

A photograph of two women standing in a farm setting. The woman on the left is wearing a denim jacket over a green patterned dress and is holding a large wicker basket. The woman on the right is wearing a green jacket, a black top, and a black hat, and is holding an apple. In the background, there is a white truck with a wooden crate filled with green apples. The scene is outdoors with trees and a fence.

taking shape
SIZES 12 - 24

Modern Slavery Statement

Reporting Year: 1

Reporting Period: 1 July 2019 - 30 June 2020

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Our message

Consultation: Taking Shape does not own or control any other entities and is not making a joint statement. Accordingly, we were not required to consult with any other entities in giving this Statement.

This modern slavery statement (**Statement**) is made by TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust, trading as Taking Shape (referred to as **we, us, our, Taking Shape** in this Statement).

This Statement was approved by the Board of TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust on 24/03/2021.


 Moshe Meydan
 Chairman of the Board
 Date 24 / 03 / 2021

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, 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. It's 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 welcomes the introduction of the Modern Slavery Act 2018 by the Australian Government and is committed to complying with and embracing these new laws.

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 core 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 and in the interim will continue to do this virtually.

In our first Statement, we explain what we currently do and also where we are heading when it comes to modern slavery compliance. We know there is more work to do. We have looked carefully at what the Australian Government's expectations are in this space and we have developed a clear roadmap for the actions we are planning to take to continuously improve our approach to this issue.

To date our focus has been on our apparel range and this will continue to be a key focus for us as this is where we have the most leverage and can make the most impact. However, we have a clear plan to look at other areas such as our non-apparel range.

While Taking Shape has not identified any specific instances of modern slavery or harm during this past reporting period, 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



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 as well as from a total of 151 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 **34 years.**

151

stores across Australia and New Zealand with **89** Boutiques, **52** MYER Concession stores, **10** clearance stores and online.

*As at 31 March 2021

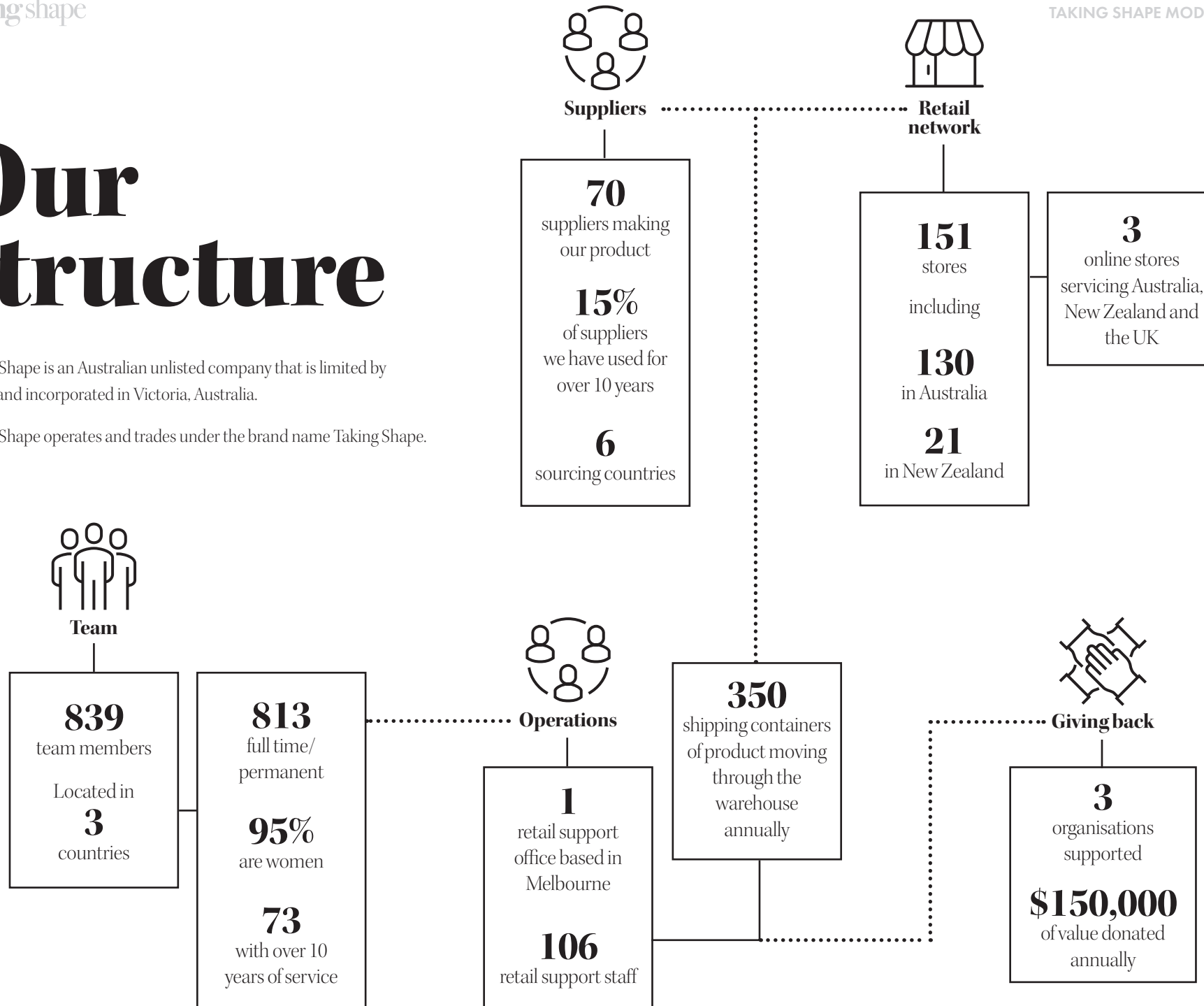
Our structure, operations & supply chains



