



BUILDING A SUSTAINABLE WORLD

SUSTAINABILITY REPORT 2022





TABLE OF CONTENTS

BUILDING A SUSTAINABLE WORLD	03	PROSPERITY: ECONOMIC	55	GRI INDEX	72
Letter from our CEO		Economic Impacts 2022			
Our Corporate Profile		Enhancing Economic Returns		UNGC COP	78
Targets 2025					
Our Strategy		SUPPLY CHAIN	59	SDGs INDEX	79
Governance & Sustainability Management		FUTURE OUTLOOK	62		
Sustainable Development Goals		ABOUT THE REPORT	63		
PLANET: ENVIRONMENT	17	STAKEHOLDERS' ENGAGEMENT & MATERIALITY	65		
Environmental Impacts 2022		OUR MANAGEMENT APPROACH	69		
Climate Change		MEMBERSHIPS & CERTIFICATIONS	71		
Water Stewardship					
Sustainable & Traceable Materials					
Waste and Circularity					
PEOPLE: SOCIAL	33				
People Impacts 2022					
Diverse, Engaged, and Inclusive Workforce					
Improve Well-being					
Transform Lives					

A scenic landscape of a mountain valley with a lake and forested slopes. The image features a large, calm lake in the foreground, reflecting the surrounding environment. The lake is bordered by dark, rocky shores. In the background, there are steep, forested mountains under a cloudy sky. The overall color palette is dominated by greens, blues, and greys, with a soft, atmospheric lighting.

BUILDING A SUSTAINABLE WORLD

We have been committed to be an agent of positive change since our inception. We are working hard to adapt to climate change, and have been tracking our emissions and reducing our carbon intensity since 2015. Under Vision 2025, we will be lowering our emissions in line with science based targets with the highest level of ambition. We will continue to lead by example through fair labor practices, promoting diversity, equity and inclusion, and creating opportunities in our communities.



LETTER FROM OUR CEO

One thing that remains consistent is our drive to measure and transparently report our impact. Looking ahead, we will continue to build on our progress and lead the industry in responsible manufacturing.



We have collectively experienced multiple disruptions, starting with the global pandemic in 2020 and now the economic slowdown in 2022. This year has also highlighted the impacts of climate change which have increased in intensity, ranging from droughts to wildfires. Pakistan is one of the most impacted countries by climate change as seen by the devastating floods that hit the country, causing widespread damage.

Living through such uncertainty requires resilience. At Interloop, we see these challenges as opportunities to create a better world. Together, Interloop and hundreds of its people pledged close to one million dollars for flood relief activities, continuing to live the Interloop values by giving back. Last year, we joined United Nation's RacetoZero, becoming one of the first companies in Pakistan to submit science-based emissions reduction targets. As we adopt cleaner technologies and reduce our energy requirements, we are also working on scaling our efforts industry wide. We became the founding member of Net Zero Pakistan - a national collaboration among private sector, public institutions, and sectoral experts to deliver the goal of net zero carbon for Pakistan by 2050.

We are also leading our industry by setting ambitious goals to promote diversity, equity and inclusion. By joining the Champions of Change Coalition, I have personally pledged to advance gender equity and a significant and sustainable increase in the representation of women in leadership. Interloop Board has a 15% gender ratio with a pledge to increase it to 33% and our Management Committee has 25% representation of women.

As we review the year, we missed a few of our targets while exceeding many others. One thing that remains consistent is our drive to measure and transparently report our impact. Looking ahead, we will continue to build on our progress and lead the industry in responsible manufacturing. In this report, we share our next five years' targets with a commitment to double down on our efforts to build a sustainable world for all our stakeholders.

Navid Fazil
CEO



COMPANY OVERVIEW



OUR CORPORATE PROFILE

Interloop Limited, headquartered in Pakistan, is a vertically integrated multi-category manufacturer of hosiery, denim, knitted apparel and seamless activewear products. Interloop's organization network is spread across six countries with manufacturing in Pakistan, Sri Lanka and China and sales and sourcing teams in USA, Netherlands, Japan and China. Interloop's operational excellence, quality products, diverse workforce and commitment to environmental and social responsibility has gained Interloop global recognition as a pioneer in responsible manufacturing and established it as a partner of choice for its customers.



MISSION

To be an agent of positive change for the stakeholders and community by pursuing an ethical and sustainable business

VISION 2025

To become a full family clothing partner of choice

CORE VALUES



INTEGRITY



CARE



ACCOUNTABILITY



RESPECT



EXCELLENCE

OUR BUSINESS CATEGORIES



OUR CUSTOMERS



*To read further about our capabilities, processes, production, and future capacity enhancements, refer to pages 14-18 of the Annual Report 2022.

PLANET

Leading the way in responsible manufacturing meeting the highest standards of environmental performance.

TARGETS 2025

REDUCE GHG EMISSIONS

25%



INCREASE USE OF SUSTAINABLE RAW MATERIALS

70%



REDUCE WATER CONSUMPTION

25%



DIVERT WASTE FROM LANDFILLS

100%



ZDHC (SUPPLIER TO ZERO)

100%

(Aspirational level compliant facilities)



ACHIEVEMENTS VS TARGETS 2022

IMPACT AREAS	GHG EMISSIONS (KG CO ₂ /KG)	WATER (Liters/KG)	SUSTAINABLE MATERIAL (% of total Material Procured)	SOLID WASTE (Diversion from Landfills)	CHEMICAL MANAGEMENT
TARGETS	-10%	-5%	55%	50%	ZDHC (Supplier to Zero) (Foundational level compliant facilities)
ACHIEVEMENTS	-1.35%	-2.80%	70%	50%	Achieved

PEOPLE

Building a diverse, inclusive, and engaged workforce creating a high-performing organization.

TARGETS 2025

INCREASE WORKFORCE
DIVERSITY

30%



BOOST EMPLOYEE
ENGAGEMENT

70%



TRAIN WORKFORCE ON RELEVANT AND
FUTURE COMPETENCIES

80%



ACHIEVEMENTS VS TARGETS 2022

IMPACT AREAS	TARGETS	ACHIEVEMENTS
DIVERSITY RATIO	10%	11%
EMPLOYEE ENGAGEMENT	65%	64%
WORKFORCE TRAINING	Events	101
	Hours	30,350
	*IDPs	86%

* Individual Development Plans

COMMUNITY

Creating inclusive and fair opportunities for community well-being.

TARGET 2025

INVEST IN COMMUNITY
WELL-BEING

4%

OF PROFIT



ACHIEVEMENT VS TARGET 2022

IMPACT AREA	TARGET	ACHIEVEMENT	INITIATIVES
INVEST %AGE OF PROFIT IN COMMUNITY WELL-BEING	4%	4%	<ul style="list-style-type: none"> Transforming lives of 4,300 less privileged children at 32 TCF schools through affordable, equitable, and quality education Improving well-being of 55,000+ patients through free healthcare Enabling 4,000 local talent from grassroots through sports events

PROSPERITY

ACHIEVEMENT VS TARGET 2022

IMPACT AREAS	TARGET	ACHIEVEMENT
DIRECT ECONOMIC VALUE GENERATED (USD IN MILLION)	446	482



OUR STRATEGY

Interloop's sustainability strategy is rooted in the company's mission and embraced by our teams ground up. Our company was built around sustainable practices from sourcing responsibly to reducing our resource consumption to taking care of our people and communities.

Our strategy and business actions are aligned with the United Nations Sustainable Development Goals. As a signatory to the UN Global Compact's Principles, we are also reporting on our progress as part of COP (communication on progress).

We have also aligned ourselves with global pledges and frameworks enabling a more structured approach to process improvement and standardization of reporting including SBTi, CDP, UN WEPS and more.

We are focused on effective management of our impacts in key sustainability areas, i.e., from sourcing responsibly to reducing our carbon footprint, from supporting labour & human rights to

ensuring wellbeing of our people and communities, and continuously growing our business while using our resources ethically. It is well integrated into our business planning, policies, processes, and practices.

Our newly launched five year environmental and social targets under our Vision 2025 manifest long-term strategic priorities for the company. We will continue to lead with purpose and take decisive action to help address global sustainability challenges. To read more about our work with SDGs, please refer to pages 13 and 14.

We are proud to be a globally recognized, value-led, sustainable supplier.

GOVERNANCE & SUSTAINABILITY MANAGEMENT

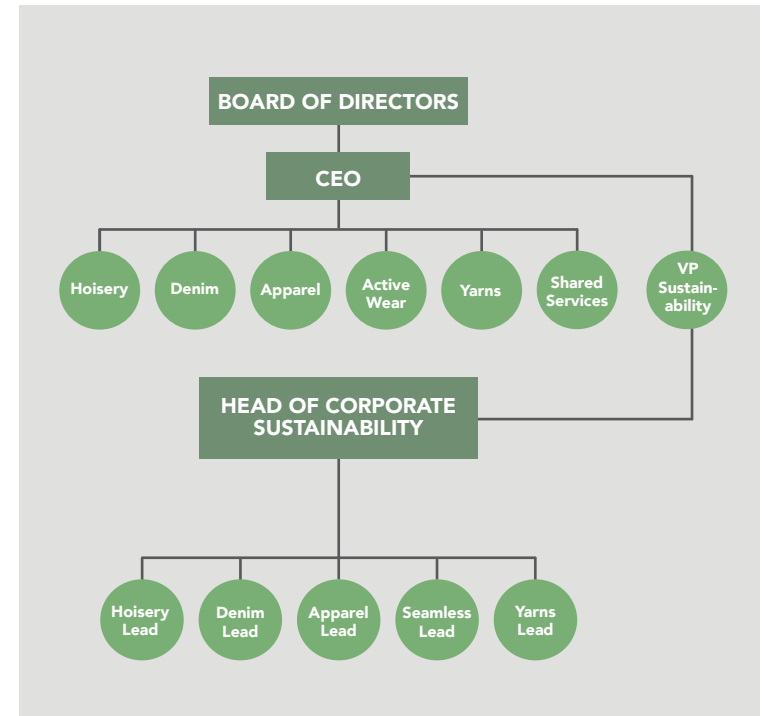
Our governance structure, code of conduct, and sustainability philosophy direct our approach to sustainable business practices. Sustainability is dealt with at the highest management level, reviewed by the CEO, and deliberated at Board meetings.

The Companies Act 2017, Code of Corporate Governance, Listing Regulations of the Pakistan Stock Exchange, and international best practices guide our governance structure. Our code of conduct is essential to our governance structure, driving ethical business practices, relations with our business partners, and our people behaviors.

The highest governing body at Interloop is the Board of Directors. The Board is elected every 3 years, with the last election held on October 15, 2020. The Chairman of the Board is elected from the Directors and different individuals hold the positions of Chairman and Chief Executive Officer. The Chairman is responsible for overseeing the performance of the Board while the Chief Executive Officer is responsible for day-to-day activities, in line with the mandate vested by the Board. The Board consists of 7 Directors; 2 executive and 5 non-executive directors. 2 are independent Directors and have no monetary relationship with Interloop Limited except the directorship fee paid to them for attending Board meetings. The Board has 6 male directors and 1 female director with diverse backgrounds in

engineering, finance, and other related fields. Further details about the Board can be found on pages 24 & 25 of the Annual Report 2022.

The Board has formed different Board committees, with proper delegation as per the Code of Corporate Governance requirements, including the Audit Committee, HR and Remuneration Committee, Nomination Committee, Risk Management Committee and ESG Committee. All committees have defined terms of reference with clear objectives and responsibilities and assist the Board in effective decision-making on relevant matters. The Chief Executive Officer directly overlooks the planning, execution, and monitoring of sustainability initiatives. Further details about Board Committees and Management Committee can be found on pages 26 & 27 of the Annual Report 2022.



