

A woman with long brown hair, wearing a blue and white checkered dress, is sitting on a wooden chair outdoors. She is smiling and looking to her right. The background is a dense wall of green leaves and pink flowers. A purple bag is on the chair next to her. The text 'taking shape' is overlaid in a white serif font.

taking shape

Modern Slavery Statement

Reporting Period: 1 July 2021 - 30 June 2022

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A woman with blonde hair, wearing a black sleeveless top, is looking at a color swatch book in a textile workshop. The background is filled with various fabrics, including a large piece of pink fabric with a black pattern and a colorful patterned fabric. A pink measuring tape is visible on the table in front of her.

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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.

In everything we do, our customers are at the heart of our decisions. We also know our customers care deeply about responsible and ethical sourcing – 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.

In the submission of our third Modern Slavery Statement, Taking Shape continues to support the Australian Government objectives under the Modern Slavery Act 2018 and is committed to complying with and embracing these important laws and providing openness and transparency around the steps we are taking.

In this Statement, we are pleased to report on the progress Taking Shape has made despite the continued challenges presented by COVID-19 including significant store closures and on-going travel restrictions. We have made significant inroads on a number of our key performance indicators set out in our last statement. In particular:

- Continue to expand Taking Shape's in-person presence in India, a fast growing sourcing market for us – now representing over 10% of our manufacturing program.
- Introduced Modern Slavery as a permanent agenda item for all our Area Manager meetings and store manager conferences – ensuring frequent and on-going updates, training and awareness.
- Formation of our inaugural Governance and Ethics Working Group – responsible for establishing a formal framework for our governance and accountable for progress of our compliance roadmap.
- Engagement of external consultant to facilitate our first Ethical Sourcing Risk Workshop and advise on follow up action items.

As we now emerge from the impacts of COVID-19, our focus and attention can move to the key activities for the coming year, most notably the follow up items as a result of our Ethical Sourcing Risk Workshop held earlier this year, highlighting the critical areas of focus in Taking Shape's 3-year Responsible Sourcing action plan.

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 21.



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 149 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 **36 years**.

149

stores across Australia and New Zealand with **88** Boutiques, **50** MYER Concession stores, **11** clearance stores and online.

*As at 19 December 2022

COVID-19 Lockdown – Store closures

Our operations were significantly impacted during the first half of the financial year due to the various snap and long-term lockdowns affecting Australia and New Zealand, with up to 40% of stores closed throughout July 2021 to November 2021.

