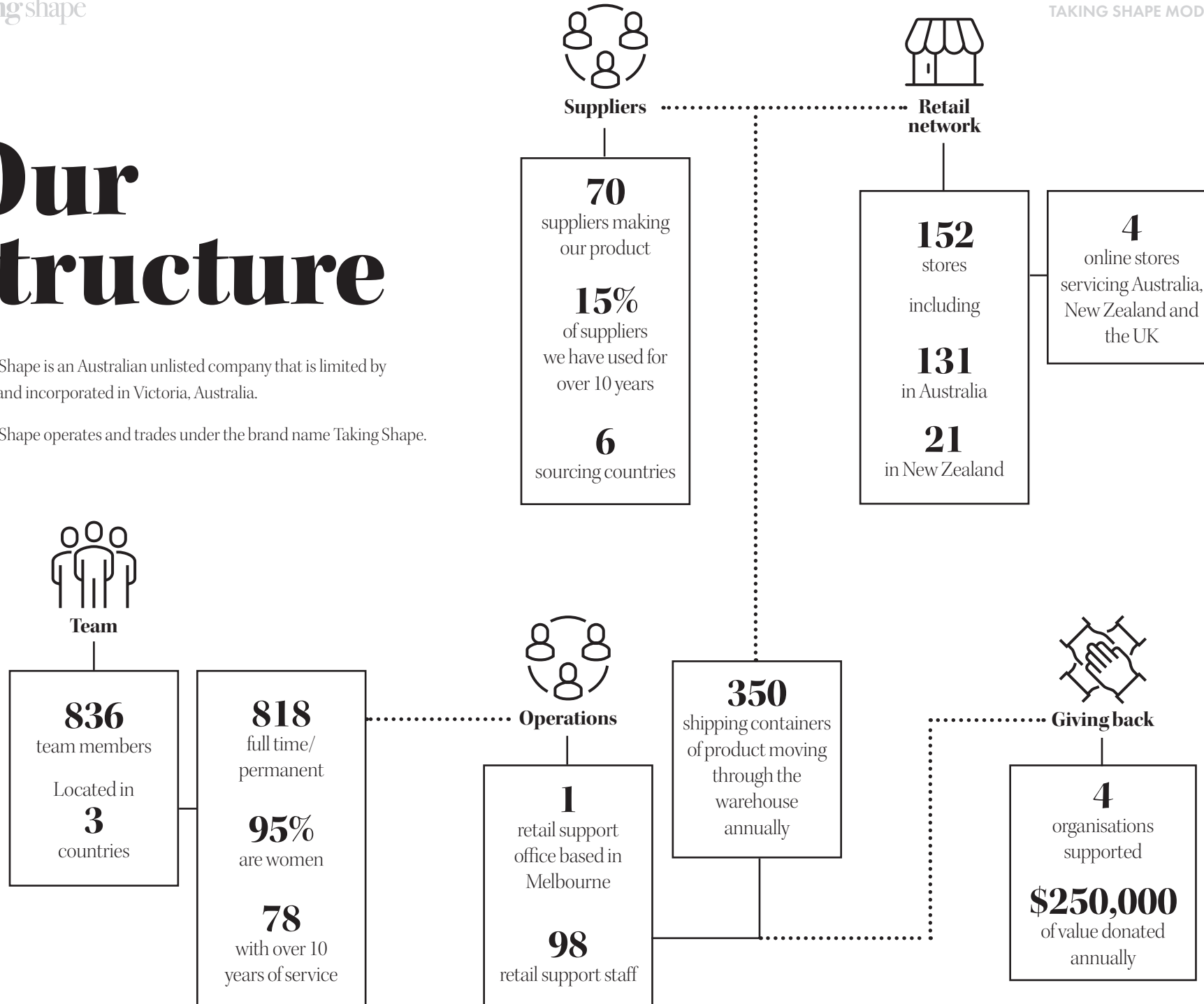
# Our structure, operations & supply chains



