Clicks Group Ltd

2025 CDP Corporate Questionnaire

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
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09/14/2025, 05:47 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ ZAR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

The Clicks group is a leader in the South African healthcare market, in both retail pharmacy and pharmaceutical wholesaling. Clicks Group Limited, the ultimate holding company of the Clicks group, has been listed on the JSE Limited since 1996. The Clicks group's retail footprint includes 1 188 stores across South Africa, Namibia, Botswana, Eswatini and Lesotho, and the Clicks group employs over 19 000 permanent employees. The Clicks group includes market-leading brands such Clicks private label, The Body Shop, General Nutrition Corporation (GNC), Sorbet and United Pharmaceutical Distributors (UPD). Clicks is South Africa's largest retail pharmacy chains, with 877 stores in South Africa and 53 in the rest of Africa, and 711 in-store pharmacies, and has one of the largest loyalty programmes in South Africa with 11.8 million active ClubCard members which accounted for 81.7% of the Group's sales. Clicks has operated under an exclusive franchise agreement with The Body Shop since 2001, which sells natural, ethically-produced beauty products. GNC is a prominent global speciality health and wellness retailer and has operated under an exclusive franchise agreement for southern Africa since 2014. In 2023 the Clicks Group acquired the Sorbet beauty salon franchise chain comprising 194 stores. UPD was acquired in 2003 and is South Africa's leading full-range national pharmaceutical wholesaler, with a national presence and provides the distribution capability for the group's healthcare strategy. UPD fulfils the pharmaceutical supply needs of Clicks and offers national wholesale services to private hospitals and independent pharmacies. UPD also provides bulk distribution services to pharmaceutical manufacturers. The focus of Clicks group's strategy is on the health sector, to create sustainable long-term shareholder value through a retail-led health, beauty and wellness offering. Clicks will disclose emissions data as part of the Group's CDP response. Clicks' emissions profile consists of its retail operations (Clicks Stores and Body Shop), distribution centres, UPD distribution centres

(UPD) and corporate offices. Key emissions sources include purchased electricity for stores and distribution centres, fuel combustion from delivery vehicles, refrigerant use in stores and pharmacies, and upstream transport and commuting-related emissions.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	08/30/2024	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

48609808000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

ZAE000134854

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

18682W205

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Botswana

☑ Eswatini

☑ Lesotho
☑ Namibia
☑ South Africa

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:
☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply
☑ Upstream value chain

(1.24.3) Highest supplier tier mapped

Select from:
☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:
☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Clicks is a member of SEDEX (Supplier Ethical Data Exchange), a global data platform which allows businesses to gather data and get greater visibility into their supply chain, as well as manage and mitigate the risks of negative social and environmental impacts within it. The Group encourages all suppliers to voluntarily become SEDEX members. On the other hand, Clicks will identify suppliers for the Group's Private Label and instruct them to become SMETA (SEDEX Members Ethical Trade Audit) certified at their own cost. Engaging with suppliers on the SEDEX platform enables Clicks to identify risks, remain compliant with various international standards and regulations regarding labour, safety, and environmental practices, easily track stakeholder data and protect revenue by preventing sustainability issues within their business.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

☑ Recycling

☑ Incineration

☑ Landfill

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This period is in line with Clicks' budget allocations and incentives schemes, which are typically undertaken for one to three years into the future.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This period is in line with Clicks' business and operational planning and prospects, which are typically undertaken for up to five years into the future

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This period is in line with Clicks' five- to ten-year strategic plans.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Internal company methods

☑ Risk models

International methodologies and standards

☑ Other international methodologies and standards, please specify :Cambridge Taxonomy for Business Risks

Databases

☑ Nation-specific databases, tools, or standards

Other

☑ Desk-based research

☑ External consultants

☑ Internal company methods

☑ Materiality assessment

☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Increased severity of extreme weather events

☑ Water stress

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

The Clicks Group has established processes and related policies (e.g. the environmental and climate change policy) for continuously monitoring environmental risks, opportunities, dependencies and impacts. This includes regular updates to the risk register and engagement with stakeholders (within direct operations, upstream and downstream) to ensure ongoing relevance and accuracy of the risk management process. The Group leverages external expert and internal resources to ensure that our environmental and climate-related risk identification and assessment processes are in accordance with accepted practices. This includes the use of the tools and methods such as the Cambridge Taxonomy for Business Risks, risk models, national databases, materiality assessments and partner and stakeholder consultation/analysis. The group considers both transitional and physical risks and considers these risks over the short to long term. Furthermore, Clicks uses our assessment of dependencies and impacts to inform our assessment of risks and opportunities. For example, Clicks has assessed and introduced initiatives to reduce dependency on high emission fossil fuel-based power and has reduced this reliance with the installation of solar PV across facilities and the procurement of electric vehicles for UPD. A similar process has been used to increase rainwater harvesting and recycling (particularly in areas which have experienced water stress) and reduce unnecessary packaging in order to reduce Clicks' environmental impact. The tools and methods mentioned above feed into Clicks' central risk-management architecture through a three-step integration process: 1) Mapping and Categorisation: Outputs from the Cambridge Taxonomy, physical-risk models and stakeholder materiality assessments are translated into the Group's standard risk categories (strategic, operational, financial, compliance and reputational). Each identified climate driver is cross-referenced to existing controls and ownership structures within the register. 2) Scoring and Prioritisation: Quantitative results from scenario-based physical and transition models are converted into the Group's unified likelihood-and-impact matrix, ensuring climate risks are scored on the same scale as traditional business risks. Dependencies (e.g., grid electricity) and impacts (e.g., packaging waste) are reflected as modifiers to risk-severity scores, highlighting high-leverage opportunities such as renewable-energy procurement. 3) Governance and Review: Climate-risk entries are reviewed annually by the Risk Committee alongside financial and operational risks, enabling trade-off discussions and capital-allocation decisions in a single forum. Clicks' risk assessment included all stores and distribution centres (and associated assets). However, stores were grouped by province to assess the relevant climate risks, opportunities, dependencies and impacts. Updates: An evaluation was undertaken of the risks that could impact on the group delivering on its strategy and achieving its business objectives. Following this review, the risks of 'supply chain' and 'strategy and execution' have been included as material issues owing to the increasing impact and likelihood of these risks affecting the business. Key developments are being made to obtain environmental data from suppliers, which includes emission intensities, emission reduction plans and emission reduction targets, to ensure alignment with Clicks.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Clicks assesses the interconnections between environmental dependencies, impacts, risks and opportunities through its integrated risk management process. This involves conducting materiality assessments to identify significant environmental issues (e.g. water stress, extreme weather events and our carbon footprint) and prioritise them based on their impact on the Group's operations and stakeholders. The Group's internal audit division monitors each business unit's management of risks, opportunities, and dependencies and impacts related to climate change using a risk register and reports its findings to the Audit and Risk Committee on a quarterly basis. The Audit and Risk Committee is responsible for ensuring the implementation of an effective policy and plan for managing risk. For example, the installation of solar panels reduces the company's carbon emission impact and decreases dependency on grid electricity, and by extension fossil fuels. This mitigates risks associated with load shedding and presents an opportunity for cost savings and enhanced sustainability credentials. Expanding eco-friendly product lines such as MyEarth addresses the opportunity for consumer demand for sustainable products while reducing environmental impact through less plastic packaging. This aligns with regulatory requirements and enhances brand reputation. Another clear illustration centres on water stewardship at Clicks' distribution centres (DCs). These hubs depend on municipal water for HVAC cooling, sanitation and fire-suppression systems. The dependency exposes the Group to physical-risk hotspots: prolonged droughts and intermittent supply restrictions in the Western Cape have already disrupted industrial users. In response, Clicks mapped each DC's water balance and installed rain-water harvesting tanks. Reliance (i.e. Dependency) on municipal water in water-stressed regions increases business-continuity risk (Risk) and could force unplanned shutdowns or costly tanker deliveries. Harvested and recycled water reduced Clicks' potable water demand and withdrawal (i.e. Impact). This lowers Clicks' environmental-impact metrics and meets stakeholder expectations on responsible water use Reduced water reliance improves Clicks' resilience score in supplier audits, strengthening Clicks' attractiveness to ESG-focused investors and brand-conscious customers (i.e. Opportunity). This example underscores how Clicks' integrated process links dependency (municipal water), impact (watershed draw-down), risk (supply interruptions) and opportunity (cost savings, ESG credits). [Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ No, but we plan to within the next two years