ESG Management

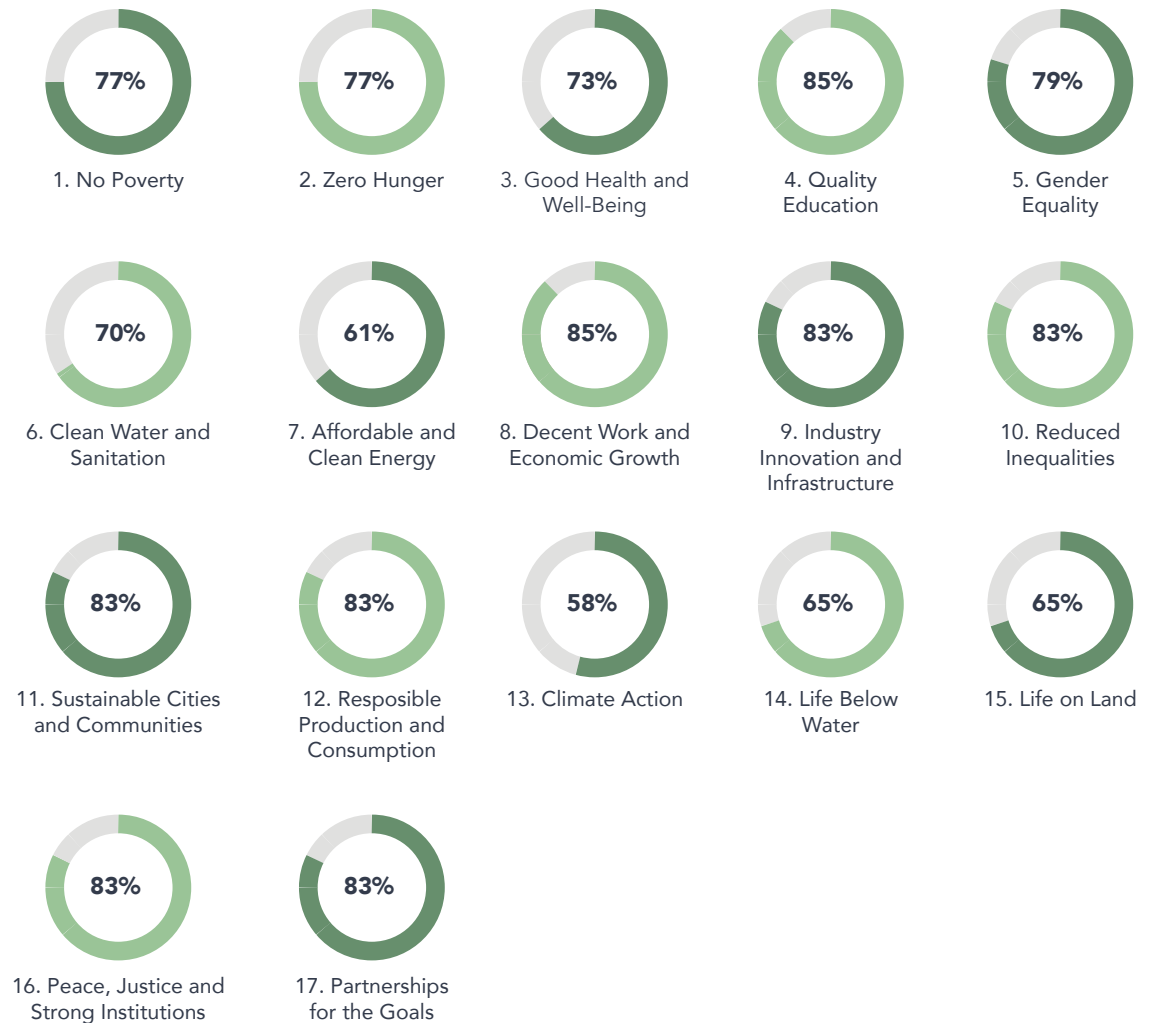
We established an ESG committee in 2022, to advise the Company Board on key environmental, social and governance issues relevant to Interloop’s business activities, and support it in maintaining its position as a global leader in ESG performance. The ESG committee is responsible to oversee the implementation of company’s ESG strategy and consider emerging ESG issues to understand their materiality with regard to Interloop’s long term value creation. The ESG committee is supported by the Corporate Sustainability team responsible for implementing sustainability initiatives and commitments and reporting out progress against key ESG metrics. The sustainability performance is reviewed quarterly at the business level, bi-annually at the corporate level, and deliberated annually at the Board level.

U.N. SUSTAINABLE DEVELOPMENT GOALS

We got our position and contribution towards UN SDGs evaluated through an independent international assessment survey. The baseline analysis will help us devise better strategies and develop more ambitious programs to support the SDGs.

Interloop undertook the SDGme assessment survey in 2022 to evaluate its contribution and position against all UN SDGs. The SDGme assessment survey and ambition baselines are grounded on a tool developed by Sustainability Advantage which is described as the 'Rosetta Stone' of sustainability assessments and is based on questions in B Lab's SDG Action Manager and the Future-Fit Business Baseline. The assessment tool uses performance and positive impact questions to evaluate the organization's position on SDGs. The performance questions assess an organization's approach to, and progress on, reducing/eliminating its harmful impacts on the environment, its employees, and society. The positive impact questions assess how the organization is being regenerative on an issue either directly or indirectly through its products, services, and donations that amplify others' positive impacts or help in causing less harm. These scores provide a baseline to compare with scores for future reporting periods to track the organization's progress.

Interloop's score on the 17 SDGs represents significant progress toward agenda 2030. We are committed to playing our part in solving global issues, further aligning our activities in line with SDGs, developing beneficial programs, and promoting sustainability practices in our supply chain to make a better contribution.



U.N. SUSTAINABLE DEVELOPMENT GOALS

We have aligned our strategy and business actions with the United Nations' Sustainable Development Goals.



1 NO POVERTY
 Improve Well-being
 Amazon's Benefits for Business & Workers Program
 Fair Trade
 Transform Lives



2 ZERO HUNGER
 Transform lives
 Enhancing Economic Returns



3 GOOD HEALTH AND WELL-BEING
 Climate & Energy
 Health & Safety
 Transform Lives



4 QUALITY EDUCATION
 Training & Development
 Transform Lives



5 GENDER EQUALITY
 Improve Well-being
 Women Empowerment
 Women on Wheels Program
 Champions of Change



6 CLEAN WATER AND SANITATION
 Water Stewardship
 Waste & Circularity



7 AFFORDABLE AND CLEAN ENERGY
 Climate & Energy



8 DECENT WORK AND ECONOMIC GROWTH
 Respecting & Promoting Human Rights
 Improving Well-being
 Women Empowerment
 Amazon's Benefits for Business & Workers Program
 Fair Trade



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
 Climate & Energy
 Health & Safety
 Transform Lives



10 REDUCED INEQUALITIES
 Improve Well-being
 Women Empowerment
 Women on Wheels Program
 Champions of Change



11 SUSTAINABLE CITIES AND COMMUNITIES
 Transform Lives



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
 Sustainable & Traceable Raw Materials
 Climate & Energy



13 CLIMATE ACTION
 Sustainable & Traceable Raw Materials
 Climate & Energy
 Supply Chain



14 LIFE BELOW WATER
 Waste & Circularity



15 LIFE ON LAND
 Waste & Circularity



16 PEACE, JUSTICE AND STRONG INSTITUTIONS
 Enhancing Economic Returns
 Health & Safety
 Respecting & Promoting Human Rights



17 PARTNERSHIPS FOR THE GOALS
 UNGC Participant
 Fashion Industry Charter Signatory
 Champions of Change



AWARDS & ACCOLADES

PEOPLE AWARD BY ADIDAS

Interloop Limited won the A&G Performance Award 2022 in the People Category during a video presentation at the adidas Brand Leadership Summit 2022. Adidas recognizes its global suppliers in six categories, including Manufacturing Excellence, Quality, Speed, Sustainability, Digital, and People.

UN GCNP SUSTAINABILITY AWARD

Interloop has been recognized for Living the Global Compact Principles and Championing UN's SDGs. Interloop was awarded the 1st prize in the Large National Enterprises category at The Global Compact Business Sustainability Awards 2021 held during the UN Leaders' Summit 2022, Global Compact Network Pakistan.

LEED GOLD CERTIFICATION

Interloop Hosiery Plant 5 was successfully commissioned with a record ramp-up of 1,200 knitting machines and received LEED GOLD certification from US Green Building Council.



OUR PLEDGES

SUSTAINABLE DEVELOPMENT GOALS



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the
UN Global Compact Office

BUSINESS AMBITION FOR 1.5°C  

 **TextileExchange**
Creating Material Change

**CHAMPIONS
OF CHANGE
COALITION** 

OC 

Global Climate Action
United Nations Climate Change 



PLANET

With FY22 as the baseline year, we committed ourselves to Science-Based Targets for emissions reduction across our value chain. We continually pursue innovative and low-impact practices through green buildings, and pursuing energy conservation initiatives across all businesses.

ENVIRONMENTAL IMPACTS 2022



*Energy Saved

8,782,791 kWh



Energy Used by Homes for One Year

784



GHG Emissions Avoided

25,158 TONS



Tree Seedlings Grown for 10 Years

415,990



Water Saved

134,720 m³



Daily Water Consumption (Based on 6 Member Family)

112,266 FAMILIES

*Overall impact has increased, however conservation and efficiency measures have resulted in saving in these areas



CLIMATE CHANGE

Our strategy for reducing emissions focuses on clean energy, including solar and biomass fuel, energy efficient equipment, and green building certifications.

OUR COMMITMENTS AND ACHIEVEMENTS

Climate change is ranked as one of the top risks as per the World Economic Forum Risks Report 2022. Changing weather patterns, droughts, intensive rains, and flooding around the world have triggered the need for emissions reduction in line with climate science. The Business Ambition for 1.5°C campaign has been launched as an urgent call to action from a global coalition of UN agencies, businesses, and industry leaders, in partnership with Race to Zero. As a leading textile company, we are fully committed to actively reducing the carbon footprint of our operations and supply chain. Our roadmap to combat climate change concentrates on efficiencies, renewable energy, cleaner technologies, and green building certifications.

SCIENCE-BASED TARGETS

We have committed to align with limiting global temperature rise to 1.5°C above the pre-industrial level

CARBON DISCLOSURE PROJECT (CDP)

We got registered on CDP in 2020 and have submitted climate change assessments 2020, 2021 and 2022

CLEAN ENERGY

We have installed 1.9 MW solar energy parking sheds at Plant 5, taking the total installed capacity to 7.9 MW across our facilities, reducing approx.4,660 tons of CO₂e emissions per annum

CARBON LEADERSHIP PROGRAM

We joined this program in 2020; a collaboration of Apparel Impact Institute and RESET Carbon, allying with global brands in pursuit of reducing carbon output within the supply chain

UN FASHION INDUSTRY CHARTER FOR CLIMATE CHANGE

We became a signatory to UNFCCC in 2021, leading the way to a carbon-neutral future by 2050, following the Race to Zero campaign. We became the founding member of Net Zero Pakistan - a national collaboration of public and private institutions and sectoral experts to deliver the goal of Net Zero carbon for Pakistan by 2050

LEED CERTIFICATIONS

Interloop Hosiery Plant 4 is South Asia's First LEED Gold Certified socks manufacturing facility. Interloop Denim is LEED Platinum certified and recognized as one of the seven greenest buildings in the world by PlaceTech. Interloop Hosiery Plant 5 is also a LEED Gold Certified socks manufacturing facility, and Interloop's all upcoming plants will be LEED certified



GHG EMISSIONS

The GHG emissions at Interloop result from multiple operational processes and are subject to limits set by the Environmental Protection Agency (EPA) under Punjab Environmental Quality Standards (PEQS).

We regularly monitor greenhouse gas emissions at our production plants to ensure compliance with control limits and meet the targets set in these areas as part of our five-year plans. The absolute GHG emissions increased because of business expansion and the launch of new facilities. However, we are continuously working to reduce the emissions from our operations through adoption of cleaner technologies, renewable energy, green buildings, and efficient operations management.

EMISSION REDUCTION INITIATIVES

HEAT RECOVERY SYSTEM AT FILAMENT YARN DYEING FACILITY

Interloop has a state-of-the-art filament yarn dye house equipped with the latest and highly specialized machinery. The heat recovery system provides added advantage of economizing its operations to a significant extent. High-temperature waste liquor passes through a heat exchanger to raise the temperature of fresh water. Heated water is used in subsequent dyeing processes with no fuel

input, which reduces 140 tons of CO₂e emissions per annum.

WASTE HEAT RECOVERY SYSTEM (WHRS)

We are harnessing free steam from waste heat recovery (WHR) boilers. The technology of the Bi-Generation system, along-with electricity, produces around 23% in FY22 of the total steam generation with a significant reduction in GHG emissions. WHRS reduced 13,623 tons of CO₂e in 2022 against 13,415 tons of CO₂e in 2021.

GHG EMISSIONS (MT)

	2022	2021	2020	2019	2018
(Scope I)	124,268	124,248	90,521	68,579	123,196
(Scope II)	19,717	12,161	22,847	46,976	7,504
Total	143,985	136,409	113,368	115,555	130,700

CO₂, CH₄, N₂O gases are included in the calculation of CO₂e emissions. No biogenic emissions occur at Interloop. The source of emission factors was derived from IPCC's 5th assessment report.

REDUCTION IN GHG EMISSIONS (MT)

	2022	2021	2020	2019	2018
Value	25,158	21,295	15,226	9,090	16,181

Reduction includes only scope I emissions. CO₂, CH₄, N₂O gases are included in the calculation of CO₂e emissions.

ENERGY CONSUMPTION AND REDUCTION

We use natural gas, diesel and furnace oil for electricity and steam generation and purchase electricity from Lahore and Faisalabad Electric Supply Companies.

Energy consumption increased because of business expansion and the launch of new facilities. However, we are continuously working to reduce energy consumption through modern energy-efficient technologies, cleaner energy sources, green buildings, and efficient operations management. The reduced energy consumption initiatives include the installation of skylights, motion sensors in the finishing and yarn stores, inverters at ETP suction blowers, speed control of suction fans, highly efficient boarding machines, automation of cooling towers, inverters on air handling units, preference to R-407 & R-410 refrigerant and hot water chillers.



RENEWABLE ENERGY

During the year, Interloop took significant steps to increase the use of renewable energy resulting in a higher percentage of clean energy supporting SDG-7 Affordable and Clean Energy. The installed solar energy generation capacity was increased to 7.9 MW with the addition of a 1.9 MW solar parking shed in 2022. In addition to solar energy, Interloop fulfills some of its energy requirement by using biomass (rice husk) as fuel. The total saving from this initiative in 2022 was 4,965 tons against 2,650 tons of CO₂e in 2021.



ENERGY USED WITHIN OPERATIONS (GJ)

	2022	2021	2020	2019	2018
Non-Renewable	2,364,842	2,124,169	1,587,169	1,226,330	1,433,743
Renewable	103,760	102,140	97,215	102,842	82,403
Total	2,468,602	2,226,309	1,684,384	1,329,172	1,516,146

ENERGY SAVINGS (GJ)

	2022	2021	2020	2019	2018
Value	31,618	26,605	12,733	11,079	10,335

The fuel consumption figures are derived from log records and converted from their respective measuring units to energy in GJs using factors from the engineering toolbox.



WATER STEWARDSHIP

Our water stewardship actions are focused on reducing water consumption in our operations and supply chain by adopting water-efficient technologies and promoting water recycling.