Our structure

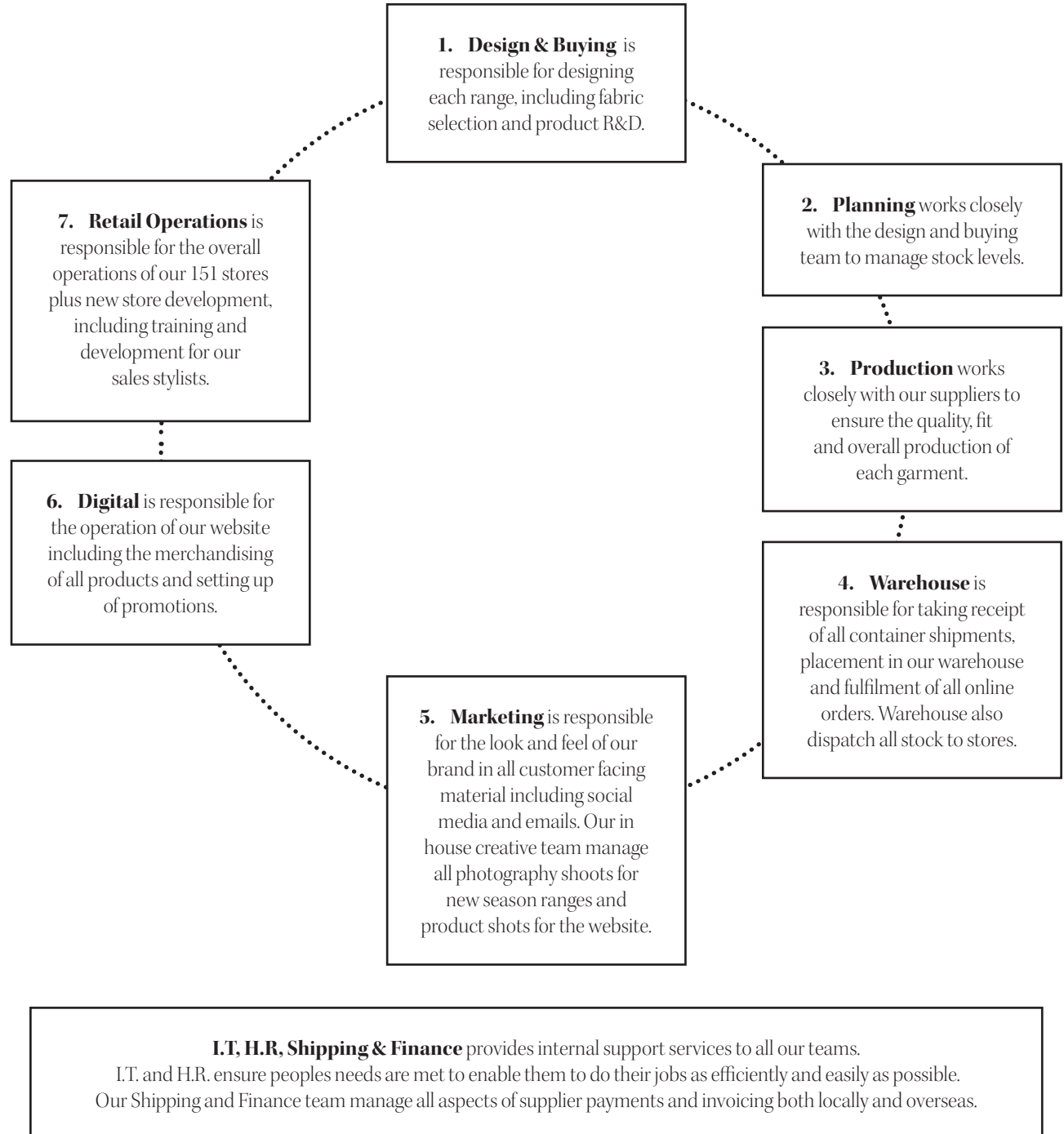
Taking Shape is an Australian unlisted company that is limited by shares and incorporated in Victoria, Australia.