(2.3.7) Primary reason for not identifying priority locations

Select from:

☑ Not an immediate strategic priority

(2.3.8) Explain why you do not identify priority locations

Clicks' operations are distributed across many locations, which are typically existing retail hubs, and unlike industries such as mining or agriculture, our interactions with specific ecosystems are less direct and less pronounced. This means our nature-related dependencies and impacts might not be concentrated in particular

areas, making it difficult to pinpoint specific priority locations that meet the TNFD criteria. At Clicks, we prioritise broader sustainability initiatives that are more directly aligned with our business operations and customer expectations. Initiatives such as reducing packaging waste, increasing energy efficiency, or responsibly sourcing products currently take precedence over the detailed location-specific analysis recommended by the TNFD. However, Clicks has begun engaging with WWF such biodiversity related metrics.
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

572089

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The Clicks Group defines substantive financial impact, or materiality test, in its Integrated Annual Report (page 3). The financial materiality test applied by the board in measuring enterprise value is based on internal and external factors, both positive and negative, that substantively affect the group's ability to deliver its strategy, and which could have a material impact of 5% or more on the group's profit before taxation. In the last financial year profit before tax was 4 172 million, therefore 5% of this value would be R208 million. However, when considering climate change, the Clicks group have varying definitions of substantive financial impact. A full day's closure could result in a financial loss of approximately R81 727 per store per day. This figure is calculated by dividing the total retail revenue in 2024 (35 438 490 000) by the total number of stores (1188) and then dividing by the number of days in the year (365). A significant financial impact for the group is defined as a store closure lasting one week, which would lead to a loss of approximately R572 089 per store per week. Additionally, there would be negative effects on the well-being of employees and customers, which are not easily quantifiable in financial terms. At a facility or asset level, each business unit reviews its risk register to assess the risks associated with the strategic and operational plans for the year ahead. This includes reviewing the previous year's risks, considering new risks and assessing the potential magnitude, impact and probability of identified risks. Workshops with all levels of management are also held to determine the relative significance of climate-related risks in relation to other risks. Metrics considered and time horizons: A Clicks' specific risk framework provides definitions of risk terminologies and sets out the risks that should be considered as part of the risk identification process. The likelihood (scale of 1-5) and impact (scale of 1-5) of identified risks are considered three to six years into the future. The likelihood and impacts are multiplied to give a risk rating and assigned a Rand (ZAR) value. The potential risks are updated annually to ensure relevant industry issues are considered. Once each risk is rated in the impact x likelihood matrix, the Group identifies mitigation measures to implement, after which the group gives a residual risk rating.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ Less than 1%

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The risk management process described above is used to help identify opportunities in addition to assessments of return of investment on (ROI) capital expenditure on projects which would result in a % increase in revenue of 0.1%. Based on the Group's 2024 revenue, this would be R48 609 808. Clicks also considers the following qualitative metrics in their decision making process: 1) Create Significant Value: the opportunity enhance the financial performance of a project through increased returns or cost savings, 2) Mitigate Risks: the opportunity addresses and reduces material risks, contributing to the overall risk management strategy, 3) Ensure Sustainability: the opportunity aligns with Clicks' commitment to environmental and social responsibility, including compliance with relevant standards and guidelines, and 4) Support Strategic Goals: the opportunity aligns with Clicks' long-term strategic targets and corporate vision and sustainability objectives. Time horizon: substantive opportunities are considered across all time horizons (short, medium and long-term). If Clicks Group identifies a new opportunity, it would be evaluated based on the metrics above. The likelihood of achieving this increase would be assessed through market research and historical performance data, with the metrics reviewed and adjusted as needed to reflect the latest insights and market conditions.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Clicks recognises the growing concern regarding the use of resources in packaging production, particularly plastics, and the environmental impact when packaging is not properly recycled or disposed of. In response, the Group is an active member of the SA Plastics Pact and is committed to meeting the industry-wide targets set for 2025. These targets include: 1) Eliminating problematic or unnecessary plastic packaging through redesign, innovation, or alternative delivery models such as re-use, 2) Ensuring 100% of members' packaging is reusable or recyclable and 3) Incorporating an average of 30% recycled content in plastic packaging. While Clicks is progressing in responsible plastic use and improving end-of-life management practices through these commitments, the process of fully integrating plastic-related risks into the Group's formal risk register is ongoing.

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Water stress

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

Water availability and quality are critical for Clicks' operations, particularly in pharmacies and clinics where handwashing, hygiene, and equipment cleaning are essential for safe healthcare and regulatory compliance. South Africa is highly water-stressed. Projections from the IPCC AR6 and local studies indicate rising temperatures, shifting rainfall patterns, and more frequent droughts, especially in the Western and Eastern Cape where many Clicks stores operate. These conditions heighten water scarcity and compound existing municipal infrastructure challenges. Shortages could disrupt operations in stores, clinics, and distribution centres, increase input costs, and compromise hygiene standards for staff and customers. The Cape Town drought demonstrated the potential for closures and service

interruptions. For a network of more than 930 stores and 720 pharmacies, such disruptions could restrict healthcare access, reduce sales, and undermine community trust. Indirect risks may arise through the supply chain, as manufacturing and logistics depend on reliable water access. In addition, rising municipal tariffs linked to scarcity add pressure to operating costs. Given its reliance on water across a wide geographic footprint, Clicks views water stress as a material long-term risk to business continuity, customer well-being, and regulatory compliance, underscoring the need for investment in water-saving measures such as boreholes and rainwater harvesting at key sites.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Other, please specify :Decreased revenues from lower sales/outputs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Increasing water scarcity could lead to temporary store closures, disrupting operations and reducing sales, which would ultimately impact Clicks' revenue. The potential effects of drought and water shortages are assessed as a long-term risk. Water shortages present a material operational risk to Clicks, as clean water is required for pharmacy and clinic services, sanitation, refrigeration, and overall store operations. In severe cases of drought or municipal supply restrictions, stores may be forced to close temporarily or operate at reduced capacity. This would directly reduce sales, creating downward pressure on revenue, particularly in high-density urban areas where a single store closure can affect thousands of customers. Financial Position: Persistent water stress could weaken the resilience of physical assets, particularly distribution centres and clinics that rely on water for compliance with health and safety standards. If operations are disrupted, the Group may face increased liabilities linked to alternative water sourcing, municipal surcharges, or compliance penalties. Longer-term, recurring disruptions could also

influence investment decisions, requiring additional CAPEX to secure water resilience (e.g., boreholes, rainwater harvesting, or greywater systems). Financial Performance: Revenue losses from closures or restricted operations would reduce margins. At the same time, costs may rise due to emergency water procurement or backup supply systems, adding to existing tariff pressures and lowering profitability. Cash Flows: Reduced sales inflows combined with higher costs for resilience measures would tighten cash flows. Over time, increased capital allocation toward water infrastructure could divert cash from growth initiatives.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

572089

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

11000000

(3.1.1.25) Explanation of financial effect figure

If Clicks is unable to secure adequate water supplies for our operations, it could lead to decreased operational efficiency, and in extreme cases, the closure of stores. Such disruptions would directly impact revenue. A full day's closure could result in a financial loss of approximately R81 727 per store per day. This figure is calculated by dividing the total retail revenue in 2024 (35 438 490 000) by the total number of stores (1188) and then dividing by the number of days in the year (365). A significant financial impact for the group is defined as a store closure lasting one week, which would lead to a loss of approximately R572 089 per store per week. Operations in the Western Cape were impacted by water restrictions in 2018, therefore, a maximum financial impact considered is if even 10% of stores in the province (of which there are 194) are impacted, this value could rise to R11 098 527. Store closure would also have qualitative impacts on operations, such as reduced customer satisfaction and even wellbeing should they not be able to access the medical care they require.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Business Risk Assessments

(3.1.1.27) Cost of response to risk

814000

(3.1.1.28) Explanation of cost calculation

Clicks undertakes regular risk assessments (e.g., Business Impact Analysis and climate risk assessment studies) and formulates and implements mitigation plans in response to the identified risks. The overall risk management cost is estimated to be R814 000. This consists of the ongoing cost to run the risk communication Platform (R264 thousand/year) plus a once-off Business Impact Analysis assessment on risks of R550 000.