# Our structure

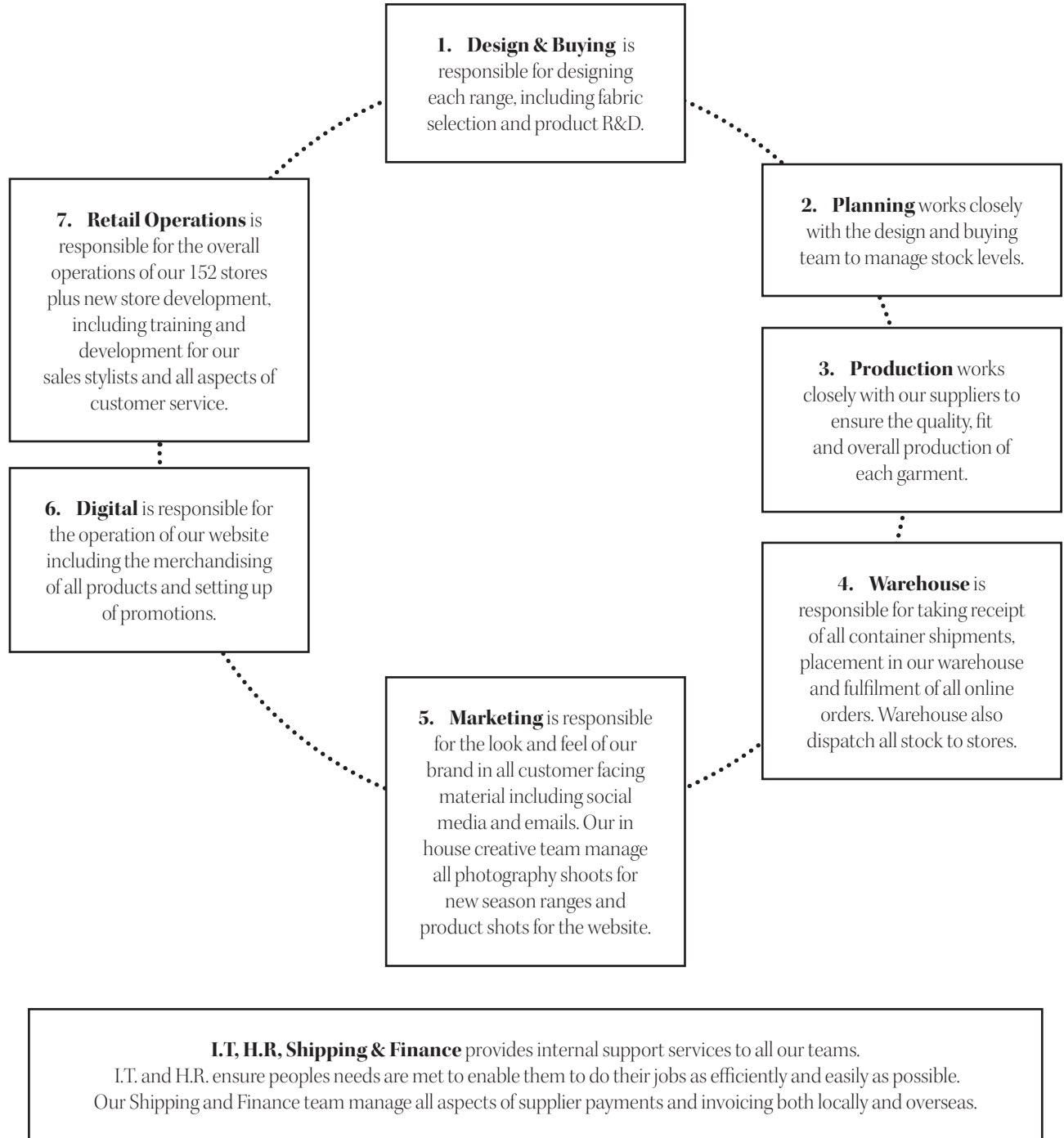
Taking Shape is an Australian unlisted company that is limited by shares and incorporated in Victoria, Australia.

Taking Shape operates and trades under the brand name Taking Shape.



# Our operations

Our Retail Support Centre undertakes the following activities:





