HOW INTERLOOP'S PAKISTAN OPERATIONS ARE SHAPING ITS GLOBAL ESG FRAMEWORK

AS THE TEXTILE industry faces mounting pressure for transparency and climate accountability, Interloop Limited is redefining large-scale manufacturing through cleaner production, regenerative agriculture and data-driven sustainability.

Here, Faryal Sadiq, chief marketing officer at Interloop Limited, discusses how the company is future-proofing its operations through renewable energy, digital traceability and a unified environmental, social and governance (ESG) framework designed to help brands meet evolving global standards.

"THE COMPANIES THAT EMBED TRANSPARENCY AND EFFICIENCY IN HOW THEY OPERATE WON'T JUST ENDURE, THEY'LL LEAD."

—**FARYAL SADIQ**, chief marketing officer, Interloop Limited

SOURCING JOURNAL: Interloop recently announced a $35.2 million investment in a garment and hosiery manufacturing facility in Egypt's Suez Canal Economic Zone. What motivated the expansion, and how will you integrate sustainability into the new facility from the ground up?

Faryal Sadiq: Egypt gives us strategic access to Europe and the U.S., supporting nearshoring while reducing lead times and logistics emissions. It strengthens supply chain resilience, and with shifting tariffs and trade regulations, that agility matters.

We're building this facility for efficiency from day one, just like our operations in Pakistan. It's about renewables, resource optimization and digital monitoring to keep things lean. We're not retrofitting sustainability later; it's built into the design.

Beyond Egypt, Interloop also operates large-scale facilities in Pakistan, Sri Lanka and China. How are you standardizing and scaling sustainable practices across your global operations?

F.S.: We see transparent action as the most powerful lever to scale sustainability: Responsible governance from top to bottom, verified data and full value chain accountability.

We follow a single sustainability framework across all regions with shared reporting systems. Our board oversees ESG, and every site tracks performance the same way.

Pakistan is our blueprint. What works there—like LEED-certified infrastructure, digital efficiency tracking and full material traceability—we scale everywhere else.

Our Higg FEM scores stay well above global industry averages, too. Pakistan leads with scores as high as 84, while our Sri Lanka facility's 73 shows strong environmental performance paired with community impact, earning Nike's Collaborate to Accelerate award and setting a model for regional best practice.

Earlier this year, Interloop Regen Kapas earned Regenagri certification from Control Union. How does achieving this certification represent a step forward for Interloop?

F.S.: Regen Kapas is our regenerative cotton program in Pakistan covering 6,000 acres across 25 villages in southern Punjab, working with 1,000 farmers. We're seeing results: Soil organic matter has increased, water use has dropped and farmers' costs are lower. That's the point, regenerative systems have to work economically for farmers, or they don't scale.

For Interloop, Regen Kapas connects our sustainability commitments back to the people and land at the start of our value chain while providing verified, traceable fiber.

It's now gaining traction; Hugo Boss is onboarding Regen Kapas to their supplier base. Certification is crucial, but brand adoption is what enables real scale. We'll be working together to layer their sourcing standards on top of Regenagri, making the model even stronger.

What other initiatives is Interloop taking to help brands and retailers become more sustainable?