(3.1.1.29) Description of response

Clicks takes a proactive and multi-layered approach to managing water-related risks, integrating water stewardship into its broader sustainability strategy and governance framework. The risk assessments allow Clicks to assess contingency planning for chronic physical risks at specific locations and assess new store acquisitions more strategically to mitigate risks. At an operational level, Clicks has implemented measures to secure diverse water sources. Its head office uses a mix of municipal, rainwater, and borehole water (53%), with recycled water from the air-conditioning plant redirected for toilet flushing. Distribution centres have also invested in water efficiency technologies to maintain resilience during municipal supply interruptions. These initiatives reduce reliance on single sources and ensure continuity of core operations during times of stress. In the upcoming financial year nine new Propel Air toilets, which consume over 85% less water than traditional toilets, will be added. Looking ahead, the group is embedding water considerations into new store acquisitions, lease agreements, and facility design, prioritising sites where infrastructure can support resilience. Building on lessons from past drought events, contingency planning is now a standard component of business continuity management. Employee awareness programmes promote responsible water use across facilities, while operational practices are benchmarked against national standards.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Technology

☑ Transition to lower emissions technology and products

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

Reliable electricity is critical to Clicks' operations across more than 1188 stores, 720 pharmacies, distribution centres, and head office facilities. South Africa's transition to lower-emission energy sources has been slower than anticipated, leaving the country heavily reliant on Eskom's coal-based generation and an aging generation fleet that is more vulnerable to climate events. This dependency results in recurring load shedding, creating operational disruptions that force temporary store closures and loss of trading hours. Such closures directly reduce sales and ultimately impact revenue. Delays in renewable deployment and storage capacity at the national level further increase the risk of higher electricity costs, prolonged outages, and exposure to carbon tax or future regulatory pressures. At the same time, Clicks' own transition to low-emission technologies requires significant investment in solar PV, battery storage, and electric vehicles, with associated integration and cost challenges. If the group fails to adapt quickly enough, it could face higher operating costs, reputational risks, and reduced competitiveness as stakeholders demand accelerated climate action. In this context, technological transition is both a material risk and a key enabler of long-term resilience and value creation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Other, please specify :Reduced revenue

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

The increase in stationary diesel reliance has resulted in higher operating costs to ensure business continuity during load shedding. This has had a direct effect on Clicks' financial performance, as fuel costs increase operating expenditure beyond planned budgets. It also places pressure on cash flows, given the need for

immediate procurement and storage of diesel during prolonged outages, which cannot always be offset by cost recovery. While these measures safeguard continuity of operations and mitigate revenue loss from store closures, they reduce profit margins in the reporting year and increase volatility in operating expenses.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

10400000

(3.1.1.25) Explanation of financial effect figure

To ensure business continuity during load shedding, Clicks relied on diesel-powered generators across its store and distribution centre network. In 2024, the group consumed 495 510 litres of stationary diesel at an average cost of R21.00 per litre, resulting in an estimated R10.4 million in additional operating expenditure. This figure was calculated by multiplying total litres consumed by the average price per litre and relates directly to the primary financial effect of increased operating costs, as it reduced profit margins and placed pressure on cash flows due to unplanned procurement. The calculation assumes a constant average diesel price and excludes indirect costs such as generator maintenance, meaning the actual impact may be higher. While this safeguarded operations and helped avoid revenue loss from store closures, it increased expenditure volatility, reinforcing the need for continued investment in solar PV, battery storage and efficiency initiatives to reduce diesel reliance.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Installation of solar PV

(3.1.1.27) Cost of response to risk

10000000

(3.1.1.28) Explanation of cost calculation

The Clicks Group has expanded its use of rooftop solar power across the head office and distribution centres to reduce reliance on non-renewable energy sources. The facilities collectively have approximately 4.5 MW installed capacity and can produce over 7 000 MWh (if they are not interrupted by load shedding). In the last

reporting year, we installed additional Solar PV with a capacity of 0.7299MW, which cost approximately R10 million (source: UPD solar PV costs). Calculation: It costs approximately R13 992 756 to install 1MW of Solar PV, therefore the cost in 2024 was 0.7229 MW x R13 992 756 = R10 213 313.

(3.1.1.29) Description of response

Clicks manages the risk of load shedding and delayed transition to lower-emission technologies through a combination of resilience measures and long-term investments. To ensure business continuity, the group deployed diesel-powered generators across its store and distribution centre network. In 2024, this required 495 510 litres of diesel at an average cost of R21.00 per litre, resulting in an additional R10.4 million operating expense. While this safeguarded operations and prevented revenue losses from store closures, it also increased short-term costs and reduced margins, highlighting the residual risk of ongoing diesel reliance. To reduce this exposure, Clicks expanded its renewable energy programme by installing an additional 0.73 MW of rooftop solar PV capacity in 2024. Collectively, the group now has 4.5 MW of installed solar PV with battery storage, capable of generating over 7 000 MWh annually under optimal conditions. These projects, alongside earlier investments of R57 million in 2022 and R9 million in 2023, form a key mitigation strategy to reduce diesel reliance, stabilise operating costs, and lower Scope 2 emissions. Additional initiatives include LED roll-out across all sites, electronic metering to monitor consumption, and automated lighting controls, which reduce demand from the grid. Future procedures include expanding solar PV and battery coverage to more facilities and exploring power purchase agreements (PPAs) to supply renewable energy to Clicks' wider store network.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Increased severity of extreme weather events

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

The increasing severity of extreme weather events such as storms and flooding presents significant risks across Clicks' upstream value chain, from distribution centres through to stores. Flooding or storm damage can disrupt logistics routes, delay deliveries, and damage inventory. Distribution centres, which form the backbone of Clicks' supply chain, are particularly exposed as a single disruption (e.g., storm damage or transport network failure) can impact multiple regions simultaneously. These risks extend to stores that may face temporary closures due to inaccessible roads or damaged infrastructure, resulting in reduced sales and service interruptions. Increased frequency of such events is also likely to raise insurance premiums and unplanned maintenance costs, placing pressure on operating expenditure and cash flows. Given Clicks' national footprint of over 1188 stores and 5 distribution centres, geographically dispersed across provinces with differing vulnerabilities (e.g., flooding in KwaZulu-Natal, drought in the Western Cape, and storms in Gauteng), the resilience of the distribution network is critical. Over time, chronic increases in extreme weather threaten to destabilise supply reliability, elevate costs, and disrupt healthcare access, underscoring the need for integrated physical climate risk management in logistics and operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption to sales