WATER WITHDRAWAL

At Interloop, we are focused on reducing water consumption in our operations by using dyes that require less water, and installation of water-efficient equipment. During the year, different initiatives were taken for efficient utilization of water in production facilities and reduction of fresh water intake, supporting SDG 6; Clean Water and Sanitation. The initiatives include sustainable textile bleaching for recycling and reusing water in socks processing, installation of water-efficient Nano-bubble technology in the wash process, water-saving taps in canteen areas, and re-utilization of ablution water in the mosque. We withdraw groundwater for consumption in our operations. The area has been declared high risk according to WRI aqua duct tool. As the water table is shallow, the mineral contamination is high in the area. The size of the water source is not known. The water source is not declared as protected area, however, it is significantly important for the community who are dependent on this source. During the year, 1% water was recycled and reused. The water withdrawal increased while water consumption decreased during the year. Interloop is investing further in initiatives to increase the recycling and reuse of processing water.

OUR ACTIONS

NANO BUBBLE TECHNOLOGY

Interloop uses the Nano-Bubble Technology to efficiently manage water utilization in the wash

process, reducing water consumption by 95%, chemical consumption by 71%, and energy consumption by 50%, with zero liquid discharge.

SUSTAINABLE TEXTILE BLEACHING

We implemented the Sustainable Textile Bleaching project, upgrading our existing processing machines with multiple fills and drain system, allowing us to reuse bleached water and chemicals for various processing cycles, significantly reducing our environmental impact.

WATER STEWARDSHIP

Interloop has partnered with WWF for AWS certification including behavioral shift towards water conservation and community level impact. To further support our commitment towards water conservation, we have added a water recycling plant at the Interloop Apparel Park with 20% recycling capacity, and have set up a dedicated wastewater treatment and recycling plant of 10m³/hour, to handle 100% wet processing wastewater from Hosiery Plant 5.

IMPACT OF OUR INITIATIVES

Water management initiatives at Interloop have resulted in saving 134,720 m³ of water consumption. This has resulted in a reduced impact on water resources and water availability for other stakeholders.

WATER WITHDRAWAL BY SOURCE

Water withdrawal by source in ML/year	2022	2021	2020	2019	2018
Surface water					
Freshwater (≤1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Other water (>1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Ground water					
Freshwater (≤1,000 mg/L Total Dissolved Solids)	4,068	3,584	2,376	2,667	2,971
Other water (>1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Total Water Withdrawal	4,068	3,584	2,376	2,667	2,971

WATER CONSUMPTION

Water consumption by source in ML/year	2022	2021	2020	2019	2018
Surface water					
Freshwater (≤1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Other water (>1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Ground water					
Freshwater (≤1,000 mg/L Total Dissolved Solids)	1,071	1,434	746	895	768
Other water (>1,000 mg/L Total Dissolved Solids)	-	-	-	-	-
Total Water Consumed	1,071	1,434	746	895	768

*The water withdrawal is measured through flow meters. Till 2020, water withdrawal and water consumption figures relate to the Hosiery business only.



SUSTAINABLE AND TRACEABLE MATERIALS

By sourcing 70% sustainable and certified materials, we exceeded our 55% target set for this year. We are working on significant programs to decrease environmental load of our operations and enhance economic prosperity for the farming community.



USING RESOURCES RESPONSIBLY

Interloop is a vertically integrated setup. We produce as well as procure cotton yarns, synthetic yarns, regenerated recycled yarns which are processed using dyes and chemicals to manufacture socks and tights, while the fabric is procured to produce denim, knitwear, and activewear. The priority raw materials are determined by dividing the quantity of each material by the total raw material consumed (yarns & chemicals) during the year.

Interloop sources 100% raw materials from third-party certified suppliers, evaluated through a rigorous supplier evaluation process. We comply with environmental and social sustainability standards, including Oeko Tex Standard 100, BCI, GOTS, and GRS, directly supporting SDG 12; Responsible Consumption and Production. We are focused on increasing the quantity of sustainable and certified materials (BCI Cotton, Organic Cotton, and Recycled Yarns) in order to decrease the impact of our products. Refer to pages 50-56 for our social initiatives in Pakistan, where our major suppliers are based.

RAW MATERIAL CONSUMPTION

Material	Unit	2022	2021	2020	2019	2018
Raw Material - Yarn	Ton	71,983	58,191	44,551	19,309	20,315
Raw Material - Dyes and Chemicals	Ton	9,677	9,651	6,107	9,811	13,521
Packaging Material	Ton	7,742	6,660	4,565	3,830	4,380

During FY22, we used 59% renewable and 41% non-renewable materials compared to FY21 where 56% was renewable while 44% was non-renewable.

RECYCLED INPUT MATERIAL

2022	2021	2020	2019	2018
4.10%	2.12%	3.60%	4.52%	5.56%

The recycled material consists of recycled Nylon, Polyester and Regenerated Cotton.

THIRD-PARTY CERTIFIED RAW MATERIALS AS PER ENVIRONMENTAL & SOCIAL STANDARDS

STANDARD	MATERIAL	UOM*	2022	2021	2020	2019	2018
OEKO TEX	-	%	100	100	100	100	100
BCI	BCI Cotton	%	56.67	39.93	37.13	33.49	26.80
	Organic Cotton	%	8.55	4.40	4.07	2.37	2.80
	Recycled Cotton	%	0.0027	0.0024	0.005	4.44	5.45
GRS	Recycled Nylon	%	0.02	0.03	-	0.02	0.11
	Recycled Polyester	%	1.94	2.09	3.58	0.06	0.001
SUSTAINABLE COTTON PROGRAM**	-	%	2.48	2.23	4.29	0.5	-
<p>*PERCENTAGE OF TOTAL MATERIAL CONSUMED **PRIMARK SUSTAINABLE COTTON PROGRAM</p>							



* Kapas is the local name for cotton used in Pakistan, commonly understood by the farming community.

TRACEABILITY

Our leadership position and continuous success in the competitive market are the results of our commitment to ethical and sustainable practices in all spheres of our operations. Transparent business practices and reporting our impacts to stakeholders are being further pushed through our new initiatives promoting sustainable practices in the supply chain and traceability of our materials.

We have increased the use of organic cotton by upto 8.5 % and almost 70% of our raw materials are now sustainable. In addition, we are fostering our passion for our communities in our sustainability projects and integrating this approach into our supply chain.

INTERLOOP ORGANIC KAPAS

Our Interloop Organic Kapas project, launched last year in partnership with Lok Sanjh, focuses on developing a traceable local organic cotton supply chain. Southern Punjab areas were selected this year for this project, with 2,000 registered farmers who will gradually increase to 3,000 by 2025. We are also contributors towards the Organic Cotton Accelerator (OCA) - a global multi-stakeholder platform committed to unleashing organic cotton's potential for positive impact, from field to fashion, for people and the planet. Our aim would be to use OCA's expertise to further strengthen the integrity and traceability of our project.

SUPPLY CHAIN TRACEABILITY THROUGH LOOPTRACE

LOOPTRACE traceability solution is developed by our technology partner, Octans Digital (Pvt) Ltd, and currently, it's work-in-progress. The objective of the Looptrace project is to provide track, trace, and transparency, giving end-to-end traceability from the finished product to the farm level. It gives our brand partners and us complete visibility about the growing area of BCI, Organic, Recycled, and Certified cotton we use in our products.

Over 27,552 farmers are part of this project, with growing numbers as we bring more farms on board.

Each farmer has a unique profile in the system, including national ID cards, town/area, production unit, geolocation, etc. We are also developing a mobile application built in the local language to educate farmers on recording crop lifecycle information. Looptrace is a sprint-based development and deployment. The project was initiated in Sep 2021 and is continuously evolving into a more robust tracking and traceability tool. Our vision for transparency is broader and includes visibility into our production processes, quality data, and compliance, enabling our supply chain partners to achieve high environmental and social performance levels.



WASTE & CIRCULARITY

We are developing circular products, expanding recycling programs, and continue to dispose our waste responsibly with a goal to divert 100% solid waste from landfills by 2025.



OUR ACTIONS

GREEN CHEMISTRY INPUTS

Our ZDHC Program aims to eliminate the use of priority chemicals by following best chemical practices, induction of certified raw materials, and designing an efficient chemical management system compliant with the ZDHC/MRSL list of chemical substances.

The program has resulted in meeting our green chemistry input target of 100 % ZDHC Supplier to Zero certified facilities.

WASTE WATER

Interloop has biological Effluent Treatment Plants (ETP) working round the clock at all manufacturing facilities, treating effluent to acceptable range of reduced pollutants, as per applicable local laws and ZDHC foundational limits.

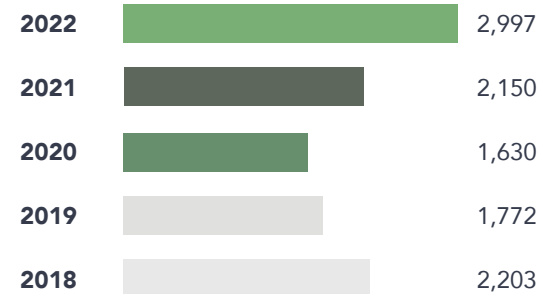
The largest effluent treatment plant has the capacity of treating 180m³/hour.

Interloop has a dedicated QC laboratory at each ETP to closely monitor the parameters and ensure that the effluent discharged into the environment is within safe limits. The quantity of water discharged is measured through flow meters installed at all effluent treatment plants.

COAL ASH BRICK PLANT

Interloop commissioned a Coal Ash Brick Plant in 2019 and produced 304,560 bricks in 2022. The plant has the capacity to produce 7,000 bricks per day which are used in-house as well as sold to other companies.

WATER DISCHARGE IN ML



*The values till 2020 relates to hosiery and yarn dyeing business



WASTE MANAGEMENT

We have a defined environmental policy for handling and discharging effluents and solid wastes (hazardous & non-hazardous). Waste is properly segregated and disposed of to prevent a high risk of contamination and leakages of hazardous chemicals into landfills.

We also encourage our supply chain partners to comply with waste management regulations and follow the best international practices. Refer to page 62 on our practices in the supply chain. We have centralized storage facilities for waste collection and temporary storage at all our plants. A dedicated workforce handles waste segregation, treatment, collection, discharge, and sale, ensuring compliant disposal procedures.

WASTE BY COMPOSITION IN KG

Method	Unit	2022	2021	2020	2019
Hazardous Material					
Reuse (Chemical Drums)	No	13,138	24,730	12,321	11,353
Incineration	Kg	36,575	18,048	20,151	12,166
Non-Hazardous Material					
Other - Sold*	Kg	10,648,040	8,261,198	5,279,551	5,297,142

*Non-hazardous waste includes metal, plastic, and textile and is sold to third parties, more than 90% of that material is sent to recycling facilities. The hazardous waste produced due to operational activities mostly consists of silastic, dyes cartons, chemicals drums, sludge, and medical waste. It is disposed of through approved contractors who confirm the disposal methods. Standard Operating Procedures for disposal of hazardous waste ensure waste handling, transportation, storage, and disposal generated at all Interloop plants.

CIRCULARITY

Circularity is emerging as one of the fundamental solutions to limit consumption, excessive use of resources, and waste generation. The circular economy is essential for sustainability and is aligned with SDG 12; Responsible Consumption and Production. It requires new ways to design, develop and use resources while remaining within the planetary boundaries.

CRADLE-TO-CRADLE CERTIFICATION

Cradle-to-Cradle Certification is a globally recognized measure of safer, more sustainable products made for the circular economy, issued after rigorous scanning of product circularity, material health, and responsible manufacturing practices within the facility.

SOCKS RE-GEN

Designed by Interloop, our product Socks Re-Gen fulfills all five sustainability areas of C2C, including material health and reuse, renewable energy and carbon management, water stewardship, and social fairness. Non-biodegradable material like polyester, nylon, and spandex have been substituted by sustainable materials and further processed by C2C-certified dyes & chemicals to make the product 100% compliant. Being a responsible full family clothing supplier aligned with international trends, Interloop has been awarded Cradle to Cradle Certified® (C2C) Gold level for SOCKS RE-GEN.



JEANS REDESIGN

Interloop is among the 60-plus leading brands, manufacturers, and fabric mills globally that are part of the Make Fashion Circular - a Jeans Redesign initiative by the Ellen MacArthur Foundation.

Along with laser technologies, Interloop has used 70% less water and greener and more ingenious processes to produce circular jeans, reducing manual and other hazardous inputs. Circular jeans can withstand a minimum of 30 home laundries while meeting the brand's quality standards. By employing circular economy principles, Jeans Redesign ensures positive impacts on the environment, society, and health of people working in the industry. As an active member of the Jeans Redesign initiative, Interloop is committed to producing the most consciously and sustainably created denim, with the passion for circularity, from its LEED Platinum Certified factory.

WASTE RECYCLING

We cautiously deal with all the materials that enter into manufacturing operations. The materials which become waste are recollected and recycled to reduce the material footprint of our operations. In addition, we also process post-consumer waste as input material for products. Refer to page 24 for details on the use of recycled materials.

PRE-CONSUMER WASTE

This waste is collected during end product manufacturing process of denim, knitted apparel and socks, and converted into fibrous form using the Rag Opening Machines. The yarn can be produced using these pre-consumer waste opened fibers as per required ratios from 25% to 40%.



POST-CONSUMER WASTE

This waste is collected from used garments, including denim, knitted apparel, and socks, and transformed into fibrous form using Rag Opening Machines. It is then industrialized into recycled yarns with different ratios as per requirement from 20% to 40%. The synthetic recycled polyester is being produced from PET bottles and oceanic waste materials. This RC polyester is post-consumer and is being produced 100% in yarn and also blended with cotton.

A group of diverse people, including men and women of various ethnicities, are gathered around a table at what appears to be a conference or trade show. They are all smiling and making peace signs with their hands. In the foreground, a woman in a red blazer and a woman in a green blazer are prominent. A man in a light blue shirt is also visible. The background shows other people and a bright, indoor setting.

PEOPLE

We have led the industry as the first Fair Trade Certified socks facility ensuring rigorous standards that promote sustainable livelihoods and safe working conditions. Our people strategy focuses on promoting learning and development, investing in the wellbeing of our people and creating opportunities for community development.