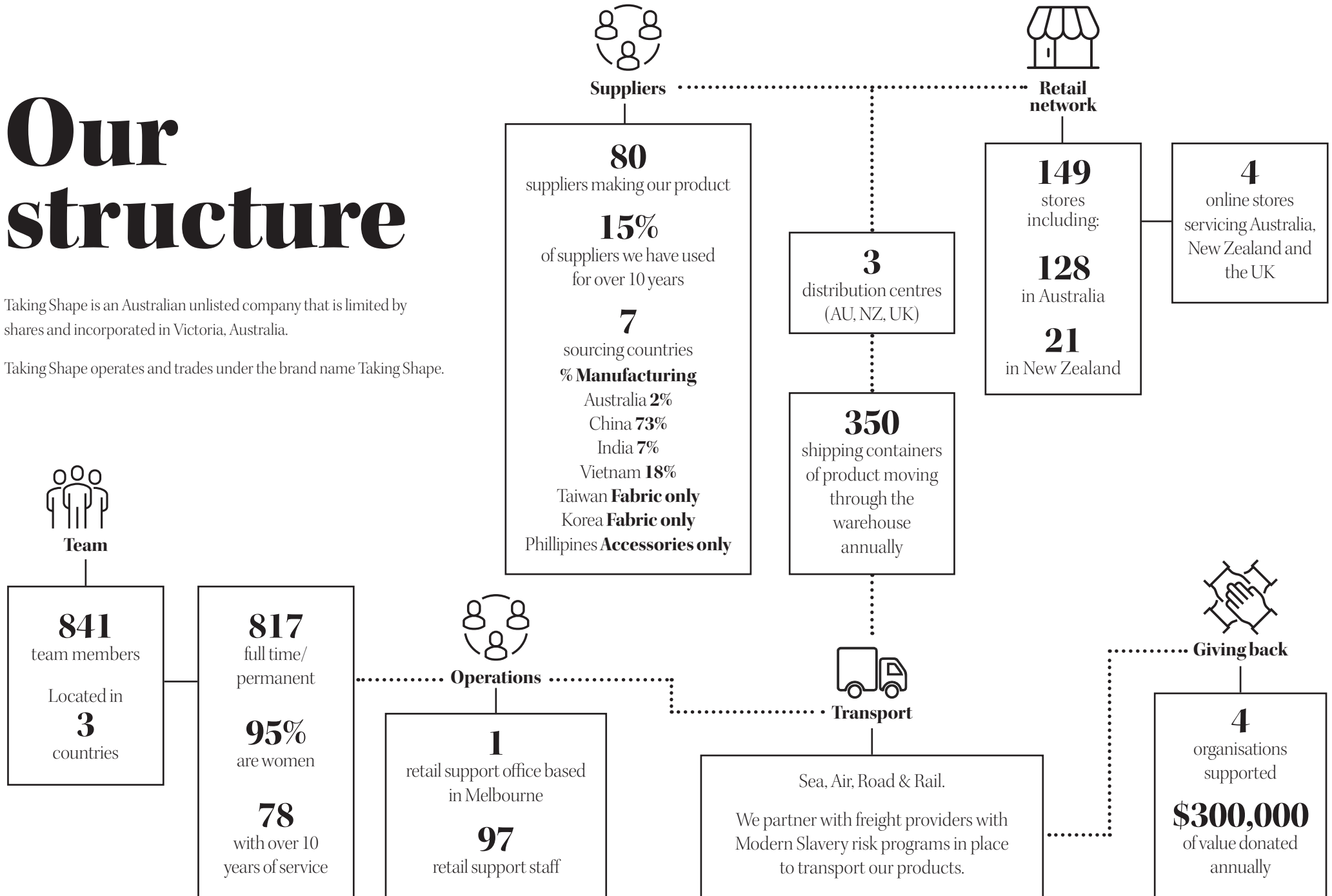
Our structure, operations & supply chains



Our structure

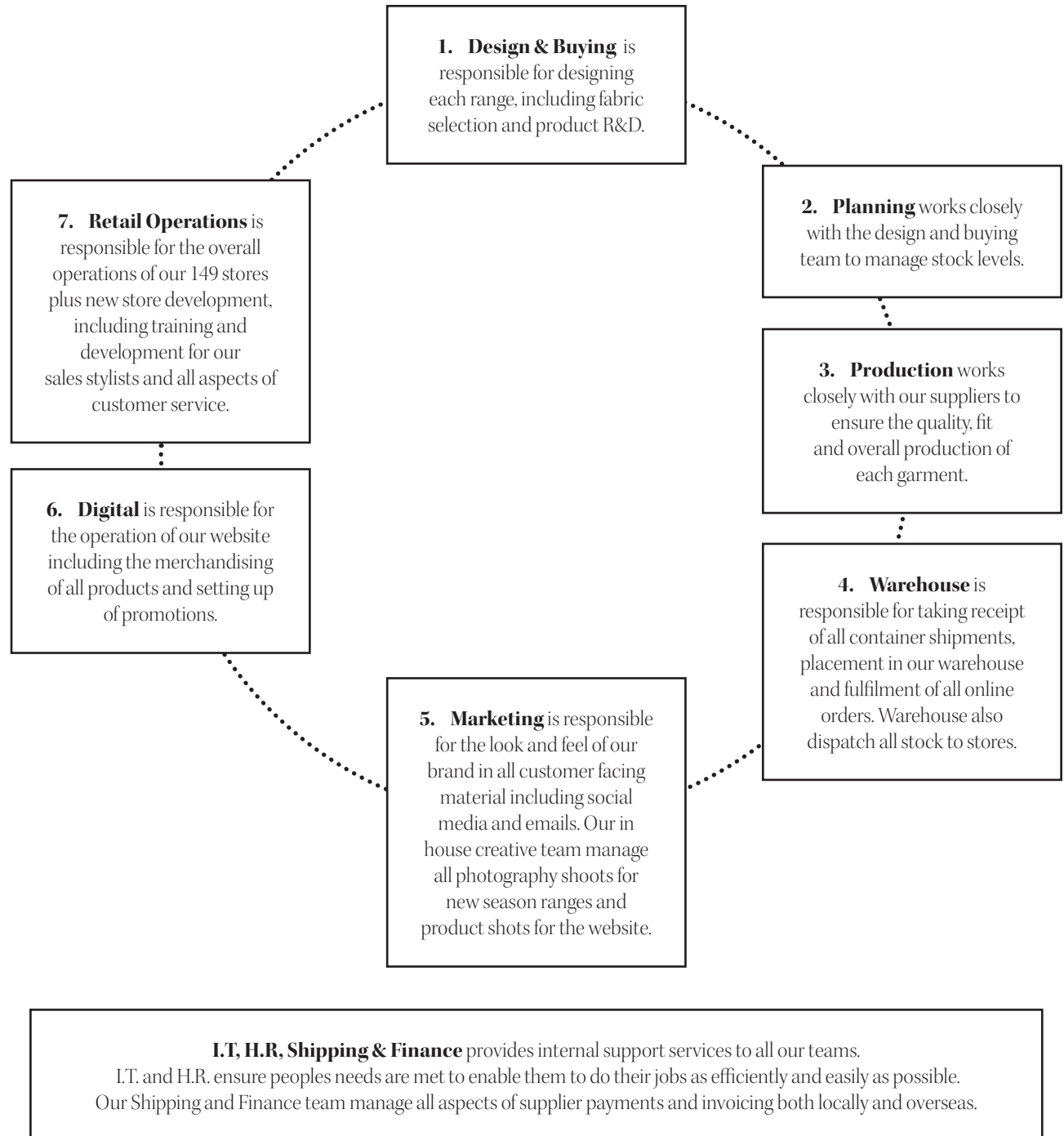
Taking Shape is an Australian unlisted company that is limited by shares and incorporated in Victoria, Australia.

