S.OLIVER GROUP Donates to former Jaba Garmindo Workers



In 2019, four years after the bankruptcy of the garment factory Jaba Garmindo in 2015, the Fair Labor Association (FLA) informed the s.Oliver Group that it was initiating a third party complaint investigation in response to a complaint from the Clean Clothes Campaign (CCC) and other parties. Similar to the earlier result of a mediation conducted by the German Federal Ministry for Economic Cooperation and Development (BMZ), the third party investigation concluded in 2021 that the S.OLIVER GROUP has not contributed to the bankruptcy of the Jaba Garmindo factory through its sourcing activities, but remained to act as a responsible business partner during its business relationship with Jaba Garmindo.

- According to the FLA report, the reason for the bankruptcy was financial mismanagement, including irregular and irresponsible credit use;
- The S.OLIVER GROUP continued its business relationship until the factory closure in 2015, although being aware of financial difficulties that the factory was experiencing;
- The S.OLIVER GROUP was not a dominant buyer of the factory;
- The S.OLIVER GROUP handled all ordering and payment;

Nevertheless, the investigation also concluded that brands that had sourced from Jaba Garmindo should – even in the absence of a legal obligation – provide some financial relief to the former Jaba Garmindo workers, as such action would be of huge benefit to them.

The S.OLIVER GROUP recognizes the general responsibility towards everyone working in its value chain and is looking back on long and successful partnerships with Indonesian production companies and their workforce. Indonesia is and in the future will be a market of great strategic importance to the Group. That is why the company has been in close contact with the Fair Labor Association and Fair Wear Foundation (FWF) to discuss the process and engagement with former workers of the Jaba Garmindo factory.

In February 2023, with the operative support from Fair Wear Foundation and the Indonesian organisation Trade Union Rights Centre (TURC), the S.OLIVER GROUP agreed to distribute a donation to the former workers of Jaba Garmindo. This one-time donation aims to contribute at least partly to some relief towards the needs of the

former Jaba Garmindo workers and supports giving a perspective to those affected by the closedown of the factory.

The S.OLIVER GROUP thanks all involved parties for their support and active engagement in this process. The full FLA report can be accessed <u>here</u>.

COMPANY INFORMATION

Since 1969, the S.OLIVER GROUP has developed into a multilabel company. In addition to the brands s.Oliver and QS, the brand portfolio also includes comma, LIEBESKIND BERLIN and COPENHAGEN STUDIOS. The Group employs around 5,100 people internationally.

In case of questions please contact:

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