PEOPLE IMPACTS 2022

31,900+

People provided with decent work and employment opportunities

620

Young women and men equipped with higher education

9,400+

People empowered through lean tools and trainings

55,000+

Patients provided with free healthcare services

3,400+

Women working at Interloop

4,000

Local talent promoted through sports events

4,300

Children provided with quality education at 32 TCF schools

1,500+

Specially-abled children provided with equal access to education



DIVERSE, ENGAGED AND INCLUSIVE WORKFORCE

We are dedicated to providing safe, fair, and healthy working conditions in our operations and building a diverse and inclusive workforce that becomes an agent of positive change.

RESPECTING AND PROMOTING HUMAN RIGHTS

Our explicit policies and procedures put great emphasis on respecting human rights in our operations, and compliance is ensured through third party audits.

Our policies and practices to abide by laws and international charters ensure that human rights are well respected in all our activities. Our code of conduct and shared values require all team members to act empathetically and uphold the rights of co-workers, communities, and other related parties.

We believe in fair treatment and do not have any kind of forced, compulsory, or child labor practices at our plants. No incidents of discrimination were reported during the year. We try to ensure that similar labor practices prevail at our supplier organizations.

WORKERS' RIGHT TO FREEDOM OF ASSOCIATION

Interloop respects the workers' right to freedom of association and awareness sessions are carried out in this reference as a practice. Worker's Management Council is actively working at all Interloop plants. During the year, 70% of workers

were covered under the collective bargaining agreement. We also encourage our suppliers to respect the workers' right to freedom of association as per applicable laws and conventions. During the year, no supplier was identified where the workers' right to freedom of association was at risk.

GRIEVANCE HANDLING

SOPs for grievance handling are in place and Management Representatives (MR) are deputed at all plants for handling complaints regarding work, working environment, welfare, discipline, etc. MRs frequently visit shop floors and offices and encourage employees to identify any potential barrier to a conducive working environment.





HEALTH AND SAFETY

Our health and safety approach is preventive in nature and focused on safety of the people, operations, and manufacturing facilities. A robust health and safety framework ensures minimizing any adverse happenings.

OUR APPROACH AND PERFORMANCE

Interloop has a diligent occupational health and safety management system that covers all employees, operations, and facilities. Our approach is focused on enhancing the occupational health and safety culture, minimizing incidents, illnesses, and major adverse happenings across the company, including offices, operational sites & manufacturing facilities. The system is based on legal and social attributes and stringent safety requirements from the customers and is in line with ISO 45001 standards. We also engage with our supply chain partners to ensure they adhere to the health and safety of their workforce. Refer to page 62 to read more about our approach to managing our supply chain.

RESPONSIBILITY

A dedicated corporate EHS department commands the teams at all plants. The corporate department does all policy-making and communications while teams at the individual plant level deal with their

execution and day-to-day operational matters. Interloop has a dedicated budget to manage the health and safety requirements in line with the authorized limits of floor line managers and plant heads. All major spending, including additional workers, materials, and monetary resources, are forecasted and submitted to the Board of Directors for consideration and approval.

HAZARD IDENTIFICATION AND RISK ASSESSMENT

We enlist all probable hazards and possible impacts according to intensity and probability to highlight the ones that should be addressed on priority. The control measures are incorporated as per the standard hierarchy, including elimination, isolation, substitution, engineering controls, administrative controls, and use of PPEs. The systematic risk assessment ensures control measures' effectiveness and incorporates revisions as per changes in the workforce, processes, occupancy, infrastructure, or occurrence of any incident. Hazard identification, risk assessment, and control measures involve all stakeholders at all stages. The process is implemented at all operational sites and areas to avoid similar events. The effectiveness of the hazard identification and risk assessment process is ensured through multiple KPIs. The risk assessments are reviewed on annual basis or earlier if there is any change in condition.

WORKERS' PARTICIPATION AND CONSULTATION

Workers' participation and consultation on occupational health and safety are ensured through multiple forums including but not limited to EHS Committee and Joint Works Council. At individual levels, all materialized resources like telephone extensions, emails, suggestion boxes, helplines, hotlines, etc., are available and open for all stakeholders for self-reporting and communication of hazards and unwanted occurrences. Even near misses are reported and the workforce is appreciated and acknowledged against reporting of any valid constraint.

True representation at management and non-management levels is ensured in EHS Committee meetings taking place at all plants on monthly basis. Executive and Non-executive committee members from all functions are responsible for identifying areas of improvement concerning EHS, which are then enlisted by the Secretary and assigned by the Chairperson of EHS committee to respective members for execution, along with allocating material and non-material resources.

Workers are encouraged to remove themselves from work situations that could cause injury or ill health and report the situation to the immediate supervisor. After reviewing the situation, quick action is taken to reduce or eliminate the potential exposure. Workers can also file grievances through suggestion boxes installed at prominent locations at each facility.

RATE OF RECORDABLE INJURY BY GENDER

	Organsiation		Contractor	
	Men	Women	Men	Women
Interloop Limited	0.04	Nil	Nil	Nil

SAFETY TRAININGS

All aspects of the occupational health and safety framework are communicated through trainings and awareness programs. Targeted groups are trained to make them well-equipped with the knowledge of work-related hazards and controls. Annual KPIs are set and regularly reviewed at the plants and corporate level. Safety-related days and weeks are also celebrated at plants to create awareness across the workforce.

PROMOTION OF WORKERS' HEALTH

State-of-the-art medical facilities are operational at all plants to facilitate all employees. Men paramedics are available 24/7 while women paramedics are available during the general shift to address occupational & non-occupational health-related issues. Multiple awareness sessions and campaigns are arranged throughout the year about AIDS, Hepatitis, Breast Cancer, etc. Regular vaccination camps are organized for all employees.

MONITORING AND REVIEWING

The performance of the EHS framework is monitored through KPIs, which are assessed regularly through internal and external audits. Reports are reviewed by top management and necessary actions are taken as and where required. Subject to any changes in the national /or international laws and customers' code of conduct, adjustments are made in the company's central EHS policies and procedures. During this reporting tenure, five work-related injuries were recorded and medical care was provided to the workers. When an accident occurs, an initial report is filed, followed by thorough investigation and follow-ups. Interloop includes first aid injuries and fatalities in the injury rate. The lost day means scheduled workdays and the lost day count begins the day after the incident.

The work-related hazards that pose a risk of high consequence injury include working at heights, moving & rotating parts, electrical safety, general workplace hazards including but not limited to slips, trips and falls, working with chemicals, trolleys, and powered motor vehicles. All these and similar hazards are addressed on the basis of "Who and How might be harmed." The probability and consequences of such occurrences are calculated in order to incorporate an effective set of control measures. A total of 63,381,352 hours were clocked in 2022. During the year, no work-related fatality or high-consequence work-related injuries occurred for workers as well as contractors.

WOMEN EMPOWERMENT



At Interloop, we truly believe that promoting gender diversity will provide innovation and flexibility, improve decision making, and deliver superior business results.

As part of our People strategy under Vision 2025 to increase our workforce diversity by 30%, we will be employing thousands of women in executive & non-executive teams at all levels, including non-traditional roles, over the next few years.

RECONNECT PROGRAM

Through the Reconnect program, women staff members who have completed 3 years of service with the company and have to leave their jobs due to family requirements can reconnect with their careers after having a break. Six women executives have re-joined Interloop under this program since FY18.

EXTENDED PARENTAL LEAVE

In addition to the entitled leaves, if a woman employee requires further leave due to her or her newborn's health issue, she can avail another 4 weeks' leave at half pay. In 2022, 102 out of 530 eligible women workers took parental leave, and 90 returned to work during the year. Out of these, 48 stayed employed for more than 12 months. The return to work ratio after parental leave is 88%.

DAY CARE CENTERS

To provide ease of mind to working mothers, world-class day care centers are in place at all Interloop plants for executive and non-executive women employees. Experienced nannies take good care of children according to their play, rest, and meal timings. The international standard infrastructure includes study, play, and rest areas, and trained teachers ensure quality pre-primary education and development of these children through curricular and extracurricular activities. Company doctor performs periodic check-ups of these children to warrant that they stay in good health.

MANAGEMENT TRAINEE OFFICERS PROGRAM

Every year, Interloop inducts fresh graduates across various functions through the Management Trainee Officers Program. The six months working contract exposes MTOs to various operational and strategic roles. After final evaluation, successful MTOs are offered permanent jobs as per availability. In 2022, 77 MTOs graduated and 71 joined the company.

STEM DEGREES

266

WOMEN WITH STEM DEGREES
INCLUDING 58 RELATED
TO TEXTILE

RECRUITMENT

44%

WOMEN REPRESENTATION IN THE
MANAGEMENT TRAINEE OFFICER
PROGRAM

RETENTION RATE

88%

WOMEN RETENTION RATE
AFTER PARENTAL LEAVE



DE&I

At Interloop, diversity, equity, and inclusion (DE&I) are essential practices we nurture within our organization, and these are intrinsic elements of our People thrust under Vision 2025. We take it as our responsibility to lead the change by setting clear DE&I goals, and implementing policies and initiatives that support creating an inclusive culture.

Our focus is to create economic prospects for women, enabling them to contribute financially at home and to the economy. As we aspire to create gender balance in employment – we understand the importance of an inclusive culture for women and other diverse groups.

GENDER SENSITIZATION

Our teams are working persistently to instill gender sensitization in the organization through different communication platforms. For that, our Strategic HR team has designed and conducted company-wide awareness sessions and focus groups on the importance of DE&I. Trainings were held during the year for our executives and front-line staff, conducted by external and internal trainers, following a standard program. This will serve as a stepping stone for making Interloop an employer of choice, especially for women.

We selected 21 employees from within the organization who are now diversity & inclusion certified trainers from Carnelian – Pakistan’s largest training consulting firm and are conducting trainings for their peers.

ANTI-DISCRIMINATION & HARASSMENT

Interloop Limited is an equal opportunity employer and is committed to promoting diversity in all areas of employment by providing an inclusive environment where everyone feels valued and respected, irrespective of their race, gender, marital

status, age, disability, religion, belief, color and ethnic origin. Interloop aims to provide its employees a safe and supportive work environment which is free of discrimination and harassment, especially for women and other minorities.

We have an Equality and Diversity policy which aims to proactively tackle discrimination or harassment of any kind. The policy directives are carried out by an Equality and Diversity Committee that is sponsored by our Management Committee, to deal with any cases of discrimination and harassment. A well-defined sexual harassment procedure is an extension of this policy and is governed by a Sexual Harassment Committee that deals with sexual harassment complaints and ensures swift and fair action.

To further strengthen our system, we have appointed women Management Representatives (MR) at each plant who regularly visit factory floors and are a one point contact for reporting of harassment, gathering facts and reporting to the relevant committees. The anti-harassment committee conducts the inquiry and make recommendations to the competent authority who are bound to take the necessary action within prescribed time. Interloop is determined to create a workplace where employees are fully engaged and feel connected to their work without any fear of discrimination and harassment

TRAINING AND DEVELOPMENT

Our Human Resource Department conducts regular training need analysis to identify the development needs of employees and prepares comprehensive development programs to equip our people with knowledge and skills for long-term employability and career growth. The executives are trained on technical, managerial, and leadership skills through

well-designed customized trainings and open enrollment programs conducted by local & foreign trainers. Non-executives are trained in technical, operational, and leadership skills at the in-house Technical Training School (TTS).

TRAINING HOURS PER EMPLOYEE BY GENDER

Category	No. of Employees	Hours	Avg. Training Hours
Men	28,567	211,992	7.42
Women	3,418	63,535	18.58

TRAINING HOURS PER EMPLOYEE-BY-EMPLOYEE CATEGORY

Category	No. of Employees	Hours	Avg. Training Hours
Executives	2,100	27,624	13.15
Non-Executives	29,885	247,903	8.29

During the year, we devoted 28,359 hours vs 20,690 hours last year on human rights policies with 100% security personals trained on non-discrimination, diversity, equal opportunity, child labor, forced and compulsory labor. All employees received performance and career development reviews during the year.



TRAINING HOURS PER EMPLOYEE

31,985
EMPLOYEES

275,527
TRAINING HOURS






8.62
AVERAGE TRAINING HOURS

WORKFORCE REPRESENTATION

Interloop is an equal opportunity employer committed to promoting equality, diversity, and fair treatment in all areas of employment. It provides an inclusive environment where everyone feels valued and respected, irrespective of age, gender, race, marital status, disability, religion or belief, color, or nationality. It's a 31,900+ strong team with diverse talent from over 15 nationalities across various locations. Interloop aims to provide all employees with a safe and supportive work environment, free of discrimination and harassment, and equal opportunities to grow, learn and develop on merit. The policies, procedures, and practices of the company have been formulated to inculcate the culture of encouraging and supporting women, transgenders, and specially-abled employees, equally. During the year, there was no major variation in the workforce and no incident of discrimination was reported. The number of employees in FY22 increased on account

of expansion in Apparel (expansion and new processes addition), Denim (expansion) and Hosiery (addition of Plant 5, expansion on Plant 1 and 3 due to increase in production) businesses. The hiring and attrition rates during FY22 were 37% and 18% against 30% and 18% in FY21, respectively. At Interloop, the senior management i.e., Deputy General Manager and above are hired based on relevant experience, skills, education, and suitability for the position. Although there is no restriction for geographical background, a significant proportion of senior management belongs to the local community. During the year, out of the total new senior management employees, 53% were hired from the local community i.e., Faisalabad and Lahore. Moreover, while hiring workers, preference is given to the people from the local community.