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



Our operations

Our Retail Support Centre undertakes the following activities:



Supply chains

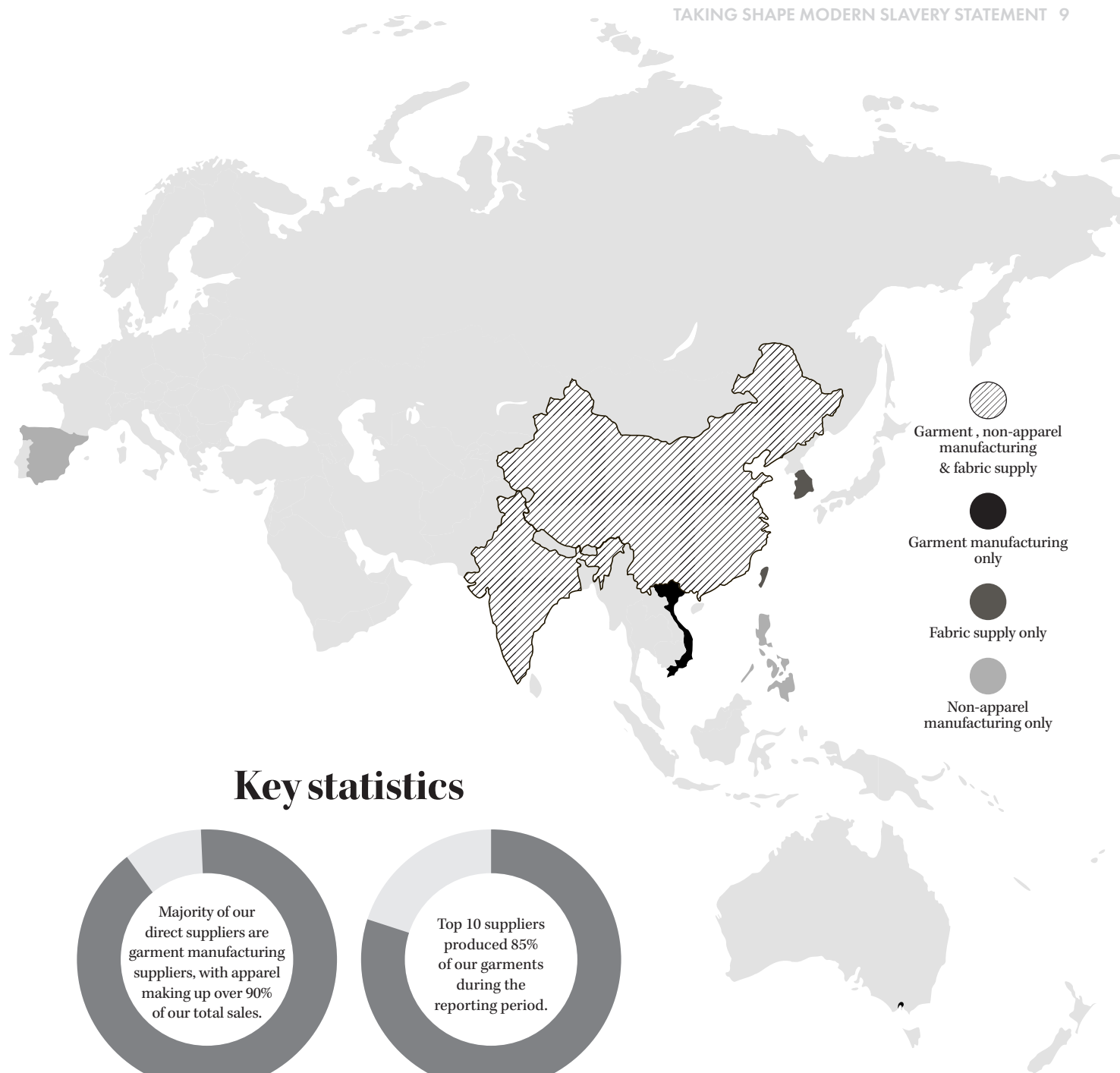
Taking Shape currently works with 80 suppliers across manufacturing, fabrics and specialty product. 70% of our product comes from a core group of six suppliers. The other 30% is made up of specialty suppliers through apparel and non apparel.