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the medium term, more frequent extreme weather events such as flooding, storms, and heatwaves could disrupt Clicks' upstream value chain, particularly distribution centres and transport routes that supply over 930 stores and 720 pharmacies. The primary financial effect is reduced revenue from temporary store closures and delayed deliveries, leading to product shortages and lost trading hours. Disruptions to temperature-sensitive medicines may also increase spoilage and write-offs, further eroding margins. Operating expenditure would rise due to emergency logistics, infrastructure repairs, and higher insurance premiums, while unplanned capital expenditure may be needed to refurbish damaged facilities. These costs would weaken profitability and increase volatility in operating results. From a cash flow perspective, lost sales combined with higher emergency spending would tighten liquidity and working capital flexibility, especially if multiple events occur in succession.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

572089

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

239000000

(3.1.1.25) Explanation of financial effect figure

Climate change poses operational and supply chain risks that may materially impact Clicks Group's financial performance. Store closures represent a direct revenue risk: a full day's closure is estimated to result in a financial loss of approximately R81 727 per store. This figure is calculated by dividing the total retail revenue in 2024 (35 438 490 000) by the total number of stores (1188) and then dividing by the number of days in the year (365). A significant financial impact for the group is defined as a store closure lasting one week, which would lead to a loss of approximately R572 089 per store per week. Beyond individual closures, wider disruptions to transport routes between distribution centres and stores can reduce product availability across multiple outlets, compounding sales losses. Climate change also heightens the risk of global and domestic supply chain disruptions, delaying the delivery of raw materials and finished products. These delays can lead to stockouts, lost sales opportunities, and increased logistics costs as alternative sourcing or transport routes are secured. On the higher end, potential financial losses from combined operational disruptions, supply chain interruptions, have been assigned a R239 million inherent risk value. This estimate is based on historical costs experienced during past events, such as civil unrest that disrupted transport routes, and represents the residual risk after mitigation measures have been implemented. In addition to direct financial impacts, such disruptions would negatively affect customer service levels and employee well-being. While these impacts are not easily quantifiable, they present further risks to brand reputation, customer loyalty, and workforce resilience.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Increase geographic diversity of facilities, Implementing buffer stocks or dual sourcing and increasing insurance cover

(3.1.1.27) Cost of response to risk

22000000

(3.1.1.28) Explanation of cost calculation

Clicks has an annual insurance premium of approximately R22 million for Assets cover in the 2024 financial year. This expenditure reflects the cost of safeguarding our extensive store network, distribution centres, and head office facilities against a wide range of risks. While the premium is not exclusively attributable to climate-related events, it does include cover for extreme weather conditions such as flooding, drought-related disruptions, and wind damage, which are becoming more frequent and severe due to climate change.

(3.1.1.29) Description of response

The increasing frequency and severity of extreme weather events such as floods and storms pose significant risks to Clicks' operations, including physical damage to infrastructure, delayed inventory delivery, employee safety, and reduced customer accessibility. To manage these risks, to manage these risks, Clicks has an annual insurance premium of approximately R22 million for Assets cover, which provides financial protection against climate-related events alongside other operational hazards. Business continuity protocols are in place across the value chain. These include supplier arrangements to secure buffer stock levels, ensuring product availability when distribution is delayed, and the assessment of alternative logistics routes to maintain supply to stores if distribution centres are compromised. To further reduce exposure, Clicks invests in climate-resilient infrastructure at critical facilities and maintains adequate insurance cover to mitigate the financial effect of damage caused by extreme weather. Beyond internal measures, Clicks also engages in lobbying for infrastructure development that builds resilience and redundancy into national and regional supply chains, recognising that systemic infrastructure weaknesses exacerbate the impact of extreme weather. These measures collectively reduce the likelihood of prolonged store closures and supply chain breakdowns, helping to protect revenue, cash flows, and customer trust. While residual risks remain under severe weather scenarios (which is estimated at R34 million), Clicks' combination of proactive risk assessments, continuity planning, and investments in resilience strengthens the group's ability to maintain operations and financial stability in the face of climate-related disruption.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

Growing consumer demand for environmentally responsible products creates reputational and market risks for Clicks. South Africa is experiencing heightened public awareness of sustainability issues such as plastic pollution, carbon emissions, and responsible sourcing, driven in part by regulatory initiatives like the Extended Producer Responsibility (EPR) regulations under the National Environmental Management: Waste Act. These policies require companies to take accountability for packaging waste, placing further pressure on retailers. Regionally, bans and levies on single-use plastics in provinces such as the Western Cape have highlighted shifting expectations and regulatory risks. If the Group lags in offering sustainable product ranges or fails to meet customer expectations, it risks erosion of brand loyalty, negative publicity, and potential boycotts. This may also create competitive disadvantage, as other retailers expand sustainable private label products and highlight eco-friendly practices. The reputational impact could in turn affect revenue, sales growth, and investor confidence, particularly as ESG factors gain importance in capital markets. Over the medium term, failure to transition to lower-emission technologies and products could undermine Clicks' market leadership and consumer trust.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption to sales

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Reputational risks linked to negative environmental impacts could have material financial consequences for Clicks. Reduced customer trust may lead to lower sales volumes and impaired brand value, directly weakening revenue streams. In more severe cases, negative press could trigger customer boycotts or protests, resulting in temporary store closures and disruption of trading. These outcomes would reduce revenue and also increase operating costs due to heightened marketing and stakeholder engagement efforts to repair reputational damage. Over the medium term, such risks may weaken business stability, narrowing margins and tightening cash flows. This could impact liquidity and the Group's ability to reinvest in growth, innovation, and resilience projects. Furthermore, reputational damage may influence investor sentiment and creditworthiness, increasing the cost of capital or reducing access to funding.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

572089

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

354000000

(3.1.1.25) Explanation of financial effect figure

Increasing consumer activism related to the environmental impact of products that Clicks sells could lead to brand or product boycotts, thereby impacting Click's revenue and reputation. The impact of the risk may range from one store unable to operate for one week and potential losses could reach up to R354 million (almost 1% of annual revenue) based on historical brand reputation-related impacts.

(3.1.1.26) Primary response to risk

Diversification

☑ Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

10814000

(3.1.1.28) Explanation of cost calculation

Clicks mitigates product-related risks through active participation in industry initiatives and partnerships. The Group maintains memberships with organisations such as SEDEX, eWASA (e-Waste Association of South Africa), and Polyco (Polyolefin Responsibility Organisation), representing an annual investment of approximately R10 million. These partnerships support compliance with best practices in ethical sourcing, e-waste management, and plastic recycling. They also strengthen Clicks' ability to enhance product safety, improve sustainability performance, and manage risks across the full product lifecycle. Clicks also undertakes regular risk assessments (e.g., Business Impact Analysis and climate risk assessment studies) and formulates and implements mitigation plans in response to the identified risks. The overall risk management cost is estimated to be R814 000. This consists of the ongoing cost to run the risk communication Platform (R264 thousand/year) plus a once-off Business Impact

(3.1.1.29) Description of response

Clicks has implemented a strategy to mitigate risks linked to consumer demand for low-emission and sustainable products. Regular Business Impact Analyses (BIAs) and market reviews track evolving expectations and identify ranges requiring reformulation or replacement. This has supported the removal of products misaligned with sustainability goals and the introduction of innovative alternatives. Decisions influenced by this risk include a shift toward sustainable sourcing practices and enhanced product-level environmental compliance. Clicks promotes environmentally responsible products within its Private Label ranges, including MyEarth, Sorbet and The Body Shop. Sorbet salons also stock Clean Beauty brands such as Skoon, Le-Live, Vita-Derm, Paul Mitchell, REF and Vitamin Me, reflecting ongoing commitment to responsible sourcing and formulation. Packaging innovation is another focus area, with greater use of recyclable, reusable or compostable materials to reduce virgin plastic reliance. The Group participates in industry collaborations to ensure compliance and credibility. Membership of eWASA and Polyco reinforces Extended Producer Responsibility (EPR) commitments, while supplier standards are monitored through the SEDEX platform to verify ethical sourcing and sustainability practices. Additional safeguards include insurance and indemnity cover for recalls, customer claims and property damage, supported by strict quality assurance to reduce product failure risks. These measures lower reputational risk, improve compliance and strengthen brand equity. Early effects include consumer

engagement, with eco-ranges supporting sales growth in targeted categories while reducing environmental impact. Residual risk remains, estimated at R35–R103 million, as consumer expectations may outpace innovation, requiring ongoing investment in product development, packaging redesign and supplier engagement to maintain competitiveness and trust.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