DETAILS OF WORKFORCE

2022		31,985
2021		25,380
2020		21,104
2019		16,775
2018		15,351

WORKFORCE BY EMPLOYMENT CONTRACT BROKEN BY REGION

Region	Permanent	Temporary (Contractual)	Total
Faisalabad	24,922	30	24,952
Lahore	7,032	1	7,033
Total	31,954	31	31,985

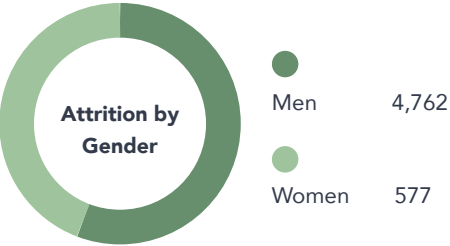
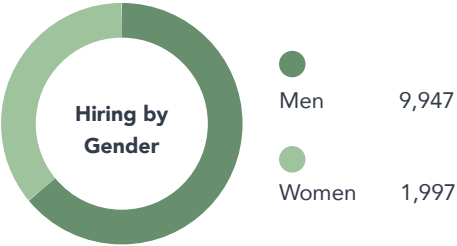
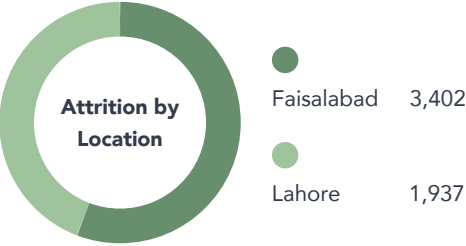
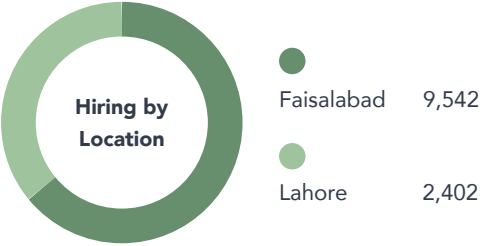
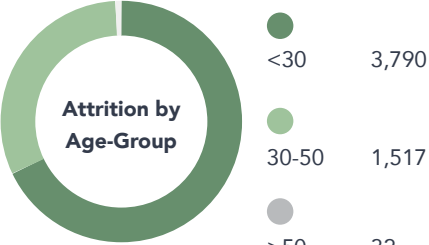
WORKFORCE BY EMPLOYMENT TYPE BROKEN BY GENDER

Employment Contract	Men	Women	Total
Full Time	28,567	3,418	31,985
Part Time	-	-	-
Total	28,567	3,418	31,985

WORKFORCE BY EMPLOYMENT CONTRACT BROKEN BY GENDER

Employment Contract	Men	Women	Total
Permanent	28,542	3,412	31,954
Temporary (Contractual)	25	6	31
Total	28,567	3,418	31,985

HIRING AND ATTRITION



WOMEN ON WHEELS PROGRAM

The initiative aims to empower women by providing them with the necessary skill-set and means to safely ride motorcycles, increasing their mobility and independence.

Mobility challenges and gender norms limit women from entering and being retained in the formal workforce. Against the backdrop of structural and cultural barriers, Interloop is stepping up to address mobility challenges and advance women's independent mobility.

Interloop has launched Women on Wheels (WOW) program, with an aim to disrupt socio-economic barriers to mobility that inhibit women from going to colleges, universities, offices or seeking other economic opportunities. The Faisalabad edition of WOW was launched in collaboration with Salman Sufi Foundation and supported by Government College Women University Faisalabad (GCWUF). This program is expected to empower 2000 women, helping them reclaim public spaces and

contribute safely to the society without fear of violence, harassment and backlash. So far, 250 women and young girls including employees of Interloop, The Citizens Foundation (TCF) and GCWUF students and general public have been trained under this program.

The program will include motorbike training along with road safety and anti-harassment workshops and prepare women for driving license testing. The program will also enable access to micro-loans to facilitate purchase of motorcycles, helping these women become financially and mobility independent.



CHAMPIONS OF CHANGE

Men of power and influence step up beside women leaders. They form a high-profile coalition to lead and be accountable for change on gender equality issues in their organizations and communities.

We have been leading our industry by setting ambitious goals to promote diversity, equity and inclusion. Last year, Interloop CEO Navid Fazil, joined the Champions of Change Coalition, with the aim to advance gender equity and a significant and sustainable increase in the representation of women in leadership. Currently, Interloop Board has a 15% gender ratio with a pledge to increase it to 33% and our Management Committee has 25% representation of women.

During the year, we conducted CEO Listen & Learn sessions with 65% of our women in senior and 62% in middle leadership tiers. The sessions focused on engaging with women at Interloop to gain different perspectives on the issues, identify practical and constructive initiatives for improving inclusion and advancing their careers.

We also identified an initial tier of men in leadership roles who pledged to be champions of change and work alongside women to accelerate gender equity within Interloop. These leaders

have gone through intensive training on gender, inclusion and equitable systems and will focus on hiring and promoting more women in leadership roles.

Our focus has been on creating conditions and culture that promote equity by driving change to ingrained systems of inequality. We rolled out an extensive training program on gender sensitization, conscious and unconscious biases, training over a thousand individuals, with the aim to cover all our people by 2025.

Our work with the Champions of Change Coalition is backed by a proven methodology for increasing the representation of women in organisations and developing the conditions and cultures that enable them to thrive. Through our partnership, we will be focusing on strengthening our diversity metrics, introduce targeted interventions and learn from our peers to accelerate gender equity in Interloop and in Pakistan.



UPSKILLING FRONTLINE EMPLOYEES

In today's rapidly changing business environment, it is pertinent to upskill frontline employees, which helps them stay current and relevant in their roles and prepares them for future challenges and opportunities.

Interloop believes in investing in its people's capabilities by furnishing equal learning avenues across all levels. Taking a transformational step of upskilling our people, and preparing them for diverse future roles, in line with our Vision 2025, we have joined hands with the National Textile University (NTU) for designing the curriculum and on-campus learning facilitation.

In collaboration with academic experts, our experienced business leads have carefully drafted a comprehensive curriculum to equip our people with relevant competencies in apparel, hosiery operations, product development, supply chain management, and general management. We are confident that after going through this industry-specific syllabus, our employees will have specialized skill sets to qualify for placements in relevant departments, adding value and a fresh perspective to the business.

We will be training around 420 non-executive personnel over the course of two years. To keep

the process transparent and compliant, the program is linked with the annual promotions of our non-executive employees.

At Interloop, we will be bringing more innovative prospects and collaborations in the future, which will ensure professional growth opportunities for our people.





IMPROVE WELL-BEING

We will enable our people to enjoy healthier lives, work productively and contribute positively to our communities by prioritizing physical and mental well-being.

EMPLOYEE WELFARE

COMPENSATION AND BENEFITS

At Interloop, market-based remuneration is offered to all employees according to their skills and performance. Workers at all locations are paid more than the minimum wages prescribed by the government. We ensure that the contractual employees working within the factory premises are paid the minimum wages and that salaries are disbursed to all employees directly through their bank accounts. All men and women employees hired for respective positions receive similar remuneration and benefits. Interloop provides multiple employee welfare schemes including gratuity, provident fund, health care including health insurance, group life insurance, scholarships for employees' children, special welfare assistance for non-executives, free pick and drop, subsidized meals, etc.



Following benefits are available to full-time employees only:

EMPLOYEES' STOCK OPTION SCHEME

We introduced the "Interloop Limited Employees Stock Option Scheme, 2016" (Scheme), offering company shares to eligible executive employees, as per Public Companies (Employees Stock Option Scheme) Rules, 2001, transforming them into shareholders. After listing on Pakistan Stock Exchange in 2019, Interloop extended the scope, covering all non-executive employees as well. The Scheme is flexible, voluntary, and focused on the long-term growth and prosperity of the employees. The Scheme is now fully operative; however, no fresh grant of options and/or allocation of shares has been made during FY22.

SPECIAL WELFARE FUND FOR NON-EXECUTIVES

Interloop has set up an additional welfare fund for non-executive employees and is supporting them for marriages, children's scholarships, critical illness or death, and any other sudden requirements.



TALENT SCHOLARSHIP FOR EMPLOYEES' CHILDREN

Interloop encourages its employees to motivate their children to acquire undergraduate/professional degrees and flourish into promising careers. The company offers 10 Talent Scholarships every year to meritorious children of its employees for Bachelor's Degree Programs.

RESIDENTIAL FACILITIES

To facilitate non-resident men and women executives, Interloop provides top-class residential facilities, including hostels and upscale apartments within company premises, as well as in the city (Faisalabad) as per space availability. The residential facility at our premises also houses a well-equipped sports club to facilitate the well-being of our employees.



CORPORATE SOCIAL EVENTS

Enhancing employee engagement and recognizing their services, Interloop organizes various social events throughout the year, including the Annual Dinner, Managers' Lunch, International Women's Day, Long Service Awards, and Christmas Celebrations, etc.

COMPANY-WIDE SPORTS ACTIVITIES

To promote physical well-being of our people, the company has developed an executive club, table tennis, squash, badminton and basketball courts, football grounds, fitness gyms and organizes various sports tournaments for all employees.

AMAZON'S BENEFITS FOR BUSINESS AND WORKERS PROGRAM

In 2020, we joined the Benefits for Business & Workers Program with Amazon and Impactt, aiming at enhancing employee well-being and satisfaction, work-life balance, quality, and profitability through HR intervention. We implemented initiatives including absenteeism & employee migration data trackers, simplified leave approval procedure, display of rules of thumb, prohibition of discrimination/harassment & abuse at the workplace, and code of conduct, etc.

We introduced Buddy Concept to mentor and provide workplace information about HR services, health & safety, and company benefits for employees. With participation in this program, Interloop is bridging the gap between various stakeholders to develop robust, long-term holistic solutions. We received the completion certificate for the program on 31st March 2022 after completing four modules.

Between 11th Jan 2021 to 11th Jan 2022, we provided refresher training sessions to our employees on Workplace Harassment & Abuse, Occupational Health & Safety, and Risk Management Systems.

FAIR TRADE PROGRAM

Fair Trade certification is a further endorsement of our rigorous standards for health and safety, working conditions, fair wages, and scaling it to all Interloop plants. In 2020, our Hosiery Division II received the Fair-Trade USA certification, becoming the first sock facility in the world to be FTUSA certified. The Fair-Trade Certified seal assures that your clothing is manufactured as per the rigorous standards, promoting sustainable livelihoods, and safe working conditions, ensuring environmental protection, and having strong, transparent supply chains. For every Fair-Trade Certified product sold, additional funds go back to factory workers who decide how to utilize them towards community improvements. Our Fair Trade certification ended in Jan 2022.

To date, our Fair-Trade Certified program has generated more than \$769,560 in community development funds, with over approx. 8000 employees benefitting in every disbursement activity from the program.



COMMUNITY WELFARE

SPORTS

CRICKET FOR A CAUSE & SUPPORTING YOUNG TALENT

Interloop has been sponsoring Interloop Premier League T-20 Cricket Tournaments annually to encourage young players from the grassroots for National and A-Teams since 2012. We have been providing financial support to Pakistan's fastest and youngest athlete, Sahab-e-Asra, for pursuing her dreams in sports. We are also supporting her training to participate in the Olympics.

INTERNATIONAL & DOMESTIC BLIND CRICKET

We have been sponsoring International & Domestic Blind Cricket since 2014, sponsored the Pakistan Cricket Team for the Blind Cricket World Cup 2014 and 2018, and Women Blind Cricket Team Coaching Camp in 2018 and the world's First International Women Blind Cricket Series in 2019. We also sponsored Pakistan Men's Blind Cricket Team in an International Cricket Series between Pakistan, India & Bangladesh in 2021.

SPORTS FOR THE SPECIALLY-ABLED

We sponsored the Pakistan Disabled Cricket Team for T-20 World series in England, and Pakistan Wheel Chair Cricket team for Asia Cup in 2019. We also supported 3 Pakistani athletes at the Special Olympics 2019, held in Dubai, and donated special purpose-built wheelchairs for the players in July-Aug 2022. Interloop recently sponsored the National Champions League & Pakistan One Day Cup. We are also working to develop sports academies and sponsoring school, college & university level activities to build a better & healthy nation.

ALL PAKISTAN OPEN GOLF TOURNAMENT

To nurture the sports talent in multiple disciplines, Interloop has been sponsoring the All Pakistan Interloop Open Golf Championship annually since 2015, organized by the Lyallpur Golf N' Country Club, Faisalabad.

HEALTH CARE

MOBILE HEALTH CLINIC

We have partnered with Lok Sanjh Foundation; implementing partner of Better Cotton Initiative (BCI) in Pakistan to finance mobile health services for marginalized rural communities in cotton growing areas of 3 Union Councils in District Toba Tek Singh, Punjab. Since February 2019 two mobile health clinics are serving approx. 11,000 rural community members, especially farmers, women workers, and women cotton pickers weekly. These mobile health clinics also took part in the relief and rehabilitation of the 2022 flood affectees in these areas.

FREE TREATMENT FOR DESERVING PATIENTS

We provided free healthcare services to approximately 55,000+ deserving patients at various hospitals across Pakistan. In 2022 we also

supported multiple hospitals in Faisalabad financially and by providing necessary medical equipment.

ALZHEIMER SOCKS

Interloop has teamed up with Interloop Europe to produce Alzheimer Socks since 2015, creating awareness among people about Alzheimer's disease. Till now 2.2 million euros have been raised for research on diagnostics and treatment, and donated to Alzheimercentrum, Amsterdam.

SUPPORT FOR SPECIALLY-ABLED CHILDREN

We support the treatment and development of specially-abled by partnering with Syeda Khatoon-e-Jannat Trust Hospital & Special Education Center, Roshni Homes Trust, Al Faisal & Bashir Nabeena Center, Vocational Training Institute for specially-abled children, Government Hearing Impaired Schools and Child Protection & Welfare Bureau, etc.

