NEW YORKER Group-Services International GmbH & Co. KG

What happens to products we can no longer sell?

Our 2025 disclosure report under the EU Ecodesign Regulation (ESPR, Art. 24)

Reporting Year: 2025
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Department: Product Compliance - NEW YORKER
Confidentiality: Website version

As an international fashion company, we take our product responsibility seriously, even when items never make it to our customers. Here you will find out which products we took off sale in 2025, where they went, and what we are doing to keep building our transparency and documentation.

Through demand oriented planning and targeted control of our stock, even the last garment is put to a sensible use. Quantities are planned and distributed so that as little stock as possible remains unsold. Our goal is to keep leftover quantities as low as possible from the outset.

Items that are not sold through regular channels are first marked down in our stores. Beyond that, we donate products. Only once all of these options have been exhausted does further meaningful recovery of the textiles come into play.

One key structural difference from pure online retailers: since we do not operate an online business, we avoid the high return volume typical of online retail. There, often 30 to 50 percent of ordered goods are sent back, while the return rate in brick and mortar retail is around 5 to 10 percent. In the fashion industry, returns from online orders are often processed centrally in logistics centers, where putting them back into the assortment is frequently no longer economically worthwhile, causing a disproportionate share of that stock to end up destroyed. Since our products reach customers exclusively through physical stores, nearly every item passes through the same multi stage recovery process from the outset, namely markdown in stores and donation, rather than ending up in a separate returns channel with a higher risk of destruction.

Why do unsaleable products exist?

Sometimes products come back from our stores that can no longer be sold - for example due to material defects, broken buttons or stains. Our purchasing team in Braunschweig also generates offcuts: pattern pieces, fabric samples and quality test items from product development. We call these items internally **write-offs**. Importantly: a write-off is first and foremost an accounting event - it does not automatically mean that the goods were handed over to a waste disposal company.

For the financial year 2025, EU law requires us to publicly disclose what happens to these products. That's what we're doing here - transparently, including the areas where we are still building our documentation.

2025 at a glance

📦	**563,617 units** **= approx. 20 items per month per store**	Total goods recorded as zero-value write-offs **donations, textile recycling**
⚖️	**116,366 kg** **= approx. 3 kg per month per store**	Total weight of store write-offs (from product master data, fully evidenced)
♻️	**26,508 kg**	Evidenced handover to local recycler - 5 documented events at the Braunschweig site
📋	**No separately recorded destructions**	Per current internal classification; handovers classified as reuse or recycling

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Where does this stock come from?

From our stores: Returns that can no longer be refurbished, or items with irreparable defects, are sent to Braunschweig. There we hand them over centrally to our local recycler - this is our evidenced core process.

From our purchasing team in Braunschweig: Cutting patterns, offcuts, quality samples and test fabrics arise from our normal product development process. All of these go to the recycler too.

Beyond this, our stores operate various local processes depending on country and region: some pass on items to local organisations, use in-centre collection points, or work with external service providers. These processes are not yet fully captured for 2025. We are systematically building out our documentation from the second half of 2026.

The most common reasons

Reason	Units 2025	Share
Material defect	212,209	37.6%
Other reasons	91,648	16.2%
Defective fastener/button	138,934	24.6%
Stained/soiled	57,504	9.8%
Manufacturing defect	33,027	5.8%
Marketing allocation	4,127	0.7%
Expenses	13,263	2.3%
Faded	6,885	1.2%
Workwear	4,122	0.6%
Staff allocation	1,898	0.3%

Where in the world do write-offs occur most?

Country	Units 2025	Share
Germany	152,787	27.1%
Poland	55,132	10.2%
France	31,790	5.6%
Czech Republic	25,581	4.5%
Austria	31,283	5.5%
Romania	18,481	3.3%
Netherlands	26,129	4.6%
Slowakia	20,975	3.7%
Sweden	21,805	3.9%

Table 2: Germany is our largest market with 152,787 units.

What happens to the stock at the recycler?

We work in collaboration with local recyclers. In 2025 we handed over 26,508 kg to these recyclers - split into two categories:

Category	Utilisation	Legal Basis	kg	Share
Cat. A - Reuse	Preparation for reuse	Art. 24 ESPR, preferred	10,377	39%
Cat. B - Recycling	Raw material recycling	Not classified as destruction event	16,131	61%
TOTAL			**26,508 kg**	**100%**

Table 3: 39% reuse (Cat. A), 61% raw material recycling (Cat. B). Based on current internal classification, no separate destruction events were recorded.

For 2025 we do not yet have full documentation on the onward destination of goods at the recycler. We have now contractually required the recycler to provide proof of the goods' further use going forward.

What are we doing to keep improving?

We are continuously developing our documentation. Here is what we are actively working on:

#	Measure	Status / Target Date
1	Agreement with local recycler strengthened: proof-of-use obligations for goods received contractually anchored.	Implemented
2	Extended documentation from H2 2026: recording of reason, volume and final destination for all write-offs - including local store processes (donations, disposal, external service providers). Clear separation of write-off reason and documented follow-up process.	From 01 Aug 2026
3	Direct recycler pilot: evaluating direct collection from stores to simplify the process and improve documentation. Pilot results Q4 2026.	Q4 2026
4	Standardised evidence: introduction of uniform documentation for recycling, disposal and donations - as basis for future reports and audits.	From H2 2026

All information has been prepared to the best of our knowledge. Estimates are marked as such. Where our documentation is still being built out, we say so openly - as part of our continuous improvement process.