Clicks Group's South African operations face transitional risks from the expected pass-through of carbon tax costs under Phase 3 of the domestic carbon tax, scheduled to begin in January 2031. Currently, Eskom benefits from tax allowances that limit the impact of carbon tax on electricity consumers. Under Phase 3, these allowances are expected to fall away, enabling Eskom to pass the full carbon tax directly into electricity tariffs. For Clicks, electricity is both a critical input and the largest contributor to its carbon footprint, accounting for ~70% of total emissions. It powers more than 930 stores, 720 pharmacies, and multiple distribution centres, making the business highly sensitive to tariff increases. Clicks' direct electricity costs (based on the reporting years consumption) could rise by R 15 866 000 to R21 155 000 per year from 2031. This would represent a material escalation in annual operating costs, with implications for profitability, reinvestment capacity, and long-term competitiveness. While the Group is implementing mitigation strategies such as solar PV expansion, LED retrofits, energy-efficient refrigeration, and exploring

renewable power purchase agreements, the Phase 3 transition highlights a material financial risk. Increased carbon tax exposure through electricity costs underscores the importance of accelerating energy efficiency and low-carbon investment to protect margins and ensure operational resilience.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Eskom is expected to pass through its direct carbon tax liabilities to end-electricity consumers from 2031. Clicks Group is therefore potentially exposed to significant increases in direct electricity tariff costs across its South African operations, placing pressure on financial performance and cash flows. Eskom's cost recovery mechanism of tariff adjustments is projected to materially increase Clicks' operating expenses, with higher costs directly tightening retail and distribution margins. Impact on financial statements: This pass-through risk would reduce annual earnings and place upward pressure on cost profiles, as carbon-adjusted electricity tariffs rise over the medium to long term. Increased energy expenses may influence profitability targets, reinvestment capacity, and pricing strategies, while also heightening exposure to further tariff escalations.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

15866000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

21155000

(3.1.1.25) Explanation of financial effect figure

The financial impact has been calculated as the expected South African electricity cost increases from 2031, due to the passthrough of Eskom's carbon tax liabilities on electricity generation. Calculation Method: The financial impacts were modelled on two scenarios: low cost and high-cost scenarios. From 2031, due to expected carbon tax passthroughs, annual electricity costs could increase by approximately R15 million (low-cost scenario) and 21 million (high-cost scenario), excluding any other additional tariff increases. The calculation multiplies Clicks' electricity use (MWh) by a R/MWh tariff Eskom effectively pays, based on the year's carbon tax rate, grid emission factor, and applicable tax allowance scenario. Both the high and low-cost scenarios exceed our current substantive risk threshold. Underlying Assumptions: - Carbon Tax Rate: The carbon tax rate for South Africa is gazetted up to 2030 (R462/tCO2e). Thereafter, from 2031, it is assumed that the rate will increase by 3.6%/ year resulting in a carbon tax rate of R479/tCO2e in 2031. This assumption aligns with IPCC values on global carbon prices needed to reach SSP 2 – 2.6. - Electricity Use and Eskom Decarbonisation: Clicks' grid electricity use is expected to remain stable to 2031, with increases in renewable energy. - Allowances/Offsets: The South African carbon tax includes allowances to reduce liabilities and ease the transition to a low-carbon economy. These are temporary, with Government planning to phase them out as the tax matures, though details for Phase 3, starting in 2031, remain unclear. Accordingly, the current financial impacts scenarios accounts for an allowance phaseout for Eskom in the high-cost scenario and no allowance phaseout in the low-cost scenario. The high-cost scenario only considers the phaseout of the basic allowance, which would allow Eskom to offset 60% of their direct carbon tax liability.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase investment in R&D

(3.1.1.27) Cost of response to risk

347000000

(3.1.1.28) Explanation of cost calculation

To reduce emissions in line with the carbon neutral target, Clicks needs to focus efforts on scope 2 emissions, requiring approximately 50 165 MWh of electricity to be renewable by 2030 (assuming energy usage increases up to 106 800 MWh by 2030, considering efficiency measures). This increase is equivalent to 30 MW PV capacity or through a PPA, which can cost between R421 and R433 million accumulatively up to 2030. The use of renewable energy will reduce Clicks' purchases of grid electricity by R74 million over the same period, making the residual cost 347 million (i.e. R433 million – R74 million). These initiatives are designed to gradually displace a portion of Eskom-supplied electricity with renewable alternatives, lowering exposure to carbon tax pass-through costs while improving long-term energy resilience. The associated capital outlay is incurred through direct investment in on-site projects and through tariff payments under PPA arrangements.

(3.1.1.29) Description of response

Clicks Group is managing this risk by expanding its investment in energy efficiency and renewable energy, thereby reducing reliance on Eskom's carbon-intensive electricity supply. Initiatives include the rollout of solar PV at distribution centres and head office, expansion of LED lighting across the store network, and the exploration of renewable power purchase agreements (PPAs) to secure low-cost, clean electricity. By reducing reliance on grid electricity, Clicks strengthens its ability to manage energy costs, reduce potential future carbon tax, stabilise future cash flows, and advance progress towards its carbon neutrality target.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Increased severity of extreme weather events

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ South Africa

(3.1.1.9) Organization-specific description of risk

The increasing severity of extreme weather events such as storms and flooding presents significant risks across Clicks' upstream value chain, from distribution centres through to stores. Flooding or storm damage can disrupt logistics routes, delay deliveries, and damage inventory. Distribution centres, which form the backbone of Clicks' supply chain, are particularly exposed as a single disruption (e.g., storm damage or transport network failure) can impact multiple regions simultaneously. These risks extend to stores that may face temporary closures due to inaccessible roads or damaged infrastructure, resulting in reduced sales and service interruptions. Increased frequency of such events is also likely to raise insurance premiums and unplanned maintenance costs, placing pressure on operating expenditure and cash flows. Given Clicks' national footprint of over 1188 stores and 5 distribution centres, geographically dispersed across provinces with differing vulnerabilities (e.g., flooding in KwaZulu-Natal, drought in the Western Cape, and storms in Gauteng), the resilience of the distribution network is critical. Over time, chronic increases in extreme weather threaten to destabilise supply reliability, elevate costs, and disrupt healthcare access, underscoring the need for integrated physical climate risk management in logistics and operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption in upstream value chain

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the medium term, more frequent extreme weather events such as flooding and storms could significantly disrupt Clicks' upstream value chain. The primary financial effect would be reduced revenue from store closures, delayed deliveries and product shortages, which would reduce trading hours and reduce sales. Supply chain interruptions may also affect temperature-sensitive medicines and health products, resulting in spoilage, write-offs and margin compression. Operating expenditure would rise due to emergency logistics, rerouting of stock, infrastructure repairs and higher insurance premiums. From a performance perspective, poor stock availability in stores and the online channel could lead to lost sales opportunities, reputational damage and weakened customer trust, particularly if essential medicines are unavailable. From a cash flow perspective, the combination of lost sales, higher emergency costs and inventory write-offs would tighten liquidity and reduce working capital flexibility. Prolonged or repeated events could weaken overall business stability, increase volatility in operating results and constrain reinvestment in growth. In turn, this may slow long-term performance and negatively impact competitiveness in a highly price-sensitive retail environment.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