# Supply chains

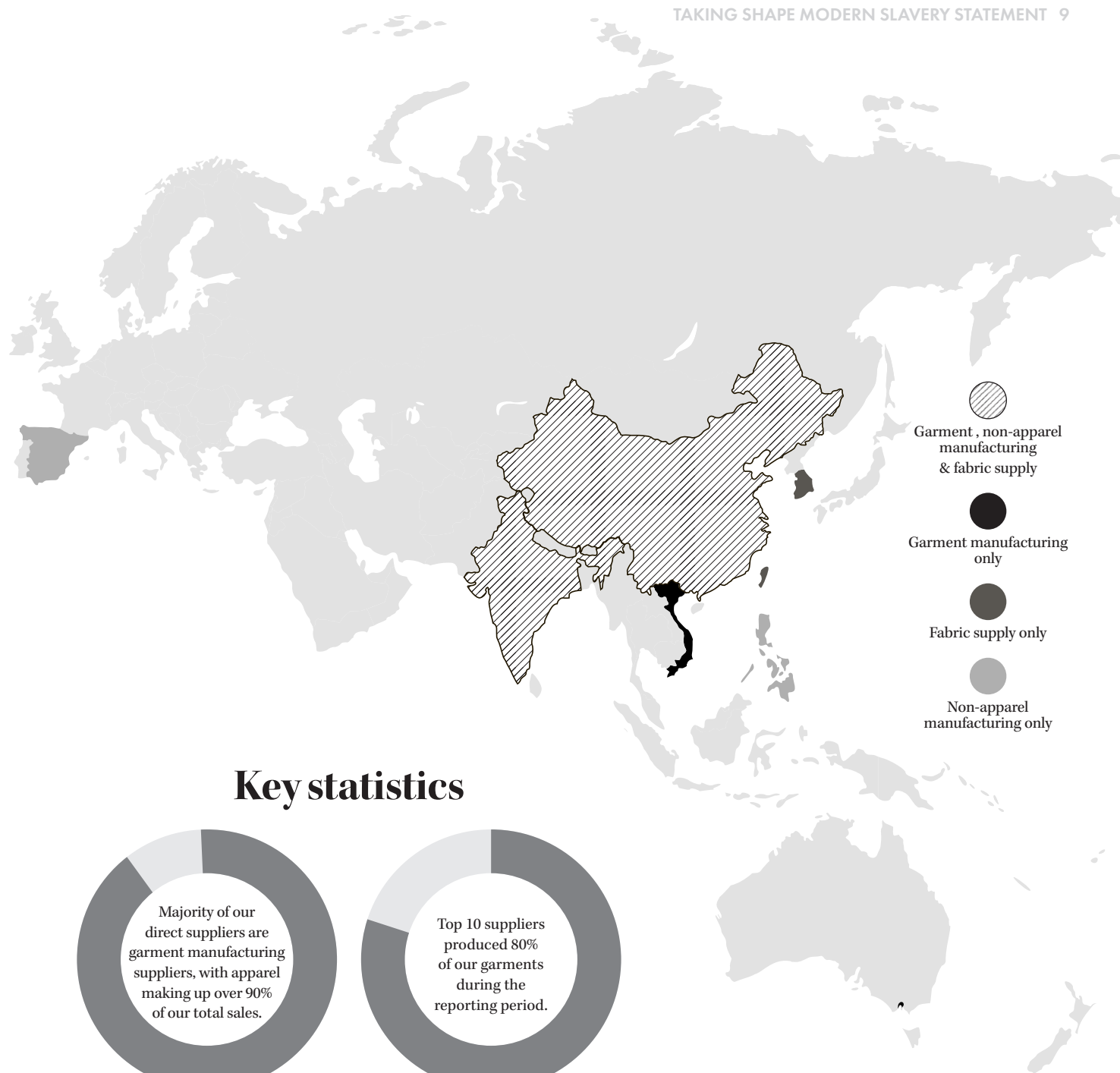
Taking Shape currently work with 70 suppliers across manufacturing, fabrics and specialty product. Our primary group of suppliers equates to approximately 70% of our product. The other 30% is made up of specialty suppliers through apparel and non apparel.

Our long history in garment manufacturing has allowed us to develop long term and deep relationships with our key suppliers that we are very proud of. We have partnered together with them for over 10 years helping grow and establish themselves as strong leaders in their fields.

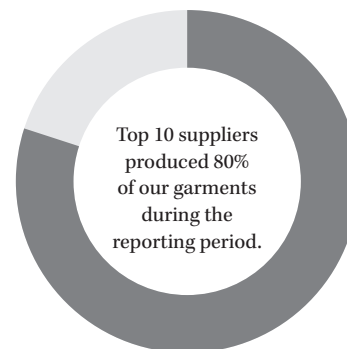
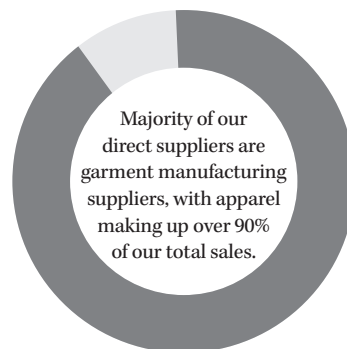
Taking Shape is a vertical retailer which allows us to design, produce and sell our products with a greater degree of control, it allows us to work closely with our suppliers to identify and address risks or instances of modern slavery.