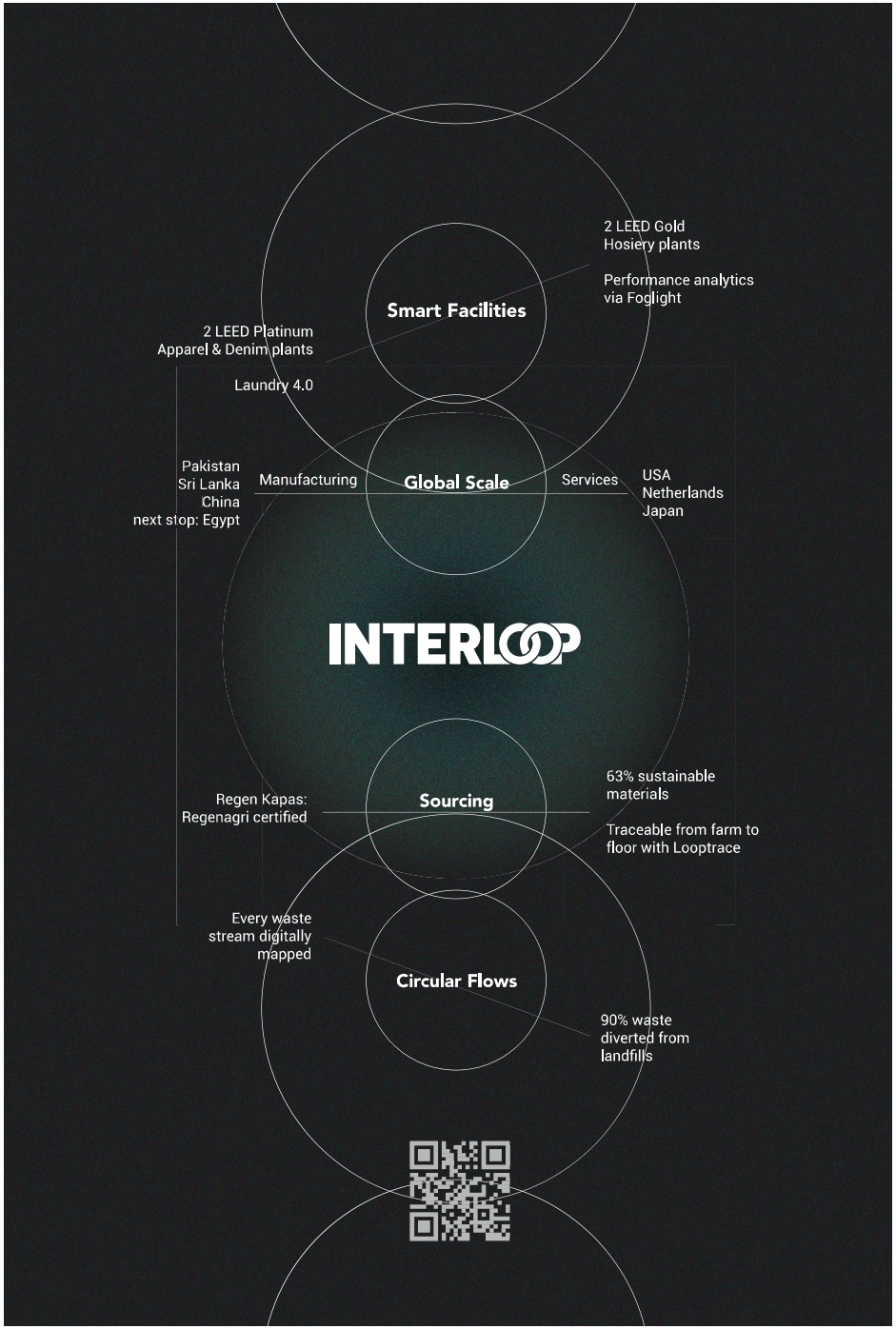
F.S.: Since 2020, we've reduced emissions by 21 percent, transitioned nearly half our energy use to renewables and diverted 90 percent of waste from landfills.

We position ourselves as a systems partner to brands—making sustainability practical and provable at the product level. Our DPP pilot with Socklab and GS1 Netherlands is a prime example. With a QR code, you get verified data on origin, materials, processes and end-of-life guidance—transparency that regulators and shoppers increasingly expect.

Low impact materials are another focus: Yulex, a plant-based elastane alternative; Interloop Regen Kapas; and recycled yarn spun from our own sock waste, which now supplies half our hosiery production. The next step is closing the loop entirely—feeding each customer's waste back into their own new products.

Virtual sampling lets us collaborate faster and cut waste. We partner with brands like Adidas to advance 3D workflows and scale these capabilities across the value chain.

What is your advice for brands and supply chain partners?

F.S.: Invest in traceability first. You can't improve what you can't measure. Build long-term partnerships, shared goals make adaptation faster. And treat sustainability as a system. Regulations will keep evolving, but if your operations are designed around data and accountability, compliance becomes the outcome, not the driver.

The companies that embed transparency and efficiency in how they operate won't just endure, they'll lead. ■