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



Our operations

Our Retail Support Centre undertakes the following activities:



Supply chains

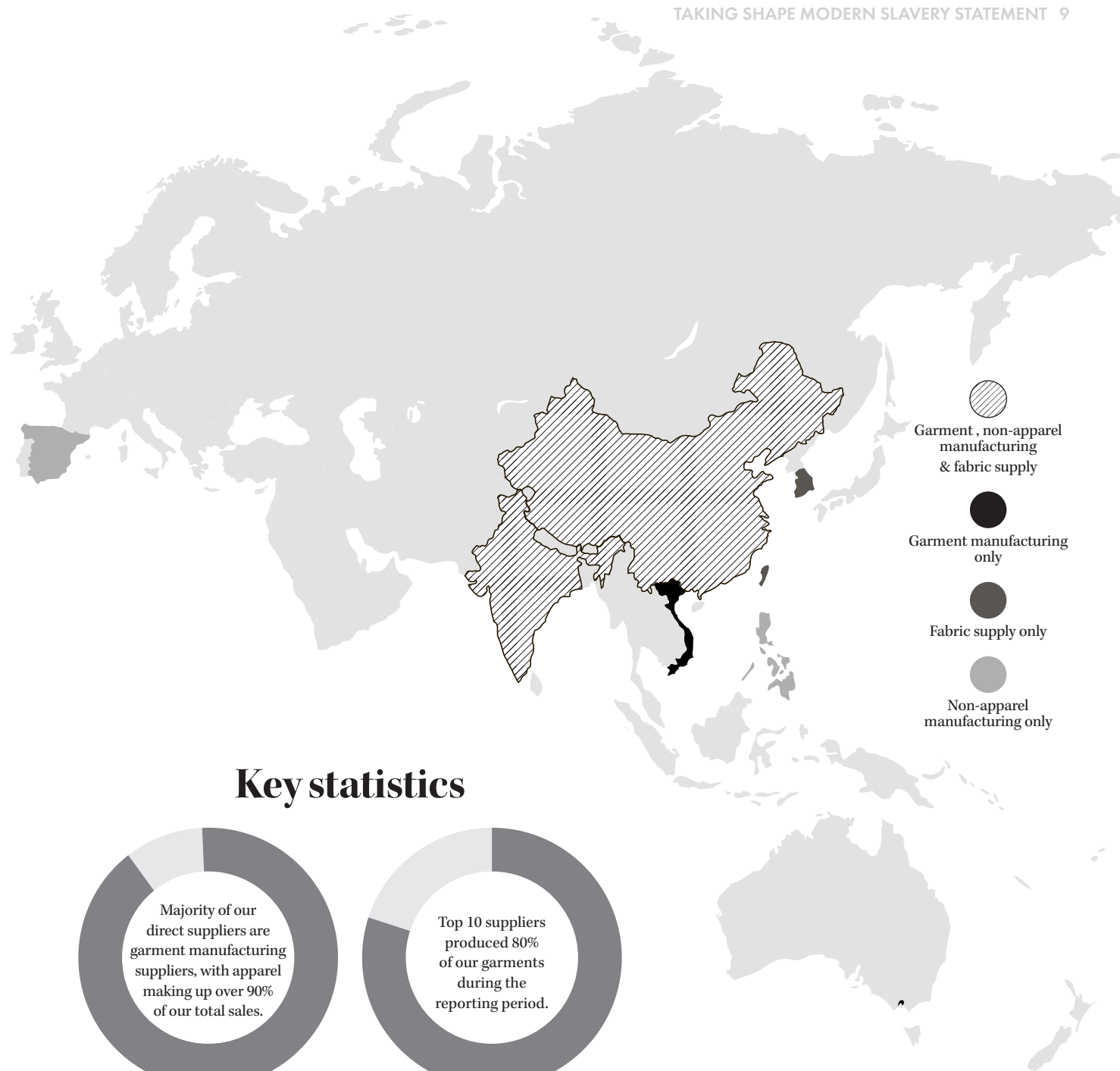
Taking Shape currently work with 70 suppliers across manufacturing, fabrics and specialty product. Our primary group of suppliers equates to approximately 70% of our product. The other 30% is made up of specialty suppliers through apparel and non apparel.