We have been working with the bulk of our suppliers for a very long time and have loyal and strong relationships with all our key suppliers. However, there are certain suppliers from whom we procure specialty products (e.g. lingerie, swimwear, knitwear) and our work with them can be sporadic or seasonal. We continue to expand our product categories in non-apparel and source new suppliers.

We continue to pride ourselves on quality fabrications and innovation. This period, new fabrications include recycled bamboo and recycled denim, which we have been working closely with our suppliers to develop.



## Key statistics





# Risks of modern slavery

**Modern slavery is a human rights issue which we take very seriously.**

**Well before the introduction of the Modern Slavery Act, Taking Shape has taken a very proactive role in monitoring for potential indicators of modern slavery in our supply chain via our Social Compliance Auditing and Screening Process.**

# Steps to identify risks

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. It includes practices such as human trafficking, slavery, servitude, forced labour, debt bondage and the worst forms of child labour.

We have not identified any specific incidents of modern slavery, however, we acknowledge that modern slavery risks are a global and complex problem that occurs in every country, in every sector and in every industry.

In order to identify the risks of modern slavery in our operations and supply chains we have taken a prioritised risk based approach to our risk assessment. This means we have largely focused on our core garment products which account for most of our revenue.

In the reporting period, we have taken the following steps to identify modern slavery risks:



## Step 1

**Roll out our existing Social Compliance Audit and Screening Process.**

**This involved:**

- suppliers completing a self-assessment survey which includes a number of questions specifically targeting potential modern slavery indicators (**Supplier Survey**). We conducted 20 Supplier Surveys which cover our core garment manufacturers making up 90% of our apparel.
- All of these suppliers audited on-site to verify the information provided in the Supplier Survey and screened and audited for specific issues, including modern slavery indicators;
- on-site auditing to identify major and critical areas of concern, with suppliers provided with a time limited response to implement corrective action;
- suppliers being re-audited to check that any specific issues have been rectified in accordance with our required remedial action.



## Step 2

**Focused on areas previously identified targeted risks in our operations and supply chain identified in FY20.**



## Step 3

**Identified the modern slavery risks by internal departments, types of products and services, geographic locations and entity types**

The purpose of steps 2 and 3 was to:

- confirm that we are on the right track with our existing Social Compliance Audit and Screening Process to identify modern slavery risks ;
- confirm that we have correctly been focussing on our highest risk and areas where we have the most leverage with suppliers ; and
- assist us to develop a clear understanding of our modern slavery risks and create a clear roadmap for future compliance.

# Identified risks

## Year Two Update:

In our year one statement we identified these risks outlined in the following table. In our year two statement we are pleased to report that we have addressed the following risks:

- **Operational Risks:** We have advanced and will continue to roll out our modern slavery **training and compliance** program with a number of training and education sessions in order to better equip our staff members to identify and report on modern slavery risks within our direct team and operations.
- **Supply Chain Risks:** We have continued to roll out our **supplier compliance program** in order to identify potential risks and take appropriate action.
- **Geographic Risks:** we have **appointed a representative in India** (a key and emerging jurisdiction for us as well as location identified as high risk according to the Global Slavery Index) to be our 'eyes and ears' on the ground. This has provided us with invaluable insight.