FLOOD RELIEF

Helping fellow countrymen in need after the devastating floods recorded this year, Interloop Flood Relief Fund has collected over PKR 190 million through company funds, its employees, sponsors, and friends. PKR 109 million worth of relief has been delivered while more is on its way.

Our activities in this area support SDG-3; Good Health and Well-Being.



TRANSFORM LIVES

We will help break the socio-economic divide through provision of affordable quality education.

EDUCATION

One of the most effective ways to transform the society is to educate the children and the youth. Our initiatives in this area support SDG-4; Ensure inclusive, equitable, quality education, and promote lifelong learning for all.

PRIMARY & SECONDARY EDUCATION

Interloop Welfare Trust, in May 2009, partnered with The Citizen Foundation; the largest non-profit organization in Pakistan, providing quality education of the less privileged. Interloop is supporting 32 schools (19 primary, 10 secondary & 3 higher secondary; separate campuses for boys and girls). These schools are managed by women staff and provide quality formal education to 4,300 less privileged children, 50% girls, in an environment that encourages intellectual, moral, and spiritual growth. Interloop has created an endowment for



supporting lifetime operating cost of 16 schools and also provides funds for managing the annual operational cost of remaining schools.

TCF RAHBAR PROGRAM

Since 2012 Interloop executives have been volunteering for the TCF Rahbar Program. Twice a year, they mentor class 8 & 9 students about developing a positive mindset and making better career choices. So far, 183 Interloop executives have mentored 788 students at TCF-Interloop Schools.

HIGHER EDUCATION

We are proud to have exceeded our target of 500 and have provided 620 young men and women access to higher & technical education through annual scholarships across various institutions.

Some main programs include:

- › Since May 2013, we are providing 8 perpetual scholarships to financially challenged Bachelor's Degree students under the National Outreach Program through our Endowment Fund at the LUMS





- ▶ Since May 2015, we have instituted 370 Scholarships for deserving women Bachelor's Degree students at the Government College Women University Faisalabad (GCWUF)
- ▶ In March 2019, Interloop Limited established a Scholarship Grant at the National Textile University (NTU), Faisalabad to encourage learning and exposure of NTU students, by sponsoring one academic semester at a good International University and is also sponsoring the Graduate Research Fellowship at NTU to encourage research in Textiles at MS Level. In Sep 2019, Interloop established a 'Need-based Scholarship Program' to support 12 financially challenged undergraduate students for a full degree program
- ▶ We introduced 20 full-degree scholarships at the University of Agriculture Faisalabad in Sep 2017 and GCUF in 2021

LITERARY ACTIVITIES

Playing our role in creating learning opportunities and character development of the society, Interloop supports various cultural and literary events throughout the year.

FAISALABAD LITERARY FESTIVAL

Since 2014, we have hosted the Faisalabad Literary Festival annually as the main sponsor. People from all walks of life, including families and youth, get the opportunity to interact firsthand with eminent intellectuals from across the country, who gather to inspire people with their popular works of literature, performing arts, and culture.

CREATIVE LEARNING PROJECT

Interloop funded a creative learning project in Hafizabad through Ali Institute of Education to enhance the speaking, writing & listening skills of deserving 14,000 students and 300 staff members at 52 schools on ASER standards.

LYALLPUR PUNJABI LITERARY FESTIVAL

The Lyallpur Punjabi Literary Festival, known as Lyallpur Punjabi Suleekh Mela, is an annual event celebrating Punjab's rich cultural heritage and literary traditions for the past seven years. This year, Interloop sponsored the festival bringing together writers, poets, artists, and intellectuals from all over the country to engage in discussions and debates on a wide range of topics related

to Punjabi literature, art, culture, history, human rights, entrepreneurship, and media. This year the festival was dedicated to the great Punjabi poet and philosopher Waris Shah, remembering him on his 300th birthday. The festival also included performances by traditional musicians and dancers and art and craft exhibitions.

We support this unique platform for promoting the literary and cultural traditions of the Punjabi people and for fostering a sense of community and shared identity among them.



FREE MEALS FOR PRIMARY STUDENTS

The key to transforming lives and empowering future generations is to focus on building a more inclusive, equitable and healthy society where everyone has the opportunity to reach their full potential.

We are passionate about creating better lives for our people and communities, and collaboration with Allah Walay Trust is one such partnership that takes us closer to fulfilling our community goals. Free meals are arranged for the students of Government Primary School, Hassan Da Kot, in Lahore, aiming to create a positive impact on children's health, resulting in better academic performance, and physical and emotional well-being. Under the School Khana Program, 231 students enjoy meals during lunch hours, encouraging parents to maintain and improve their children's attendance.

For many students, school is a primary source of nutrition, and free meals can help ensure that they have access to healthy, balanced meals during the school day, improving their learning capacity, concentration, and activity level.

The lunch menu at Hassan Da Kot is planned carefully, keeping in mind students' dietary needs and well-being and ensuring good quality. Studies

suggest, and we believe, that well-nourished children are more likely to attend school regularly and perform better academically.

Through such partnerships, we are focusing on empowering the future generations with targeted interventions and equal opportunities. thus reducing poverty, promoting economic development, and addressing social inequality.



A photograph of three women in a cotton field. They are wearing colorful traditional clothing and headscarves. They are gathered around a large pile of harvested white cotton bolls. The field is filled with green cotton plants under a clear blue sky.

PROSPERITY

Meeting and surpassing our company-wide goals, we are distinctly positioned to aggressively pursue sustainability initiatives for the prosperity of our business and stakeholders.



ECONOMIC IMPACTS 2022

Steady economic returns are essential for driving positive change for all our stakeholders. Through a robust planning process at Interloop, we develop & execute focused strategies to generate sustainable growth for our partners, people & communities.

**TARGET
2022**

USD 446
MILLION

ECONOMIC VALUE TO BE
GENERATED EQUIVALENT TO

PKR 69.18
BILLION

**ACHIEVEMENT
2022**

USD 482
MILLION

ECONOMIC VALUE GENERATED
EQUIVALENT TO

PKR 92.12
BILLION



ENHANCING ECONOMIC RETURNS

OUR PERFORMANCE

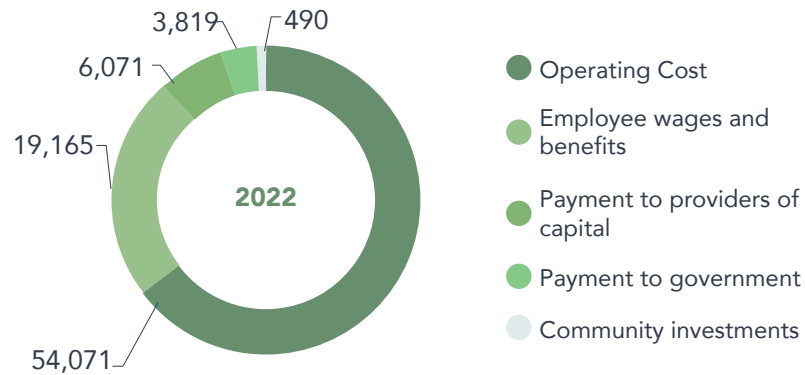
Interloop's financial performance maintained an upward trajectory and exhibited tremendous economic results. The revenues for the year were PKR 90,894 million compared to PKR 54,962 million in 2021 showing a 65% increase. The net profit increased considerably to PKR 12,359 million compared to 6,292 million in 2021 showing a 96% increase. Detailed information on financial performance can be found in the financial statement section of the Annual Report 2022. The

total capitalization for the year was PKR 54,800 million. During the year, Interloop produced 55.702 million dozens of socks and tights, 4.62 million pieces of denim, 4.99 million pieces of activewear, 15.59 million pieces of apparel, 26.214 million Lbs (converted to 20/s) of yarn and processed 4.468 million kgs of dyed yarn. There were no major changes in organizational structure and supply chain during the year.

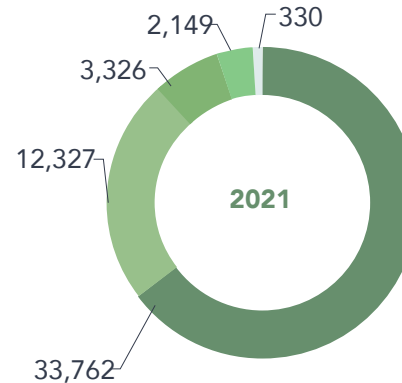
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	2022	2021	2020	2019	2018
RUPEES IN MILLION					
ECONOMIC VALUE GENERATED					
Revenues	92,118	55,933	36,945	37,524	31,169
ECONOMIC VALUE DISTRIBUTED					
Operating Cost	54,071	33,762	22,980	22,755	19,513
Employee Wages and Benefits	19,165	12,327	9,523	7,898	6,853
Payment to Providers of Capital	6,071	3,326	2,879	3,591	1,428
Payment to Government	3,819	2,149	1,333	544	426
Community Investments	490	330	175	350	105
ECONOMIC VALUE RETAINED					
	8,502	4,039	55	2,386	2,844

ECONOMIC VALUE DISTRIBUTED 2022
(PKR IN MILLIONS)



ECONOMIC VALUE DISTRIBUTED 2021
(PKR IN MILLIONS)



DEFINED BENEFIT PLANS

Interloop offers defined benefits in the form of gratuity to its employees where no contribution is required from employees. It does not maintain a separate fund for gratuity and the liability for the defined benefit plan is calculated on the basis of actuarial valuation. Interloop also offers contributory benefits in the form of provident fund to its employees. A separate fund is maintained where Interloop contributes 7.5% while employees contribute 7.5% to 12.5% of basic salaries. Participation in the contributory benefit plan is voluntary. The liability for the defined benefit plan was PKR 4,890.57 million in 2022 compared to PKR 3,810.95 million in 2021.



SUPPLY CHAIN

Suppliers are our partners in growth, helping us achieve our production targets and meet customer requirements. We understand the need to manage our supply chain impacts by promoting sustainability and ethical practices across our supply chain.



OUR APPROACH AND PERFORMANCE

Our supply chain management strategy is designed to overcome disruptions, ensure continuity of operations, fulfill the increasing demand of products, and achieve our vision to become a full family clothing partner of choice. The Procurement & Supply department at Interloop is responsible for ensuring the timely availability of top-quality materials as per requirements. Our procurement strategy and policies not only focus on quality and cost-effectiveness but also on bringing positive change for the stakeholders by pursuing an ethical and sustainable business.

Our Green Purchasing strategy helps to limit the negative impacts on the environment. The strategy clearly defines the desired

course of action and factors to be considered while making procurement decisions. Suppliers are required to be compliant with international standards related to product specification and quality. The procurement strategy also takes into account the existence of policies and procedures at our suppliers' sites for managing health and safety, labour, and human rights-related issues. Our special consideration of the sustainability criteria while inducting suppliers, as well as our approach to carrying out periodic audits, help to ensure compliance, and manage impacts within the supply chain.

During the year, 100% of new suppliers were screened for impacts on the environment and society.

To drive operational efficiencies and better resource allocation through digitalization, we have deployed Inspectorio Sight; a quality management software that gives the company full visibility of its complex supply chain by providing digital performance analytics for all manufacturing facilities. This has made it easier to comply with the ever-evolving regulations and helped Interloop maintain stability and continuity.

As a fully integrated manufacturer of hosiery, denim, and apparel, cotton spans it all which is why we have introduced Looptrace – a proprietary solution that aims to provide end-to-end traceability for cotton-derived products, from their origin at the farm to throughout the production process. The Looptrace platform allows supply chain

stakeholders to track, trace and access transparent raw material information, helping both Interloop and its partners meet shared sustainability goals.

We procure the following items from our wide range of supplier base:

- ▶ Hosiery yarns (cotton yarns, man-made yarns, regenerated and recycled yarns)
- ▶ Dyes & chemicals which meet Oeko-Tex requirements and other international certifications
- ▶ Services General (repair & maintenance, construction, etc.)

Our supply chain consists of a total of 1,100 suppliers out of which 774 are active suppliers spanning more than 20 countries. The suppliers in Pakistan (yarn suppliers) are mainly labor-intensive while suppliers abroad (parts, machines, and plants) are technology-intensive. We primarily procure materials and services from local suppliers, in line with our strategy to encourage the development of a local supply chain, leading to economic development within the country. The equipment, materials, and services that are not available in Pakistan or do not meet the end customer requirements are procured from abroad.

During the year, we procured around PKR 50.44 billion worth of material and services, - compared to PKR 24.54 billion in the year 2020, of which 66% was from local and 34% from global suppliers.

Our Vision 2025

To Become a Full Family Clothing
Partner of Choice

HOW WE'LL DO IT



PEOPLE

A diverse, inclusive and engaged workforce
creating a high performing organization



DIGITAL TRANSFORMATION

Drive efficiencies through digitalization
and provide transparency to our customers
with real time information



AGILE MANUFACTURING

Drive an agile organization retaining our
competitive position as a responsive high
quality manufacturer



\$700M

REVENUE BY FY 2026

Transforming into a full family clothing business will
build further credibility with our customers

2.5x

REVENUE THROUGH
VALUE ADDED SERVICES

Providing value added services creating
strong lasting partnerships

25%

LOWER CARBON FOOTPRINT
AND RESOURCE CONSUMPTION

Lead the way in responsible manufacturing meeting highest
standards of environmental and social performance

FUTURE OUTLOOK

Our external environment and future scenario are critical for meeting our Vision 2025 and delivering to the expectations of our stakeholders. We are committed to actively adjusting ourselves in the wake of future disruptions and capitalizing on favourable factors to achieve our long-term targets. Despite global challenges ranging from rising inflation, post-pandemic demand-supply imbalances, and Russian-Ukraine conflict, to domestic vows including currency devaluation, rising inflation, increasing policy rates, devastating floods, etc., Interloop continued to deliver exceptional performance owing to its ethical and sustainable business practices.