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.

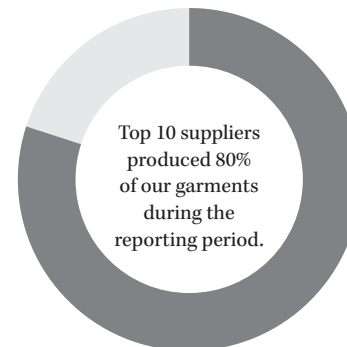
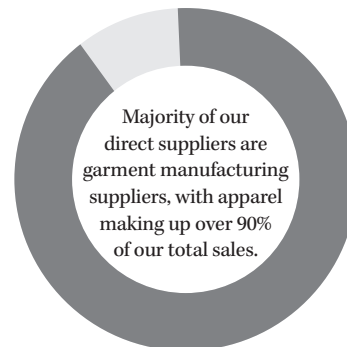
We have been working with the bulk of our suppliers for a very long time and have loyal and strong relationships with all our key suppliers. However, there are certain suppliers from whom we procure specialty products (e.g. lingerie, swimwear, knitwear) and our work with them can be sporadic or seasonal. We have also been expanding our product categories in the past 24 months in the non-apparel space, which has necessitated creating new supplier relationships.

Other key suppliers to the business are our fabric suppliers. We pride ourselves on fabric quality and innovation (e.g. our organic bamboo fabric has been a key feature of our past two seasons) and we work closely with our suppliers on these innovative fabrics and how they can be worked into our future ranges.



-  Garment , non-apparel manufacturing & fabric supply
-  Garment manufacturing only
-  Fabric supply only
-  Non-apparel manufacturing only

Key statistics



The background image shows a textile factory with rows of spinning machines. Large spools of white thread are visible on the left side. The machines are complex, with many spindles and bobbins. The name 'FUKUHARA' is visible on the side of one of the machines in the foreground.

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

Continued to roll out our existing Social Compliance Audit and Screening Process with our key suppliers. This involved:

- key 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

Undertaken a high level thematic review and scoping exercise of our operations and supply chains to identify general areas of modern slavery risks.

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

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.		

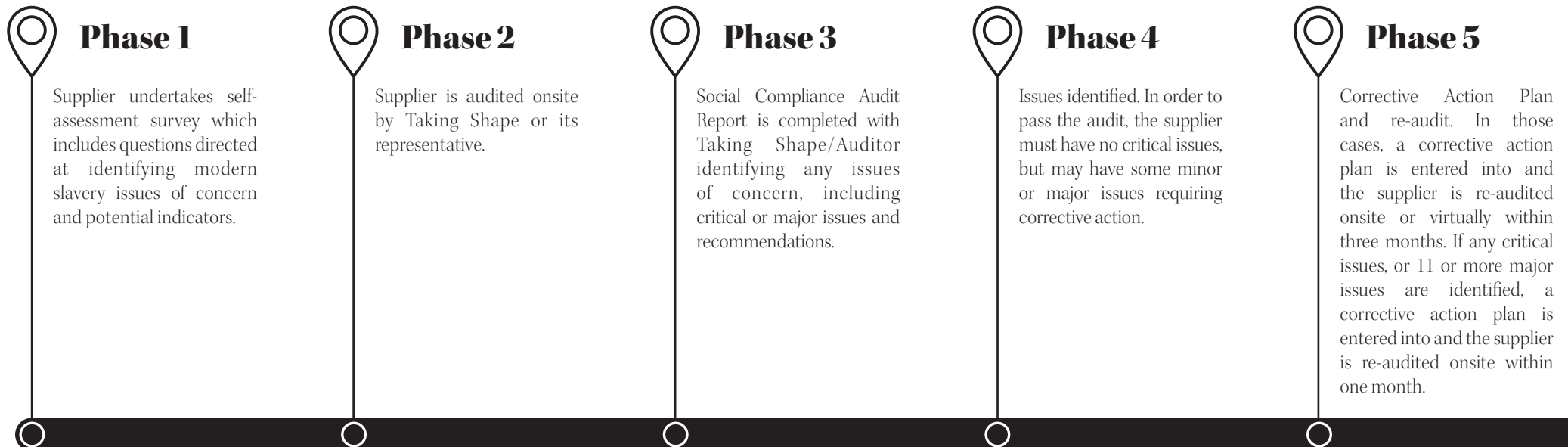
Our actions

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 company's inception.