Risk group	Risks identified	Risk group	Risks identified
Operational	Operations in our stores, warehouse and Retail Support Centre generally pose a lower risk than our supply chain.	Sector and industry	We know that textiles and fashion, which are core to our business, are recognised as high risk industries globally. The Global Slavery Index by the Minderoo Foundation identifies the countries and industries at risk. Garment manufacturing has been identified as the second highest category of products at risk of modern slavery imported into Australia.
	Most of our Taking Shape team members are employed directly and on permanent contracts. We ceased using temporary labour in our warehouse from December 2019, lowering our risks within our direct team and operations.		Our long term relationships with key suppliers, regular site visits and supplier audits play a key role in addressing these known industry and sector risks.
	We focused on areas of the business that use contracted or third-party labour providers as we have less direct visibility and control over these workers and their employment terms. We identified cleaning services as the highest risk service in our operations. While we have a full-time employed cleaner for our Retail Support Centre, we occasionally outsource our cleaning services.	Geographic	Some countries have a higher risk, including factors such as poor governance, weak rule of law, conflict, migration flows and socioeconomic factors like poverty. We have suppliers located in China, India and Vietnam, which have been identified as high risk for the garment sector by the Global Slavery Index. We have robust measures in place to ensure we are actively assessing and managing these known risks where we have suppliers in these high risk locations.
Supply chain	The fashion products and accessories we sell have a range of modern slavery risks which are complex and we must navigate. Steps 2 and 3 of Identifying Risks, involved a high-level risk mapping exercise, has been instrumental in shaping our future roadmap.	Entity	Some entities may have particular modern slavery risks because they have poor governance structures or other issues. While we know a lot about our key suppliers with whom we have a long standing history, we are still getting to know some of our newer and seasonal suppliers.
Product and services	Certain products and services have a high risk because of the way they are produced. We know that cotton, which is a core input into many of our garments, is recognised as a high risk product globally.		

# Our actions

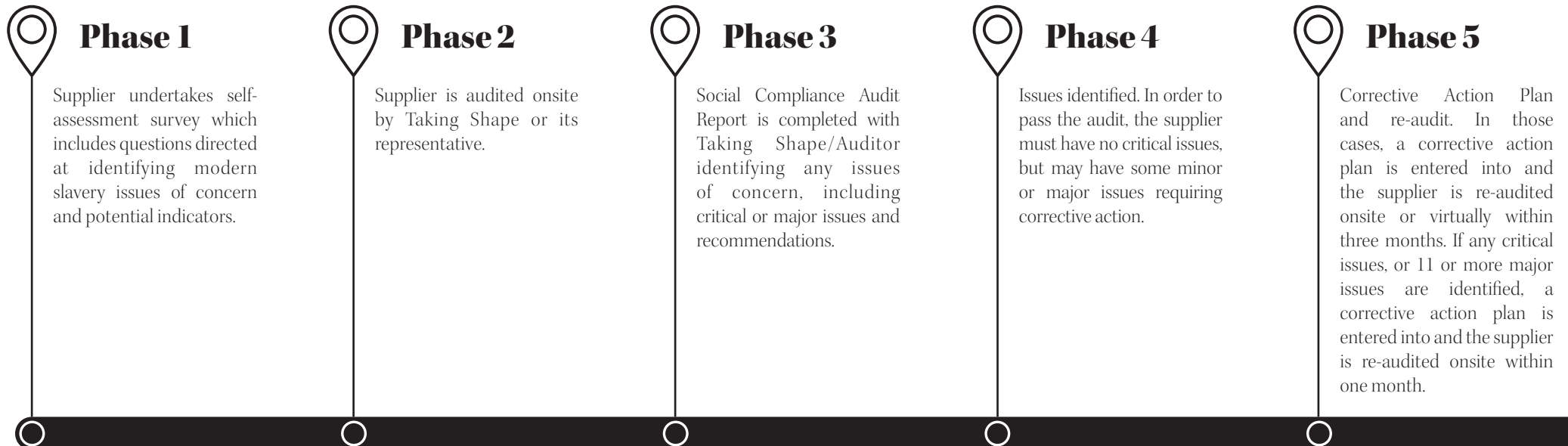
We have taken steps during this reporting period to assess and address the risks in our operations and supply chains, and the existing policies and processes we have in place that can be used to facilitate further risk assessment, prevention and mitigation.

Our existing Social Compliance Audit and Screening Process forms the corner stone of how we identify risks.



# Social compliance audit & screening process

We are continuing to mature, develop and formalise how we govern modern slavery risks. Our existing Social Compliance Audit and Screening Process forms the corner stone of how we identify risks.



# Factory audits

The factory audits are a key part of our Social Compliance Audit and Screening Process.

We believe that we need to take an active role in our supplier compliance and take an active and personal approach to seeing this through.

We have been conducting factory and site visits with our key suppliers since the companies inception. The travel restrictions due to COVID-19 have affected our ability for face to face visits for the past two years. During this time, we have implemented regular virtual meetings and check ins with all of our key suppliers. These meetings have been critical in maintaining our strong relationships with suppliers and addressing issues in a timely and effective manner.

During the year we employed a dedicated resource in India to assist Taking Shape with our on-boarding, audit and screening process for all existing and new suppliers in this region.