To ensure business continuity and shared value for our stakeholders, we launched our Vision 2025, TO BECOME A FULL FAMILY CLOTHING PARTNER OF CHOICE; our strategy from July 2021 through to June 2026. Guided by a Customer First approach, our strategic focus has been on offering multi-category products, delivered with exceptional customer service, and which are manufactured responsibly, meeting the highest standards of social and environmental performance.

WHAT WE DO

Full Family Clothing: Transforming into a full family clothing business will build further credibility with our customers. Interloop has deep relationships with leading brands and retailers around the world. Our aim is to continue to build credibility with our customers and leverage our relationships

offering a broader set of products including hosiery, denim, knitted apparel, and seamless active wear. We aim to double our revenue by FY26 from a baseline of FY21, growing all our product segments.

Value-Added Services: Providing value-added services to create strong lasting partnerships. We aim to be a partner of choice for our customers by offering value-added services including trends and analytics, design services, collaborative planning, forecasting, warehousing, and logistics. We will grow our long-term relationships and bring on board new customers offering superior customer experience and service.

Responsible Business: Lead the way in responsible manufacturing meeting the highest standards of environmental and social performance. We will continue to lead with purpose creating positive change for our communities and will invest 4% of our profits into creating inclusive and fair opportunities for community well-being through education, sports, healthcare and disaster relief. We will work towards 25% GHG emission reduction by FY26 through large-scale roll-out of renewable and clean energy and promote environmental programs throughout our operations. We will amplify our sustainable product offering, targeting 7 out of 10 of our raw materials to be from sustainable sources, reducing water consumption by 25%, diverting 100% of our waste from landfills, and ensuring zero discharge of hazardous chemicals.

HOW WE WILL DO IT

People: A diverse, inclusive, and engaged workforce creating a high-performing organization. Our vision sets out to be a partner of choice for all stakeholders, particularly for our people who truly are the fabric of the organization. Vision 2025 will create multiple growth opportunities for our people across a diversified set of roles ensuring career growth and development. We will work on developing their capabilities, build on systems that boost employee engagement, and will ensure a diverse, equitable, and inclusive workplace for all.

Digital Transformation: Drive efficiencies through digitalization and provide transparency to our customers with real-time information. We will drive efficiencies and improve productivity through digitalization and automation including; Digital Design and Development, Digital Supply Chain and fully integrated ERP, Industry 4.0-inspired manufacturing, real-time Data Analytics for decision-making and transparency, AI-based decision-making, and digital engagement with our partners.

Agile Manufacturing: Drive an agile organization retaining our competitive position as a responsive high-quality manufacturer. We will double down on our efforts to create an agile organization retaining our competitive position as a responsive high-quality manufacturer. We will be focusing on built-in quality whilst reducing development and production lead times, applying lean manufacturing tools and mindset throughout the organization, and achieving economies of scale.

We value stakeholders' input and commit to continue engaging with them for relevant insights, and will keep working towards Building a Sustainable World!

The logo for Interloop, featuring the word "INTERLOOP" in a bold, dark blue sans-serif font. The letter "O" is replaced by a blue circular icon consisting of two interlocking loops.A photograph of a dense evergreen forest with tall, thin trees. The background is hazy and misty, with a soft, golden light filtering through the trees, suggesting a sunrise or sunset. The overall tone is natural and serene.

BUILDING A SUSTAINABLE WORLD

SUSTAINABILITY REPORT 2022

ABOUT THE REPORT

This is Interloop's fourth Sustainability Report and has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards at Core Level. It also uses the requirements of the Sustainability Accounting Standards Board's (SASB) Apparel, Accessories, and Footwear Sustainability Accounting Standard to describe environmental and social risks associated with sourcing priority raw materials. The report covers how Interloop is contributing towards United Nations' Sustainable Development Goals through its operational activities and community development initiatives.



SCOPE AND BOUNDARY

The report contains information about Interloop Limited's operations from July 01, 2021, to June 30, 2022 and encompasses business segments including Hosiery, Denim, Apparel, Activewear and Yarns and their impacts but does not cover the information on the impacts of its associate/ affiliate companies. Moreover, the information on impacts within the supply chain is also not included due to the non-availability of reliable data. The last sustainability report was published on December 31, 2021.

REPORT CONTENT

The contents of the report including material topics have been derived by taking into account the requirements of GRI Sustainability Reporting Standards and the impacts of our operations as well as our engagement with important stakeholder groups. More details about consultation and determination of material topics are available on pages 67-70 of this report.

METHODOLOGY AND DATA QUALITY

The data included in the report has been recorded on actual basis. However, where data is not available, estimation has been used. All such estimates have been mentioned clearly at respective places. The data related to environmental impacts has been obtained from

the Sustainability Department which is responsible for measuring and monitoring environmental impact and progress against the targets. The sustainability report is part of Interloop Limited's annual reporting process.

ASSURANCE

The Sustainability Department and the Management Committee review the report annually. The report is not reviewed independently by a third-party assurer, however, Interloop is interested in getting an independent review on future sustainability reports.

The GRI Index is available on page 74 of this report. The report is available in printed as well as PDF (e-copy) form. PDF form is the most updated version which can be accessed at www.interloop-pk.com. Stakeholders' input on the report helps to keep our reporting relevant for our stakeholders' decision-making needs. The sustainability team can be reached at the following contact:

Muhammad Fauz Ul Azeem
GM Corporate Sustainability & Chemical Management
Phone: +92-41-4360400
Email: sustainability@interloop.com.pk



STAKEHOLDERS' ENGAGEMENT AND MATERIALITY

OUR APPROACH

Our mission of becoming an agent of positive change for the stakeholders and community manifests our stakeholder centric focus while pursuing an ethical and sustainable business. We value stakeholder consultation as it helps us devise effective strategies to meet stakeholder expectations and enables us to create and deliver shared value. Our approach includes identification, mapping, and prioritization of stakeholders for engagement based on their relationship with Interloop, ability to impact or vulnerability due to our activities and operations, proximity, and willingness to engage. The stakeholders are engaged throughout the year via relevant departments for discussing issues pertinent to the stakeholders and Interloop. During the year, we did not carry out any report-specific stakeholder engagement.

OUR STAKEHOLDERS

Stakeholders include individuals, entities, and groups who have the potential to affect our ambitions, targets, and business objectives and/or who are affected by our activities and operations. Our primary stakeholders are shareholders, customers, suppliers, employees, government, and local communities.

Stakeholder inputs, as part of materiality determination process enables us to identify key issues, and focus our efforts on managing their impacts effectively.

STAKEHOLDERS	ENGAGEMENT METHOD	ENGAGEMENT FREQUENCY	TOPICS IDENTIFIED BY STAKEHOLDERS	OUR RESPONSE
Shareholders/ Investors	AGM/EOGM/ Corporate Affairs Department	Ongoing	Economic returns, management of health and safety of employees and environmental risks, interventions for the progress of local communities	Continuous focus on innovation and business development, investment in production capacity & expansion, investment in environmentally friendly technologies and community based CSR initiatives
Analysts	Briefing, Reports, Corporate Affairs Department	Ongoing/ Occasional	Investments/expansion, environmental initiatives, and CSR actions	Investment in production capacity & expansion, pursuing environment friendly initiatives, regular CSR investments for the betterment of local communities
Customers	Customer Surveys, Customer Feedback, Marketing Department	Ongoing	New products/designs, quality, impacts on the environment and society	Continuous innovation and up-gradation and enhanced focus on quality, management of impacts on the environment and society through internal initiatives as well as CSR policies
Employees	Annual Dinner, CBA Meetings, Open House Sessions, Mission Awareness Sessions, Employee Surveys, Human Resource Department	Ongoing	Employee benefits, Job-related training, health, and safety of workers	Provision of market-based benefits, on job training to enhance their skill sets and investment, policies and procedures, procedures for the management of health and safety of workers
Suppliers	Supplier Surveys, Suppliers Code of Conduct, Request for Quotations	Ongoing	Business opportunities, environment friendly materials, guidance on new material requirements, and assessment of suppliers for environmental and social impacts	Business developments leading to increased opportunities, exploring environmentally friendly materials and training/guidance to suppliers on new requirements
Regulators/ Government	Reports, Consultative Sessions, Corporate Affairs Departments	Ongoing/ Occasional	Compliance with laws and regulations	Compliance with laws and regulations in all business activities
Local Community	Meetings, Employee Engagement	Ongoing	Intervention in the field of health, education, sports, clean water and infrastructure development	Structured CSR program initiatives based on community needs assessment and investment in education, health, and sports for the betterment of local communities.

MATERIALITY ASSESSMENT

OUR APPROACH

Our materiality assessment process takes into account the issues raised by stakeholders along with the subjects identified through internal analysis and industry specific sustainability topics and cover areas manifesting major impacts of our products and operations on the economy, environment, and society. The topics are analyzed, prioritized and finalized using reporting principles from GRI Standards for defining the report content.

The outcome of materiality determination process has been summarized in the materiality matrix which contains issues highly important to stakeholders & Interloop and demonstrates significant impacts on issues that are moderately important to Interloop & stakeholders. The scope and content of the report have been derived from the materiality matrix. The analysis of material topics also helps in devising and updating appropriate policies and procedures for effective management of the impacts of our operations.

The boundary of most of the material topics includes only Interloop except some topics where the boundary includes suppliers and customers on the basis of impacts. The topic boundary for materials sourcing & usage, energy, emissions, waste, anticorruption, human rights, and supply chain impacts includes Interloop and suppliers while topic boundary for water includes Interloop, our suppliers and customers.



MATERIAL TOPIC	IMPACTS MAKING IT MATERIAL
Economic Performance	Important for business continuity, return to investors and contribution to economy and society
Market Presence	Job creation for local communities resulting in economic development around the plant sites
Procurement Practices	Creation of business opportunities for local vendors, economic development, reliable supply chain
Materials Sourcing & Usage	Consumption of limited material resources and impacts in the supply chain
Energy	Impact on climate change due to the consumption of fossil fuels and opportunities for energy production from renewable and non-renewable sources
Emissions	Leads to climate change resulting in severe weather patterns and raw material availability
Water	Affects the availability of freshwater leading to water scarcity
Waste	Affects climate through generation and disposal of both hazardous and non-hazardous waste
Employment & Labor Practices	Providing jobs for economic development, compliance with applicable laws, customer charters and international conventions
Anti-Corruption	Affects competitiveness and leads to misuse of power resulting in poverty. Compliance with laws and international charters
Human Rights	Risks to reputation and license to operate in case of non-compliance of basic human rights defined in international charters and conventions
Local Communities	Effects on local communities due to operations, the contribution for provision of education and health facilities and creation of livelihood opportunities for economic development
Health & Safety	Health and safety of employees impacting productivity, compliance with applicable laws as well as customers' requirements
Training and Education	Enhances the productive potential of the workforce, cost savings, and improvement of product & service quality
Security Practices	Compliance with human rights laws and international charters and customers' requirements
Compliance with Laws	Compliance with applicable laws
Supply Chain Impacts	Negative supply chain impacts in the areas of environment, labor and human rights



OUR MANAGEMENT APPROACH

Our management approach is proactive, focusing on timely identification of issues and taking appropriate measures to manage their impacts. It is evaluated by comparing the outcomes with the planned results and adjustments are made where required.

PLANET

Our environment policy guides all businesses to manage the environmental impacts and comply with our commitments, applicable laws, and customers' code of conduct. In line with Article 15 of the Rio Declaration, we have a proactive environmental management approach for early identification and mitigation of impacts.

The corporate sustainability department evaluates environmental sustainability initiatives, tracks impacts, and sets targets. EHS representatives at each plant ensure compliance with applicable laws and customer requirements. Our manufacturing facilities are certified against various management systems viz. ISO 9001:2015, ISO 14001:2015, OHSAS-18001:2015, ISO-50001:2011, SA-8000, ISO-17025, and ISO-17043. Regular trainings are carried out at all plants to appraise and upgrade the knowledge and skills of the workforce. The performance against targets is regularly monitored throughout the year and appropriate measures are taken if required. An environmental grievances

handling mechanism exists across the company where the affected parties can file complaints. During regular training and awareness sessions, employees are encouraged to share ideas and suggestions for improvement in the systems. Various platforms like Worker Management Council (WMC), EHS Committee, Focus Group Meetings, etc. are available to discuss and generate solutions for these problems. Additionally, the grievances can also be channelized through dedicated Management Representatives (MR) available at each plant, and suggestion boxes installed at prominent locations. Manager Health & Safety at each plant is responsible for dealing with complaints. The complaints requiring new policies, procedures, and investments are forwarded to Corporate EHS for review and appropriate actions. No non-compliance with environmental laws, regulations, and customers' requirements occurred during the reporting year. During the year, PKR 66 million was spent on environmental protection; PKR 57 million on waste disposal, emissions treatment & remediation, and PKR 9 million was on prevention & management costs.

The planet management approach covers material topics of material sourcing and usage, energy, emissions, water, waste, and compliance.

PEOPLE

Our HR policies are focused on onboarding talented professionals, grooming them through training, and providing them with an enabling workplace to develop them as a valuable asset. Interloop understands the needs of the local communities, and its hiring practices encourage employing from the local communities to transfer the economic benefits to them. Performance-based career growth and job rotation are an integral part of HR system. VP of People & Organization Development heads the HR function. Support Services Managers at respective plants are responsible for the implementation of HR policies.

Our policies and practices to abide by laws and international charters ensure that human rights are well respected in all our activities.