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 well 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.

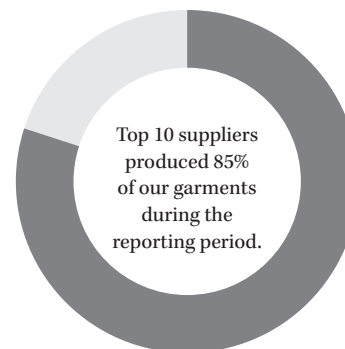
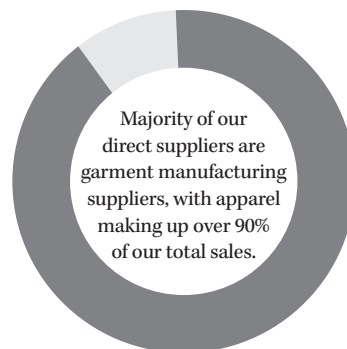
We have been working with the bulk of our suppliers for a very long time and have loyal and strong relationships with all our key suppliers. However, there are certain suppliers from whom we procure specialty products (e.g. lingerie, swimwear, knitwear) and our work with them can be sporadic or seasonal.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

At Taking Shape, fabric is the foundation of our designs. The team are constantly innovating and working towards more sustainable processes with use organic and recycled materials. This year, we introduced shopping bags made from recycled plastic, which are strong, durable and also recyclable.



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

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. We have focused our attention on mitigating Modern Slavery where we believe the risk is greatest.

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). Note for the past twelve months we have up to date survey information for 100% of our apparel suppliers.
- All new 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.



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 Three Update:

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

- **Operational Risks:** we continue to openly and frequently provide all staff members with regular Modern Slavery updates and awareness training – ensuring this issue is front and centre and thoroughly considered by all at Taking Shape.
- **Supply Chain Risks:** all key sourcing and procurement stakeholders took part in our inaugural Ethical Sourcing Risk workshop during the year, resulting in the production of a three-year action plan. A key area of focus for the next year will be assessing and dealing with the risks associated with cotton sourcing and un-authorised sub-contracting. The team is taking immediate action in mitigating these identified key risks throughout FY2023.
- **Product and services:** as highlighted above, cotton sourcing is a key focus for our design and production team this year – with the goal of developing a position statement and risk mitigation plan by end FY2023.
- **Geographic Risks:** we have continued to expand our team in India – increasing from one person to a six-person team throughout FY2022 – helping to manage and on-board an increasing supplier base in this region (production in India has grown from 2% of all product to over 10% in the past three years).