In India, Taking Shape has begun the onboarding process with 4 new suppliers. These new suppliers have provided all initial paperwork which includes our social compliance form, current audit documentation and factory registration.

In addition, Taking Shape has completed an initial site visit though our representative in India to confirm all points in the audit paperwork have indeed been satisfied. Once the current audit expires we will undertake to complete our own follow-up audit for record keeping.

Site visits have also been conducted by our third party auditors to China and Vietnam.

For the relevant reporting year ( financial year ending 30 June 2021) we or our third party auditors conducted audits for 20 of our key suppliers.

Our Supplier Social Compliance Audit Report assesses the suppliers compliance with the expectations set out in the Supplier Code of Conduct.

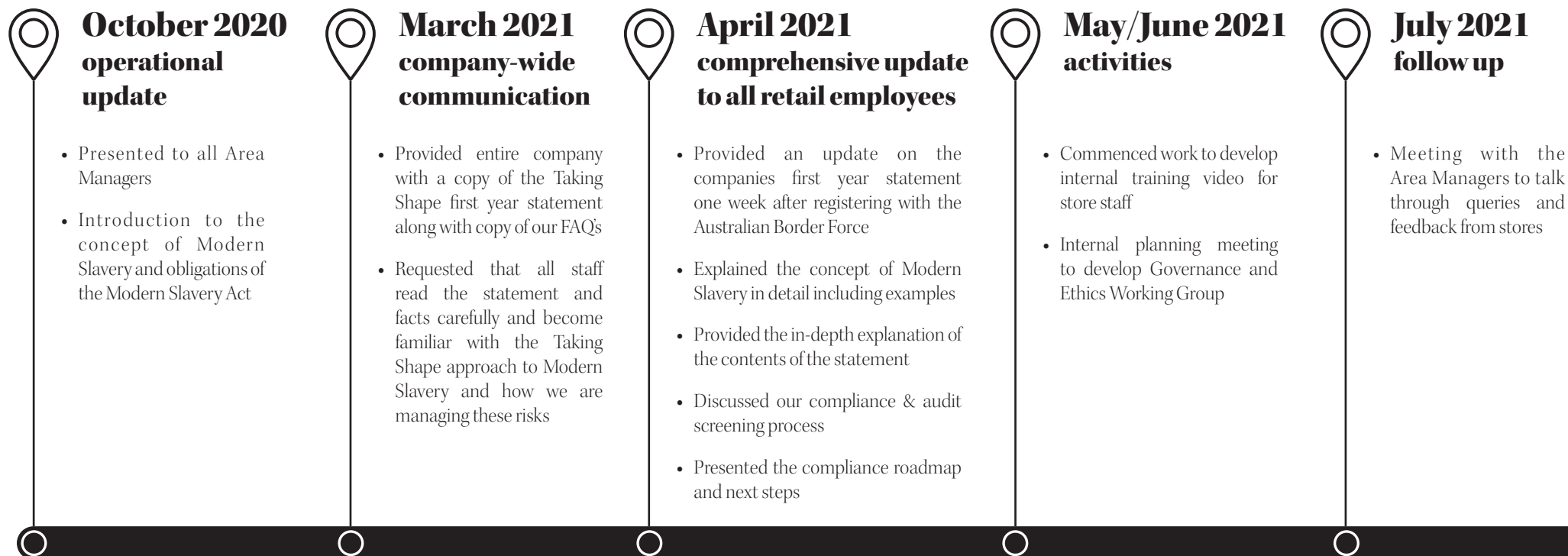
In order to pass the audit, the supplier must have no critical issues, but may have some minor or major issues requiring corrective action. In those cases, a corrective action plan is entered into and the supplier is re-audited by onsite or desktop within three months. If any critical issues, or 1 or more major issues are identified, a corrective action plan is entered into and the supplier is re-audited onsite within one month.



# Staff training and internal communications

Our strategy to raise awareness & educate our team members about our Modern Slavery obligations was to arm our Area Managers with all the relevant information who then would filter this information down to all store managers and team members.

Below is a timeline of the various training elements delivered throughout the year and details of what could not be delivered due to the various COVID lockdown impacts.





# Results from our Social Compliance Audit & Screen Process

This reporting period we have not identified any specific incidents of modern slavery as a result of our Social Compliance Audit and Screening Process.