572089

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

354000000

(3.1.1.25) Explanation of financial effect figure

Extreme weather events at South African and global ports pose a significant risk to Clicks' supply chain by delaying the arrival of imported stock at distribution centres. Extreme weather events can disrupt port operations, damage infrastructure, and create shipping backlogs, leading to weeks of delays in securing critical health and pharmaceutical products. These disruptions directly reduce stock availability in stores and online, creating sales losses, reputational damage where medicines are unavailable. The primary financial effect is lost revenue from stockouts, compounded by increased logistics costs as emergency air freight or alternative sourcing is secured. Working capital is also affected, with overstocks of late-arriving products tying up cash or resulting in markdowns, while out-of-stocks constrain growth. Poor alignment between delayed imports and peak demand periods (e.g., promotions or seasonal trade) further magnifies missed sales opportunities. From a financial position and cash flow perspective, extended shipping delays weaken business stability by reducing sales, tightening liquidity, and limiting reinvestment capacity. On the higher end, combined port and shipping disruptions could contribute to financial losses aligned to the Group's R354 million inherent risk estimate, reflecting both direct sales foregone and additional supply chain costs. Residual risks also include reputational harm and longer-term erosion of customer loyalty.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Increase geographic diversity of facilities, Implementing buffer stocks or dual sourcing and increasing supplier engagement

(3.1.1.27) Cost of response to risk

814000

(3.1.1.28) Explanation of cost calculation

Clicks undertakes regular risk assessments (e.g., Business Impact Analysis and climate risk assessment studies) and formulates and implements mitigation plans in response to the identified risks. The overall risk management cost is estimated to be R814 000. This consists of the ongoing cost to run the risk communication Platform (R264 thousand/year) plus a once-off Business Impact Analysis assessment on risks of R550 000.

(3.1.1.29) Description of response

Clicks has implemented a multi-layered response strategy to mitigate supply chain risks, particularly those heightened by extreme weather disruptions at local and global ports. Improved internal and external security measures safeguard critical infrastructure and inventory, while alternative suppliers for key products are being sourced to reduce dependence on single supply routes. Where possible, products are being sourced locally, supporting resilience and reducing exposure to international shipping delays. Stock levels are actively managed to balance cost efficiency with customer requirements, supported by proactive risk management processes designed to anticipate and address potential disruptions before they escalate. Advanced planning and forecasting tools underpin this response. The OneBeat Planning Tool identifies relevant SKUs, enabling faster decision-making and prioritisation of critical product lines. The Blue Yonder platform enhances stock forecasting down to store SKU level, while consolidating slow-moving products into the Centralised Distribution Centre (CSDC) and focusing on the sale of obsolete stock to reduce holding costs. These systems ensure improved availability of high-demand products while limiting losses from overstocks. Strategic infrastructure investments further strengthen resilience. E-commerce fulfilment has been insourced in Cape Town, improving agility in servicing online demand. A third module has been completed at the Centurion Distribution Centre in FY2025, expanding capacity, while Warehouse Management Systems (WMS) are being implemented across retail distribution centres to further enhance efficiency. These measures reduce the risk of product shortages and lost sales opportunities. Despite these controls, a residual financial risk of up to R35 million remains, reflecting potential combined impacts of prolonged port closures, supply chain interruptions and increased logistics costs.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

48609808000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

354000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

The percentage of Clicks' total financial metric vulnerable to physical risks has been estimated using the potential loss of revenue associated with temporary store closures. For a single store, the estimated loss from a one-week closure is R572 089, which, when divided by the Group's total annual revenue of R48.6 billion, equals 0.00118%. This provides a baseline measure of vulnerability to physical disruption if only one store is impacted. However, the scale of financial impact could vary significantly depending on the type and magnitude of the risk event. In a more severe scenario, where multiple stores and distribution facilities are disrupted and repair costs are incurred, potential losses could rise to approximately R354 million, representing 0.73% of total annual revenue. This upper-bound estimate draws on historical examples of disruptions, including periods of civil unrest and natural hazards that led to multiple closures and damage to assets. Assumptions: 1) The calculation assumes revenue is evenly distributed across stores and throughout the year, although seasonal peaks may create higher impacts at certain times. 2) The upper-range estimate of R354 million reflects both lost sales and additional operational costs, such as logistics rerouting and infrastructure repair.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ South Africa carbon tax

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax

(3.5.3.1) Period start date

12/31/2023

(3.5.3.2) Period end date

12/30/2024

(3.5.3.3) % of total Scope 1 emissions covered by tax

25.65

(3.5.3.4) Total cost of tax paid

69371

(3.5.3.5) Comment

Clicks Group does not pay carbon tax directly to the South African Revenue Service, as our taxable emissions arise solely from diesel consumption. For diesel, the carbon tax is incorporated into the South African fuel levy at a rate of ZAR 0.14 per litre in 2024. This amounted to a total of ZAR 69 371 for stationary diesel use in the 2024 tax year.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

As part of South Africa's efforts to transition to a low-carbon economy and meet its NDC targets, the Carbon Tax Act and the Customs and Excise Amendment Act came into effect on 1 June 2019. The initial tax rate was set at R120 per tonne of CO2e, increasing annually as determined by National Treasury. The carbon tax rate has since risen to R159 per tonne of CO2e for the 2023 calendar year. The only carbon-taxable emissions for which Clicks is liable are those resulting from diesel consumption in the Group's backup electricity generators, which are used during power outages. As the carbon tax on diesel is collected through the South African carbon fuel levy (set at ZAR 0.14 per litre in 2024), Clicks pays this levy at the point of diesel purchase and is therefore not required to make direct carbon tax payments to the South African Revenue Service. Clicks' compliance strategy for the South African Carbon Tax combines ongoing monitoring of regulatory developments with proactive engagement in policy dialogue. The Group participates in workshops on climate change-related activities, including carbon tax, and provides feedback to the National Business Initiative (NBI), which in turn engages with government regulators. Annual external verification of GHG emissions ensures the accuracy and validity of our carbon tax-related reporting, enabling effective monitoring and management of our exposure. Recognising that efficiency upgrades alone may not deliver the emission reductions needed to meet future regulatory requirements, Clicks is integrating long-term compliance and regulatory risk management into its climate strategy. This includes: - Long-term targets: The Group has adopted Paris-aligned, science-based targets for Scope 1, 2, and 3 GHG reductions, and is in the process of setting a formal commitment to achieve carbon neutrality by 2050. - Dedicated governance: Climate-related risks, including carbon tax, are overseen by senior management, with carbon risk management embedded in operational decision-making processes. - Metrics and mechanisms: Annual external verification of emissions is used to track progress, assess exposure, and inform decision-making. While Clicks does not currently apply an internal carbon price, this will be evaluated as part of its evolving climate risk management approach. Ongoing emissions-reduction measures include energy efficiency projects, renewable energy adoption, and the setting of short, medium, and long-term reduction targets. The increased use of renewable energy at our operations (particularly at our Distribution Centres) reduces reliance on Eskom's grid and the need for backup generators during outages. This not only lowers operational costs but also reduces diesel consumption, thereby decreasing the carbon tax payable on diesel use.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:*

	Environmental opportunities identified
	☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of low-carbon energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ South Africa

(3.6.1.8) Organization specific description

Clicks views investment in low-emission technologies as both a resilience measure and a financial opportunity. South Africa's constrained power supply and reliance on coal-based generation create exposure to high diesel costs during load shedding, as well as the national carbon tax applied to liquid fuel emissions. By expanding renewable energy use and efficiency initiatives, Clicks can reduce Scope 1 emissions, mitigate fuel tax costs, and secure more predictable long-term energy expenditure. In the 2024 reporting year, Clicks added 0.73 MW of rooftop solar PV at its distribution centres, building on a total installed capacity of 4.5 MW, capable of generating over 7 000 MWh annually. These systems, paired with lithium-ion batteries, reduce diesel reliance and deliver cost savings through avoided generator fuel purchases. This opportunity links directly to the risk identified in 3.1.1 (Risk 2), where load shedding and rising fossil fuel costs threaten store continuity, supply chain stability, and profitability. As a national retailer with over 930 stores, returns on investment in renewable energy and efficiency improvements scale significantly, lowering operating costs across a large footprint. Furthermore, these initiatives support SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), enhance brand reputation with increasingly climate-conscious consumers, and strengthen Clicks' ability to attract ESG-focused investors.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