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

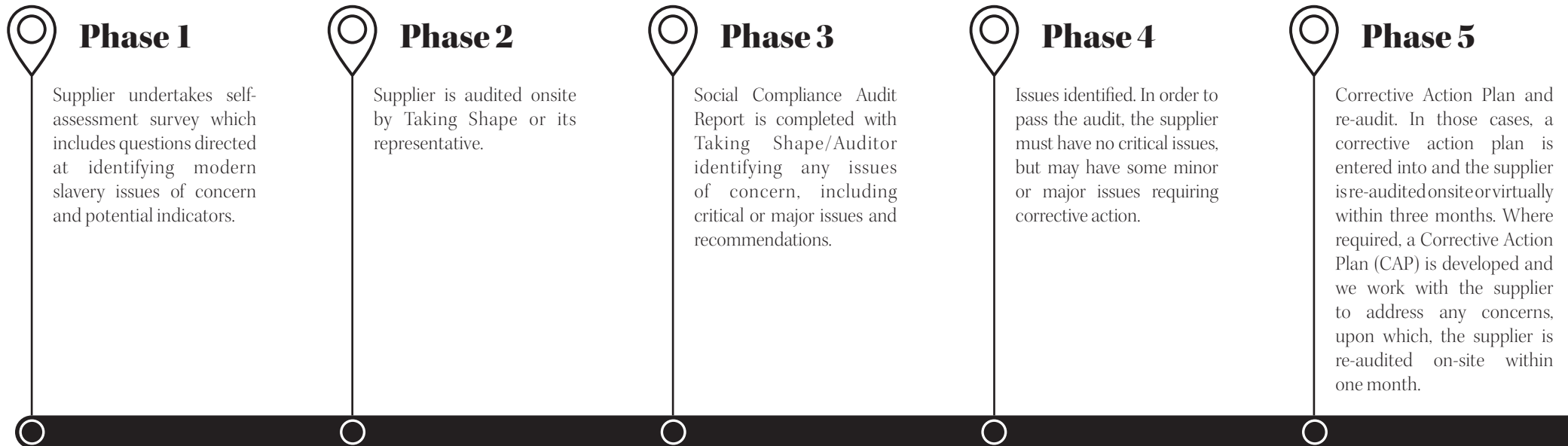
We have taken steps during this reporting period to assess and address the risks in our operations and supply chains, and the existing policies and processes we have in place that can be used to facilitate further risk assessment, prevention and mitigation.

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 three years. During this time, we have implemented weekly virtual meetings and check ins with all of our key suppliers.

Pleasingly, we were able to re-commence face to face travel to India in 2022 and completed two trips to meet with all our suppliers and local team.

Our local team in India expanded to a six-person team in 2022 - bolstering our eyes and ears on the ground in this very important market.

During the past 12 months, we on-boarded six new Indian suppliers with our local team undertaking all initial site visits, audits and follow up actions. Having a face to face interaction has reduced the on-boarding time dramatically whilst increasing our comfort in the quality of the compliance documentation from the supplier.

We continue to rely in our third party audit partners in China given the ongoing travel restrictions. Our audit and QC partner has visited all factories where we have placed orders in the past 12 months - thereby also ensuring no unauthorized subcontracting and maintaining up to date and accurate audit and compliance records for 100% of our apparel 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 one or more major issues are identified, a corrective action plan is entered into and the supplier is re-audited onsite within one month.



Case study 2022

On-boarding New Suppliers

As described in our 2021 case study, we first employed a company representative in India during FY2021 in order to help Taking Shape grow our India production with confidence that all suppliers, existing and new, meet our compliance standards.

In the past 12 months, we have grown the team in India to six which has helped us manage the increasing production in this region – growing from 2% to 10% of total volume in only three years.

Throughout FY2022, the Indian team have on-boarded six new suppliers – ensuring full compliance from the start of the new relationship. Commencing with full site inspection, the team then review any existing audit results or arrange for a new one audit through our third party audit representatives. By having a larger team on the ground we have managed the growth in production output in a manageable and compliant manner.

The following describes an interesting example which demonstrates how factory compliance is a continuous improvement process and not one which is a set and forget activity.

This example describes one of our existing suppliers who was initially very wary and hesitant of our new company representatives when we first established our India office in FY2021.

Previously, we had found it very difficult to communicate with this supplier and obtain timely and accurate information. Once we established our team on the ground they commenced site visits for all existing suppliers very early on. This supplier was very hesitant to allow our team to visit their factory as they were worried about their compliance standards and therefore nervous to lose our business. Over the course of the past 12-18 months, the team have worked incredibly closely with this supplier to assess and review the compliance shortfalls, working through each issue one by one, increasing compliance and factory standards in a realistic and steady pace.