However, we did identify some issues which we required our suppliers to take remedial steps in a time limited fashion. Corrective action has been taken or is being taken in respect of all identified issues.

## Case Study 2020: Breaches of our Social Compliance Standards

### 2021 Update

In our 2020 Statement, we included a case study that illustrated how our Social Compliance Audit and Screening Process worked in reality to identify potential issues and promptly address them with a clear remediation framework.

This case study involved one of our three major suppliers in China (with whom we've worked with for over 10 years). We discovered a number of critical and major breaches of our Social Compliance standards. The breaches largely related to workplace safety, where the factory did not:

- maintain a security guard to protect workers;
- have smoke detectors in the warehouse or workplace;
- maintain a current first aid certificate; or
- post workplace standards at the relevant working areas.

We also had concerns that the pay slips provided to workers were not sufficiently clear, and that the factory did not have a written anti-corruption and anti-bribery policy.

Last year, we consulted with this supplier to put corrective action plans in place to address these concerns. When our agent returned for a re-audit, each issue had been resolved. New audits have been conducted during this reporting period and have demonstrated that the supplier in question has continued to meet our Social Compliance standards and has worked to improve the general conditions for their employees.

# Case study 2021

## On-boarding New Suppliers

During this reporting period we were contacted by a potential new factory. Their profile and email introduction looks promising. They provided Audit documentation that showed all are passing our social compliance standard criteria.

We instigated initial discussion, but before proceeding to the ordering stage we sent our company representative in India to complete an initial site visit to confirm all was well to proceed.

When conducting the site visit, our representative discovered that whilst their company profile and audit documentation was indeed correct, it corresponded only to their marketing and sales office.

When we asked to see where the product was made, we found the site to be substandard. There were issues with site access, safety and cleanliness where the product was being held. There was also no audit paperwork available for these sites, nor would they ever pass such auditing. Our representative recommended that we not proceed with this supplier and as a result we terminated our initial engagement with them.

We are forever receiving emails from potential new suppliers that wish to start doing business. We have now employed a sourcing manager in India who is our company representative with all current suppliers. She is able to visit and confirm for us if supplier meets our standards for compliance. With this newly filled role we are able to grow our India production with confidence that our product is manufactured in a safe environment.

We, together with the wider Australian fashion community, are on a journey to continuously improve our procurement practices and to work closely with our suppliers to ensure that they share and follow our standards and expectations of conduct in whichever country they operate in.

# Supplier code of conduct

Our Supplier Code of Conduct is available in English and Chinese and outlines what we expect of our suppliers when doing business with us or on behalf of us. We require key suppliers to acknowledge that they have received, understood and agree to comply with the requirements under the Code of Conduct.

Our Supplier Code of Conduct covers our expectations around all the key forms of modern slavery including:

- Forced labour;
- Debt bondage;
- Deceptive recruiting for labour; and
- The worst forms of child labour

As we mature our approach we intend to strengthen our formal governance and policy approach.

Our Supplier Code of Conduct is currently available in English and Chinese, however, as part of our continual improvement strategy, we plan to make this available in other languages according to the locations of our other suppliers.

## We expect that:

- ✓ Our supplier's workforce is free from any human rights violations
- ✓ Workers have the right to association
- ✓ Working conditions are safe and hygienic
- ✓ Child labour is strictly prohibited
- ✓ Wages are paid to meet the required standards
- ✓ Working hours comply with national laws
- ✓ There is no discrimination
- ✓ Regular employment is provided where possible
- ✓ Otherwise inhumane treatment is prohibited

# Assessing our effectiveness



**The Social Compliance Audit and Screening Process is designed to:**

- Ensure an ongoing process of engagement with our suppliers;
- Identify areas of concern within a clear framework; and
- Ensure issues are promptly addressed



# Looking ahead

**We are proud that Taking Shape's approach to modern slavery, which we have been implementing for many years, is broadly consistent with the Australian Government's expectations.**

**However, we know that there is more to do and we are prepared and committed to our continuous improvement in taking a stand against modern slavery.**

# KPI's to meet

We are working towards undertaking human rights due diligence that reflects the expectations set out in Australian Government guidance, the U.N. Guiding Principles, as well as the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.

While we think our existing Social Compliance Audit and Screening Process is strong, we have identified that there is a need to roll this out more broadly. We have also identified formal governance and policy as an area we can mature and improve.