As is our annual practice, members of our senior leadership team (including our Owner, Managing Director, Head of Product & Design & Head of Production) have conducted several site visits to conduct audits as part of our Social Compliance Audit and Screening Process.

In October 2019, Taking Shape's Owner & Head of Production conducted on-site factory visits in China & Vietnam.

In January 2020, Taking Shape's Design team conducted on-site factory visits with garment suppliers in India.

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

For the relevant reporting year (financial year ending 30 June 2020) 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.



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:

This case study illustrates how our Social Compliance Audit and Screening Process works in reality to identify potential issues and promptly address them with a clear remediation framework.

Working with our garment suppliers to reduce risk:

While we are aware that textiles and garment manufacturing are a potentially high risk industry, one major benefit of our longstanding relationships with key suppliers is that we have open channels of communication. As a result we can raise concerns with the confidence that they will be promptly resolved.

As part of our yearly Supplier Survey and audit of 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.

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 scheduled for next year.

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.

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

A photograph of a busy garment factory. In the foreground, a woman in a red shirt and a blue face mask is focused on sewing a piece of red fabric on a modern industrial sewing machine. The machine has a digital display and is labeled 'SunSiv'. Behind her, the factory floor is filled with rows of similar sewing machines and workers. Many workers are wearing face masks. Large stacks of red fabric are piled up on the machines and on the floor. The background shows more workers and the industrial structure of the factory, including metal frames and overhead lights. The overall atmosphere is one of active production.

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.

Goal	KPI
<p>1. Implement a clear internal anti-slavery framework and policy which outlines our approach and expectations in relation to ethical sourcing and the prevention of worker exploitation;</p>	<p>1. Implementation of our Anti-slavery Policy;</p>
<p>2. Roll out specific modern slavery staff training 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>2. The number of Taking Shape staff who have completed modern slavery staff training;</p>
<p>3. Establish a working group of key stakeholders across our business which will create a framework for our governance, assign roles and responsibilities and monitor the progress of our compliance roadmap;</p>	<p>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</p>
<p>4. Expand our Compliance Audit and Screening Process to some of our key non-apparel suppliers, in a targeted and risk based way.</p>	<p>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.</p>

Covid-19 impact

The COVID-19 pandemic has been an uncertain and challenging time for people and organisations globally.

The retail industry and Taking Shape are no exception. Forced Government lockdowns, including the longest global lockdown in the State of Victoria where we are headquartered has meant that some of our physical stores and concession stores have been required to shut.

We were forced to stand down 700 of our employees at the end of March 2020 across all stores in Australia and in our Retail Support Centre, apart from a critical response team and employees involved in online fulfilment, as a result of these store closures. We have diverted as many resources as possible to manage what was an ever-changing situation. From mid-May 2020, we started to bring back team members who had been stood down.

Our priority during this time has been to keep our people and the wider public safe and to work together with our customers and suppliers on surviving the challenges of the global pandemic.

As a result we have not been able to undertake some of our planned activities to address modern slavery risks. In particular we are disappointed that:

- we were unable to conduct some of our planned factory site visits and factory audits which would require our team members to travel as part of our standard Social Compliance Audit and Screening Process. In some cases, audits were undertaken by trusted third parties on our behalf where possible (including in China and Vietnam) and meetings with suppliers were transitioned to video conferences;
- we were unable to roll out modern slavery training at our annual national store manager conference, which was cancelled; and
- due to a business restructure in May 2020 we had reduced personnel in our Design and Production teams. This meant that we had fewer resources available to ensure the adequate completion of the modern slavery risk mitigation procedures.

We remain committed to continuously improving and undertaking these activities as soon as we are able to safely resume them.

We also recognise that the impact of the COVID-19 pandemic has sadly disproportionately affected those who are marginalised, impoverished or vulnerable. While we do not yet know the full long term impacts that COVID-19 has had on the global economy, we acknowledge that with the contraction of supply lines and government lockdowns there is increased vulnerability and possible new risks of modern slavery.

With this in mind, we have been conscious of staying on top of our payments to suppliers, even while our stores were shut and re-opening was uncertain. This was particularly so in relation to our smaller suppliers who are less self-sufficient.

We will continue to be vigilant and aware of the modern slavery risks the COVID-19 pandemic may pose in our operations and supply chains.



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