The relationship with this supplier has gone from strength to strength this year under this new collaborative partnership and the improvements in the factory's standards have also had commercial benefits.

Our team were able to work closely with this supplier and improve their confidence on what it means to be compliant – that this is a continuous improvement process and not something which can be fixed overnight and then set aside.

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.

Year Three Update:

A key action from our Risk Assessment work throughout the year is to build a more formalised governance framework including our supplier documentation. A critical task which forms part of the action plan in 2023 will be to review and re-write our Code of Conduct and sourcing policies in order to better articulate our expectations to our suppliers and consequences for any inaction or breaches.

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 meet all legal requirements
- ✓ 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

Future Actions

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 third 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 roadmap goals out in our last statement.

Goal	FY22 Progress	Future Commitment
<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>The past year has seen the business increase efforts to formalise the governance framework within which we manage the risks of modern slavery in the business. The business has completed a thorough review of our existing supplier documentation and sourcing policies with a robust action plan in place for the next 12 months to overhaul our supplier compliance and internal policy documentation.</p>	<p>A complete overhaul of our supplier documentation including a review and re-write of our Supplier Code of Conduct is scheduled in 2023 along with the development of a new suite of sourcing policy documents.</p> <p>Another key action to commence in the next 12 months is the formulation of Tiers of Manufacture as they relate to Taking Shape. We will then commence the implementation of a software platform which will enable the business to record and manage all documentation for each supplier within each Tier, enabling the record and measurement of traceability across all stages of production. The platform we intend to implement is called "Our Supply Chain" (OSC) and has been custom built with Modern Slavery and Traceability compliance in mind – the platform will house all necessary compliance documentation for each supplier such as signed Code of Conduct, audit reports, correction action plans and relevant certifications.</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>We have maintained consistent communication of all Modern Slavery activity to all our store teams via our Area Managers with updates provided every 6 months. At head office, awareness and communication is curated depending on each person's role and responsibility – with those responsible for sourcing and buying decisions deeply involved in our risk assessment workshops held during the year.</p>	<p>We commit to maintaining the focus on this important issue for our store teams and develop a specific training module for our team manager development courses.</p> <p>For our head office, we have mapped out internal training for these team members in year two of our action plan with our immediate focus on continuing to solidify understanding and awareness for our key sourcing and buying personnel.</p>

Future Actions continued

Goal	FY22 Progress	Future Commitment
<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>Taking Shape formally established our Governance and Ethics Working Group in early 2022 with two meetings held and the completion of our first Ethical Sourcing Risk Workshop. We have engaged an independent consultant to guide and advice Taking Shape on all our Modern Slavery and Ethical Sourcing compliance and risk assessments. Together, we have developed a 3-year Action Plan which sets out clear and realistic goals for the business. These actions have been built as a direct result from the outcomes and insights from the risk assessment workshop</p>	<p>This working group will oversee an important body of work for the next 12 months including formalising a more robust governance framework starting with re-writing our supplier code of conduct and implementing formal sourcing policies including grievance mechanisms for suppliers found in breach of our code.</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>We have successfully on-boarded 6 new suppliers in India this year as a result of our expanded team in our India office. Ordinarily it takes 6-12 months to successfully on-board a new supplier remotely, but by having a local team working face to face with these new factories has not only shortened the on-boarding process but has improved the quality of the on-boarding and audit process.</p>	<p>We commit to ensuring all our production across apparel and non-apparel is captured in our Tiers of Manufacture model managed by our OSC software program.</p>

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

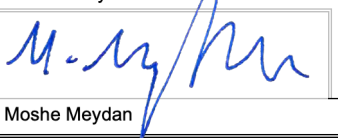
TS14 Plus Australia Pty Ltd (ACN101 752 998) as trustee for Vestito Unit Trust, trading as Taking Shape
as defined by the <i>Modern Slavery Act 2018</i> (Cth)' ("the Act") on 31/01/2022

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
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as defined by the Act²:


Moshe Meydan
Chairman of the Board

Date 31/01/2022

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.	21 (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 supplychains 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- 17
e) Describe how the reporting entity assesses the effectiveness of these actions.	16, 18-20
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)



taking shape