As part of that due diligence process and commitment to addressing modern slavery risks in our operations and supply chains, we have developed a roadmap for future improvement.

In this second Statement, we are pleased to report on the progress Taking Shape has made despite the challenges presented by COVID-19. We have made significant inroads on a number of our key performance indicators set out in our last statement.

Goal	KPI	FY21 Progress
<p><b>1. Implement a clear internal anti-slavery framework and policy</b> which outlines our approach and expectations in relation to ethical sourcing and the prevention of worker exploitation;</p>	<p><b>1. Implementation of our Anti-slavery Policy;</b></p>	
<p><b>2. Roll out specific modern slavery staff training</b> taking a prioritised risk based approach by conducting specialised training for employees directly involved in procurement and the Social Compliance Audit and Screening Process (including conducting site audits) as well as more general company-wide training for all other employees;</p>	<p><b>2. The number of Taking Shape staff who have completed modern slavery staff training;</b></p>	<p>2. We have advanced our modern slavery <b>training and compliance</b> program with a number of training and education sessions with all area managers as well as the circulation of Taking Shape Modern Slavery resources to all staff in order to cultivate a better understanding of our policies and procedures.</p>
<p><b>3. Establish a working group of key stakeholders across our business</b> which will create a framework for our governance, assign roles and responsibilities and monitor the progress of our compliance roadmap;</p>	<p><b>3. Whether a working group has been established and if so, whether the working group has created a framework for governance, developed a clear compliance roadmap and documented the number of meetings held by the working group; and</b></p>	<p>3. We have commenced internal planning around the <b>formation of a Governance and Ethics Working Group</b>. Members have been appointed and the core function of the group has been established.</p>
<p><b>4. Expand our Compliance Audit and Screening Process</b> to some of our key non-apparel suppliers, in a targeted and risk based way.</p>	<p><b>4. The number of suppliers (both apparel and non-apparel suppliers) who have been audited as part of the Social Compliance Audit and Screening Process.</b></p>	<p>4. In response to not being able to conduct on site visits, we have <b>appointed a representative in India</b> (a key and emerging jurisdiction for us) to be our 'eyes and ears' on the ground. This has provided us with invaluable insight</p> <p>We have continued to roll out our <b>supplier compliance program</b> which has been a long standing process we have in place to identify potential risks and take appropriate action.</p>

# COVID-19 impact

In our last statement we documented the impacts of COVID-19 as a new and unprecedented phenomenon. This year, the sector was again significantly impacted, with widespread and extended store closures, ongoing travel restrictions and the standing down of many employees.

In this climate, we made informed choices as to what actions we would defer to next year and what was possible to progress under the circumstances as demonstrated by our updated key performance indicators.

Despite this, Taking Shape has endeavored during this reporting period to respond to these challenges wherever possible with positive action.

For a long time we have conducted in-person site visits to ensure the safety and quality of our supplier sites. Whilst we are looking forward to resuming these visits in due course, travel restrictions and the health and safety concerns posed by the pandemic have made this somewhat uncertain. In response, we have appointed a representative in India to do the work we have not been able to do in tis regard. Our representative in India has provided extremely valuable insights and has been a key part of our ongoing commitment to addressing modern slavery risks.

# Modern Slavery Act 2018 (CTH)

## Statement annexure

### Identity of Reporting Entity

The reporting entity for the purpose of the Act is TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust, trading as Taking Shape, which makes this Statement in accordance with Section 13 of the Act as a single reporting entity.

### Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust, trading as Taking Shape	30 / 12 / 2021
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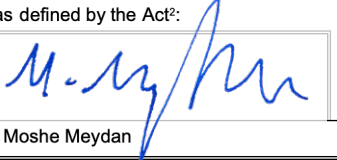
as defined by the *Modern Slavery Act 2018* (Cth) ("the Act") on

### Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust
--

as defined by the Act<sup>2</sup>:


Moshe Meydan
Chairman of the Board

Date 30 / 12 / 2021

### Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	24 (this Statement Annexure) and pages 4-5
b) Describe the reporting entity's structure, operations and supply chains.	6-9
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	10-12
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	11, 13-19
e) Describe how the reporting entity assesses the effectiveness of these actions.	17-18, 20-22
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	N/A Consultation is not required. The reporting entity does not own or control any other entities. This is a statement made under section 13 of the Act and is not a joint statement.
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	1-4 (Including our message) and page 23 (Covid-19 impacts).





taking shape