The transition to renewable energy is expected to deliver long-term savings by reducing reliance on Eskom electricity and minimising carbon tax exposure from diesel-powered generators used during load-shedding. Financial Position: Capital invested in renewable energy infrastructure, such as solar PV and battery storage, strengthens the value of property, plant and equipment while lowering reliance on high-emission assets. This reduces future liabilities associated with diesel use, rising tariffs, and carbon tax pass-throughs. By diversifying its energy mix, Clicks also limits the risk of asset impairment as regulatory frameworks tighten around fossil fuels. Financial Performance: Savings will accrue through reduced electricity purchases, lower diesel consumption, and avoidance of escalating carbon tax charges, directly improving operating margins. Energy cost stability supports profitability in the medium and long term, while alignment with sustainability objectives enhances brand equity and investor confidence. Over time, reduced operating expenditure improves competitiveness and protects margins from cost pressures in the

retail sector. Cash Flows: Although capital outflows are required upfront for renewable projects, these are offset over time by recurring operating savings. Reduced exposure to tariff volatility, diesel price increases, and carbon tax results in more stable and predictable operating cash flows. Improved energy security also reduces the risk of revenue loss from operational disruptions during load-shedding.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

30810000

(3.6.1.23) Explanation of financial effect figures

*To keep operations running during load shedding, the Clicks group has invested in diesel-powered generators. The company consumed approximately 495 510 litres of diesel in the 2024 financial year to operate during times of load shedding. The cost of diesel per litre over this period was approximately R21.00. Therefore, Clicks spent an estimated R10.4 million in 2024 on diesel purchases. The operating costs of diesel-powered generators (approximately R6/kWh) is higher than renewable sources, such as solar PV (approximately R1.33/kWh). Clicks produced 5135 MWh of renewable energy from own PV in the reporting year, therefore, saved on 5135*R6000 = R30 810 000 million on possible diesel purchases. Implementing renewable energy options at Clicks' operations enables the Group to reduce our dependency on diesel for use in backup generators but will also drive down emissions scope 1 emissions and resultant carbon taxes.*

(3.6.1.24) Cost to realize opportunity

105000000

(3.6.1.25) Explanation of cost calculation

The Clicks Group has expanded its use of solar power to reduce reliance on non-renewable energy sources – in addition to the solar installation on the head office roof, the group installed rooftop solar panels (and lithium batteries) across the seven distribution centres at an accumulative cost of R105 million. This commitment has increased renewable energy generation capacity at its operations to 4.5MW annually. In the reporting year the group installed 0.7229 MW PV at the cost of R10 213 313 (the average cost per kW PV is R 13 993/kW based on the most recent installation).

(3.6.1.26) Strategy to realize opportunity

Clicks' strategy to realize returns from low-emission technologies is anchored in its Carbon Neutrality Management Plan, which sets a pathway to achieve carbon neutrality by 2050. This plan prioritizes investments in solar PV, battery storage, and energy efficiency upgrades, while phasing out reliance on diesel-powered generators. Specific actions already implemented include the installation of 4.5 MW of rooftop solar PV across the head office and distribution centres, supported by

lithium-ion batteries to ensure power continuity during load shedding. In 2024, Clicks invested a further R10 million to add 0.73 MW of new solar capacity, and reproduced 5135 MWh of renewable electricity. This project provides a strong business case for future rollout across additional facilities, demonstrating measurable returns through avoided diesel expenditure (potentially R30 million) and reduced carbon tax exposure. The opportunity is further maximised by embedding energy efficiency initiatives across the retail footprint. These include group-wide LED lighting, smart metering, and automated lighting controls, alongside eco-friendly refrigeration upgrades. Together, these measures reduce baseline demand, enhancing the effectiveness of renewable energy integration. In prioritising opportunities, Clicks has ranked energy transition investments above other environmental initiatives due to their dual impact on cost reduction and operational continuity. Diesel expenditure volatility highlighted during recent years of intensified load shedding confirmed the financial case for prioritizing solar PV and storage solutions. Future plans include extending solar PV to additional distribution centres, exploring power purchase agreements (PPAs) to supply renewable energy directly to stores, and leveraging supplier engagement platforms such as SEDEX to reduce embedded emissions in the value chain. These steps will ensure that renewable integration delivers scalable financial and environmental returns, while aligning with SDG 7 and SDG 13 and reinforcing Clicks' position as a sustainable, resilient healthcare retailer.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Reduced water usage and consumption

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ South Africa

(3.6.1.8) Organization specific description

Clicks operates in a water-stressed context, yet its own operational water use is modest and largely municipal. This creates a clear opportunity to lower cost and risk by reducing withdrawals and improving on-site supply resilience. The Group already implements water-saving measures—rainwater harvesting, grey-water recycling and groundwater boreholes at distribution centres—and has reduced municipal dependence at head office via rainwater/borehole supply and restrictor devices; further efficiency will come from adding nine Propel Air ultra-low-flush toilets. These actions cut utility spend, buffer disruptions, and strengthen business continuity for clinics, pharmacies and DCs. In FY2024, Clicks recorded 95 028 kL of group water use across DCs, head office and UPD, and at head office specifically used 9,484 kl, with ~53% sourced from boreholes—demonstrating tangible potential to scale proven solutions to priority sites. The opportunity directly links to the water-scarcity risk (Risk 1) identified in 3.1.1 by reducing exposure to tariff increases and supply interruptions, while aligning with Clicks' policy commitment to manage water as a core environmental metric and disclose progress.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Implementing borehole, rainwater harvesting, and water-saving measures across Clicks' facilities is expected to have a positive short-term financial effect. By reducing reliance on municipal water supply, the Group can lower its operating expenditure, particularly in provinces with high water tariffs or where scarcity drives above-inflation price increases. In relative terms, water and utilities currently represent a modest share of Group operating costs; however, efficiency measures can reduce site-level municipal water purchases by 30–50%, translating into meaningful savings at large distribution centres and head office facilities. For financial

performance, these measures will directly lower annual utility expenses, improve cost margins, and reduce exposure to tariff escalation. For example, the Group reported 95 028 kilolitres of water use in FY2024; if 30% of this usage was offset through borehole usage, the avoided cost would equate to several million rand annually, based on current municipal tariff levels. From a cash flow perspective, savings are realised almost immediately after installation, as rainwater and grey-water systems reduce monthly municipal invoices. This improves predictability of outflows and helps protect working capital from volatility linked to tariff shocks or supply restrictions. Over time, these investments also strengthen the financial position by reducing reliance on external utilities, mitigating liabilities associated with water scarcity, and enhancing the value of owned assets equipped with resilient water infrastructure. Together, these effects support a more stable and efficient cost base, freeing resources for reinvestment in sustainability initiatives and growth.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

938000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

1015000

(3.6.1.23) Explanation of financial effect figures

Improving water efficiency will benefit Clicks by reducing freshwater consumption costs and increasing the Group's resilience to climate change impacts like drought. The company's facilities rely on water for regulatory compliance and maintaining hygienic standards. If water is unavailable, these facilities would not be able to maintain these standards and operations may be halted. The cost of water over the next three years (short term range) will range between approximately R63-R68 per kilolitre (based on the approved tariffs for the City of Johannesburg), therefore, the cost of savings on 14 767kl per year will range between R938 000 and R1 015 000.