Our code of conduct and shared values require all team members to act empathetically and uphold the rights of co-workers, communities, and other related parties. SOPs for grievance handling are in place and Management Representatives (MR) are deputed at all plants for handling complaints regarding work, working environment, welfare, discipline, and violations of the code of conduct. MRs frequently visit shop floors and offices and encourage employees to identify any potential barrier to a conducive working environment. All people-related aspects are monitored at the plant level and reported at the corporate level. The Human Resource & Remuneration Committee of the Board reviews the relevant policies and recommends a suitable course of action to the Board.

The people management approach covers material topics of employment & labor practices, market presence, health and safety, training and education, human rights, and security practices.

COMMUNITIES

We have defined development goals and programs to deliver inclusive growth at all our operational sites.

Engagement with the local community, need assessment and impact analysis inform our policies and procedures. The company has long-term KPIs, and a CSR spending target

is fixed and executed every year. The Head of CSR is responsible for the implementation of programs and reports to the CEO. In line with Interloop's mission 'to be an agent of positive change', our operations, and our interventions in areas including education, health, sports and disaster relief are focused on greater benefit for the society and the community. Grievance handling mechanism for the local community impacts is in place and managed as per defined procedures. Policy implementation is reviewed by the CEO for further deliberation at the Board level. Interloop Welfare Trust is another important CSR function for the engagement & betterment of the community.

PROSPERITY

Economic performance at Interloop is guided by our mission and values, along with the targets set by the management. Our operations have direct and indirect economic impacts. The Board defines the targets for the company's economic performance and the CEO along with the Management Team is responsible for underlying activities to achieve these targets. We have zero tolerance for corruption in our operations and relationships with our business partners. The internal audit department audits all activities and reports to the Board Audit Committee. Corrective actions are taken if required. During the year, all operations were assessed for risks related to corruption. No incidents of corruption occurred at Interloop. A grievance handling mechanism exists in the shape of a whistle-blower policy and reporting violations of the code of conduct and laws. The Board Audit committee reviews the grievances filed and makes recommendations to the Board. The economic performance is reviewed at the quarterly Board meetings and corrective measures are taken on a need basis. No non-compliance with laws and regulations in the social and economic areas occurred during the year. To learn about our materiality process and material topics, please refer to page 69-70.

The prosperity management approach covers economic performance, anti-corruption, and compliance topics

MEMBERSHIPS AND CERTIFICATIONS

ENVIRONMENTAL CERTIFICATIONS



*Denim Plant
 **Hosiery Plant 4 & 5
 ***Hosiery Plant 2

COMMITMENTS AND COLLABORATIONS



CHEMICAL MANAGEMENT PORTAL



SOCIAL CERTIFICATIONS



OTHERS CERTIFICATIONS



MEMBERSHIPS



GRI INDEX

The GRI content index serves as a navigation tool to locate the content within the report. The GRI Standards together with the related disclosures are listed and each disclosure is referred to the relevant page in this Sustainability Report or other publicly available source.

Key

SR = 2022 Sustainability Report

AR = Annual Report 2022



GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
GRI 101: FOUNDATION 2016	GRI 101 contains no disclosures.		
GENERAL DISCLOSURES			
GRI 102: GENERAL DISCLOSURES 2016	ORGANIZATIONAL PROFILE		
	102-1 Name of the organization	6	.....
	102-2 Activities, brands, products, and services	7	.....
	102-3 Location of headquarters	6	.....
	102-4 Location of operations	6	.....
	102-5 Ownership and legal form	6	.....
	102-6 Markets served	6	.....
	102-7 Scale of the organization	6, 42, 59	.....
	102-8 Information on employees and other workers	42	.....
	102-9 Supply chain	62	.....
	102-10 Significant changes to the organization and its supply chain	59	.....
	102-11 Precautionary Principle or Approach	71	.....
	102-12 External initiatives	73	.....
	102-13 Membership of associations	73	.....
	STRATEGY		
	102-14 Statement from senior decision-maker	4	.....
	ETHICS AND INTEGRITY		
	102-16 Values, principles, standards and norms of behavior	6	.....
	GOVERNANCE		
	102-18 Governance structure	12	.....
	102-22 Composition of the highest governance body and its committees	12	.....

GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
STAKEHOLDER ENGAGEMENT			
	102-40 List of stakeholder groups	68	.....
	102-41 Collective bargaining agreements	36	.....
	102-42 Identifying and selecting stakeholder	67	.....
	102-43 Approach to stakeholder engagement	67	.....
	102-44 Key topics and concerns raised	68	.....
REPORTING PRACTICE			
	102-45 Entities included in the consolidated financial statements	66	.....
	102-46 Defining report content and topic boundaries	66, 69	.....
	102-47 List of material topics	70	.....
	102-48 Restatements of information	66	.....
	102-49 Changes in reporting	66	.....
	102-50 Reporting period	66	.....
	102-51 Date of most recent report	66	.....
	102-52 Reporting cycle	66	.....
	102-53 Contact point for questions regarding the report	66	.....
	102-54 Claims of reporting in accordance with the GRI Standards	66	.....
	102-55 GRI content index	74	.....
	102-56 External assurance	66	.....
MATERIAL TOPICS			
ECONOMIC PERFORMANCE			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69,70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	60	.....
	201-3 Defined benefit plan obligations and other retirement plans	60	.....
MARKET PRESENCE			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69,70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....

GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
GRI 202: MARKET PRESCENCE 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	48	.....
	202-2 Proportion of senior management hired from the local community	42	.....
PROCUREMENT PRACTICES			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	62	.....
MATERIAL SOURCING AND USAGE			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	24, 62, 72	.....
	103-3 Evaluation of the management approach	72	.....
APPAREL, ACCESSORIES & FOOTWEAR: 2018 (SASB)	CG-AA-440a.1. Description of environmental and social risks associated with sourcing priority raw materials	26	.....
	CG-AA-440a.2. Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	27	.....
ANTI-CORRUPTION			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	72	.....
MATERIALS			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	71	.....
	103-3 Evaluation of the management approach	71	.....
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	26	.....
	301-2 Recycled input materials used	26	.....
ENERGY			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	71	.....

GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
	103-3 Evaluation of the management approach	71	.....
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	22	.....
	302-4 Reduction of energy consumption	22	.....
WATER			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	71	.....
	103-3 Evaluation of the management approach	71	.....
GRI 303: WATER 2018	303-1 Interactions with water as a shared resource	24	.....
	303-2 Management of water discharge-related impacts	24	.....
	303-3 Water withdrawal	24	.....
	303-4 Water discharge	30	.....
	303-5 Water consumption	24	.....
EMISSIONS			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	67,70	.....
	103-2 The management approach and its components	71	.....
	103-3 Evaluation of the management approach	71	.....
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	21	.....
	305-2 Indirect (Scope II) GHG emissions	21	.....
	305-5 Reduction of GHG emissions	21	.....
WASTE			
GRI 103:MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	71	.....
	103-3 Evaluation of the management approach	71	.....
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	31	.....
	306-2 Management of significant waste-related impacts	31	.....
	306-3 Waste generated	31	.....


















GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
SUPPLY CHAIN IMPACTS			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	62	.....
	103-3 Evaluation of the management approach	62	.....
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	62	.....
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	62	.....
EMPLOYMENT AND LABOR PRACTICES			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	43	.....
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	48	.....
	401-3 Parental leave	39	.....
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	42	.....
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	36	.....
HEALTH AND SAFETY			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	37, 72	.....
	103-3 Evaluation of the management approach	37, 72	.....
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	37	.....
	403-2 Hazard identification, risk assessment, and incident investigation	37, 38	.....
	403-3 Occupational health services	38	.....
	403-4 Worker participation, consultation, and communication on occupational health and safety	38	.....
	403-5 Worker training on occupational health and safety	38	.....
	403-6 Promotion of worker health	38	.....
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	38	.....

GRI STANDARD	DISCLOSURE	PAGE NUMBER (S)	FULLY DISCLOSED, PARTIALLY DISCLOSED, NOT DISCLOSED
	403-8 Workers covered by an occupational health and safety management system	38	.....
	403-9 Work-related injuries	38	.....
TRAINING AND EDUCATION			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69,70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	41	.....
	404-3 Percentage of employees receiving regular performance and career development reviews	41	.....
HUMAN RIGHTS			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	36, 72	.....
GRI 408: CHILD LABOR 2016	103-3 Evaluation of the management approach	72	.....
	408-1 Operations and suppliers at significant risk for incidents of child labor	36	.....
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	36	.....
GRI 410: SECURITY PRACTICES 2016	410-1 Security personnel trained in human rights policies or procedures	41	.....
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-2 Employee training on human rights policies or procedures	41	.....
LOCAL COMMUNITIES			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments and development programs	50-56	.....
COMPLIANCE WITH LAWS			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundaries	69, 70	.....
	103-2 The management approach and its components	72	.....
	103-3 Evaluation of the management approach	72	.....
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1 Non-compliance with environmental laws and regulations	71	.....
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	419-1 Non-compliance with laws and regulations in the social and economic area	72	.....

UNGC COP

PRINCIPLE	STATEMENT	PAGE	GRI STANDARDS DISCLOSURE
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	36, 50-56, 62	413-1
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	36, 40, 45, 50-56, 62	413-1, 414-1
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	36	102-41, 407-1
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	36	409-1
Principle 5	Businesses should uphold the effective abolition of child labor.	36	408-1
Principle 6	Businesses should uphold elimination of discrimination in respect of employment and occupation.	40, 41, 42, 43, 45	102-8, 401-1, 404- 1, 404-3, 406-1,
Principle 7	Businesses should support a precautionary approach to environmental challenges.	21, 22, 24, 28	301-1, 302-1, 303-3, 305-1, 305-2
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	21, 22, 24, 26, 30, 31, 62, 71	301-1, 301-2, 302-1, 302-4, 303-3, 303-4, 303-5, 305-1, 305-2, 305-5, 306-1, 306-2, 306-3, 307-1, 308-1,
Principle 9	Businesses should encourage the development and diffusion of environmental-friendly technologies.	21	305-5
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	72	102-16, 205-1

SUSTAINABLE DEVELOPMENT GOALS INDEX

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE	SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
	End poverty in all its forms everywhere	48, 50-56	202-1, 413-1		Reduce inequality within and among countries	44-45, 50-56	413-1
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	50-56, 60	201-1, 413-1		Make cities inclusive, safe, resilient, and sustainable	50-56	Not Applicable
	Ensure healthy lives and promote well-being for all at all ages	21, 31, 38	305-1, 305-2, 306-1, 306-2, 306-3, 403-8, 403-9		Ensure sustainable consumption and production patterns	21, 22, 26, 31, 62	204-1, 301-1, 301-2, 302-1, 302-4, 305-1, 305-2, 306-1, 306-2, 306-3
	Ensure inclusive and quality education for all and promote lifelong learning	41	404-1		Take urgent action to combat climate change and its impacts	21, 22	302-1, 302-4, 305-1, 305-2
	Achieve gender equality and empower all women and girls	12, 39, 41, 42, 43, 45, 48, 60, 62	102-22, 201-1, 202-1, 401-1, 401-3, 404-1, 404-3, 406-1, 414-1		Conserve and sustainably use the oceans, seas, and marine resources	21, 31	305-1, 305-2, 305-5, 306-1, 306-3
	Ensure access to water and sanitation for all	24, 30, 31	303-3, 303-4, 303-5, 306-1, 306-2, 306-3		Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	21, 31	305-1, 305-2, 305-5, 306-3
	Ensure access to affordable, reliable, sustainable, and modern energy for all	22, 60	201-1, 302-1, 302-4		Promote just, peaceful, and inclusive societies	6, 12, 36, 42, 62, 71, 72	102-16, 102-22, 205-1, 307-1, 414-1, 406-1, 408-1, 419-1
	Promote inclusive and sustainable economic growth, employment, and decent work for all	22, 24, 26, 36, 38, 39, 41, 45, 48, 60, 62	102-8, 102-41, 201-1, 202-1, 202-2, 301-1, 301-2, 301-3, 302-1, 302-4, 303-5, 401-1, 401-2, 401-3, 403-8, 403-9, 404-1, 404-3, 407-1, 408-1, 409-1, 414-1		Strengthen the means of implementation and revitalize the global partnership for sustainable development	16, 44, 45	Not applicable
	Build resilient infrastructure, promote sustainable industrialization, and foster innovation	60	201-1				

GLOSSARY AND ACRONYMS

BCI	Better Cotton Initiative
CBA	Collective Bargaining Agent
CFCs	Chlorofluorocarbons
CSR	Corporate Social Responsibility
GHG	Green House Gases
GJ	Giga Joule
GOTS	Global Organic Textile Standard
GRI	Global Reporting Initiative
GRS	Global Recycled Standard
HFCs	Hydrofluorocarbons
EHS	Health, Safety and Environment
IFC	International Finance Corporation
ISO	International Standards Organization
MW	Mega Watt
NGO	Non-Governmental Organization
PBC	Pakistan Business Council

FEEDBACK FORM

SUSTAINABILITY REPORT 2022

Information provided on material topics covered in the report

Comprehensive Adequate Inadequate

Clarity of the information provided in the report.

High Medium Low

The quality of design and layout of the report.

Excellent Good Average

Your comments for adding value to the report.

Name

Designation

Organization

Contact Details

Tel

Please mail your feedback to:

Muhammad Fauz Ul Azeem
GM Corporate Sustainability & Chemical Management
Interloop Limited

1 – KM, Khurrianwala – Jaranwala Road, Khurrianwala, Faisalabad, Pakistan.
Phone: +92-41- 4360400 | Email: sustainability@interloop.com.pk




CORPORATE OFFICE


1-KM, Khurrianwala – Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan
T +92 41 4360400


REGISTERED OFFICE


Al-Sadiq Plaza, P-157
Railway Road, Faisalabad, Pakistan
T +92 41 2619724
Email: sustainability@interloop.com.pk

 [InterloopLimited](#)

 [InterloopLtd](#)

 [interloopl原因](#)

 [interloopl原因](#)

 www.interloop-pk.com