(3.6.1.24) Cost to realize opportunity

1000000

(3.6.1.25) Explanation of cost calculation

The estimated cost of installing a borehole that can reduce UPD's water use by 30% (14 700kl) per year is R 1 000 000.

(3.6.1.26) Strategy to realize opportunity

Clicks' strategy is to scale proven water-efficiency and alternative-supply solutions from head office to DCs and other high-use sites, while embedding water stewardship into risk and continuity planning. Building blocks already in place include rainwater harvesting, grey-water reuse, boreholes at DCs, and restrictor devices; head office has materially reduced municipal reliance and will install nine Propel Air toilets (85% less water per flush), providing a replicable template for other sites. Priority rollouts target facilities with consistent demand (warehousing, offices, high-footfall stores) to maximise savings and resilience during municipal outages. Execution methods: Site selection & phasing: Use climate/water risk assessments and consumption data to rank DCs/stores for upgrades; begin with DCs where scale yields faster payback and continuity benefits. Technology portfolio: Harvesting/grey-water systems, boreholes (where viable), ultra-low-flush toilets, fixture restrictors, and enhanced monitoring to detect leaks and optimise use. Governance & disclosure: Manage water under the Group's policy (metrics include water) with oversight through established committees; disclose progress in annual reports. Continuity integration: Maintain on-site/alternative supply at critical nodes (e.g., boreholes supporting ablutions) to reduce downtime during restrictions and drought conditions. Effect and prioritisation: Scaling these measures is expected to lower operating costs (reduced municipal purchases), stabilise operations during interruptions, and improve resilience for upstream logistics (DCs) and in-store healthcare services. Given South Africa's water constraints and Clicks' footprint, water efficiency is prioritised ahead of lower-material opportunities because it delivers dual benefits—cost avoidance and continuity—and is supported by clear evidence of feasibility at head office (borehole share ~53% of use) and a measurable Group baseline (95,028 kL in FY2024) for tracking gains. These actions align with the Group's sustainability framework (minimising environmental footprint, including water) and support SDG 6, while reinforcing Clicks' commitment to manage environmental resources prudently and transparently.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Cost savings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ South Africa

(3.6.1.8) Organization specific description

Clicks' pharmaceutical distribution arm, UPD, operates one of the largest distribution fleets in South Africa, which is a material contributor to the Group's Scope 1 mobile fuel emissions. Rising diesel prices and the national carbon tax applied to liquid fuel combustion create a strong opportunity to transition towards more efficient and lower-emission technologies. In 2023, UPD procured 42 electric vehicles (EVs) to replace an equivalent number of diesel vehicles, representing one of the first large-scale EV deployments in the South African healthcare retail sector. In FY26 UPD plans to purchase an additional 30 EVS. This transition offers a direct cost-saving opportunity: EVs reduce reliance on diesel and lower fuel expenditure. The opportunity also links directly to risks identified in 3.1.1, where reliance on diesel exposes the Group to both price volatility and regulatory costs from the carbon tax. By shifting to EVs, UPD reduces cost exposure, strengthens supply chain resilience, and advances its commitment to carbon neutrality by 2050, while improving its reputation with customers and stakeholders as an early adopter of clean fleet technology.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The opportunity has required a significant investment to acquire the EVs, but we expect to see an annual return on investment from reduced reliance of diesel and imbedded carbon tax. We anticipate that the use of EVs will result in cost savings (operating costs) of R1 180 000-R2 688 000 per year which will be realised in the short-term.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

1180000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

2688000

(3.6.1.23) Explanation of financial effect figures

The anticipated savings from transitioning to EVs results from reduced reliance on diesel (R21/litre) and associated carbon tax. In 2024, UPD used 408 893 litres diesel for vehicles, which cost the company R8 586 751. For 30 vehicles this would be approximately 151 442 litres and would cost R3 180 278. Average fuel efficiency is 6km/litre, therefore, the approximate distance travelled is 6km multiplied by 151 442 litres which equals 908 651 km. The electricity needed to power the vehicle over the same distance is 0.294 kWh/km for an EV (DEFRA). Therefore, this would be 0.294 kWh/km multiplied by 908 651 km which equals 267 143 kWh. The average cost of electricity is 1.84 R/kWh. Therefore, the cost to charge EVs would be 267 143 kWh multiplied by R1.84, which equals R491 544. However, this cost could go up to R1 million depending on the specific electricity tariff, which may be higher in certain areas. The net savings would be R3 180 278 - R491 544 = R2 688 734, but may go down to R1 180 278.

(3.6.1.24) Cost to realize opportunity

46000000

(3.6.1.25) Explanation of cost calculation

Clicks plans to procure an additional 30 electric vehicles for UPD mobile transport. The total cost for this is R 46 000 000, which is approximately 1 533 333 per vehicle.

(3.6.1.26) Strategy to realize opportunity

Clicks has developed a structured strategy to maximize the financial and environmental benefits of transitioning its UPD distribution fleet from diesel to electric. The strategy began with the procurement of 42 EVs to replace diesel vehicles, which is expected to save approximately 2.4 million litres of diesel and 6.3 million kg CO_2 over their operational lifespan. This is followed by a further planned procurement of 30 EVs in FY26. This forms part of the Group's Carbon Neutrality Management Plan, which prioritises investments that deliver both cost reduction and emissions abatement. To ensure these benefits are fully realised, Clicks is exploring the use of renewable energy-powered charging infrastructure. This includes feasibility studies on solar-PV-powered charging stations at distribution centres, allowing EVs to be charged using clean energy and further reducing reliance on fossil fuels. These pilots will inform a phased rollout to key logistics hubs where EV deployment density can maximise efficiency and lower per-unit charging costs. In parallel, the Group is investing in fleet telematics and route optimisation tools to ensure the EVs are deployed on routes that balance range, charging opportunities, and delivery schedules. This improves utilisation and accelerates payback by maximising kilometres travelled per vehicle while minimising downtime. This opportunity has been prioritised over other transport-related sustainability options because of its dual impact: significant and predictable reductions in fuel expenditure, and direct mitigation of one of the Group's largest Scope 1 emissions sources. Compared to smaller efficiency initiatives (such as tyre management or incremental aerodynamic improvements), EV adoption offers greater long-term cost savings and reputational benefit as an early mover in the South African retail logistics space. Future strategies include scaling the EV fleet beyond the initial 42 and planned 30 vehicles, integrating renewable PPAs or on-site generation to power charging infrastructure, and engaging suppliers to expand the availability of low-emission vehicles in the South African market. These actions align with SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), while reinforcing Clicks' commitment to financial resilience, operational efficiency, and environmental stewardship.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Move to more energy/resource efficient buildings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ South Africa

(3.6.1.8) Organization specific description

South Africa's constrained and carbon-intensive electricity supply, combined with rising energy tariffs, creates a strong driver for Clicks to improve the efficiency of its buildings. Purchased electricity is the Group's largest source of Scope 2 emissions and a significant operating cost across more than 930 stores, 5 distribution centres and head office facilities. Regulatory pressures such as the South African Carbon Tax and growing investor expectations for decarbonisation further increase the importance of energy-efficient buildings. Clicks has already introduced LED lighting, motion and occupancy sensors, and electronic metering across its retail and logistics footprint to cut consumption and enhance monitoring. Distribution centres have implemented efficient air-conditioning and refrigeration systems, while new facilities are designed to align with SANS 10400-XA building efficiency standards. These actions directly reduce electricity use, lower operating costs, and decrease exposure to load-shedding disruptions. This opportunity links to higher electricity prices, load-shedding and carbon tax exposure, by reducing demand from the grid and enabling future integration of on-site renewables. As energy costs continue to escalate, expanding energy-efficient building practices offers Clicks a material opportunity to lower costs, improve resilience, and deliver measurable emissions reductions in support of its carbon neutrality by 2050 goal.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Investing in energy- and resource-efficient buildings will deliver financial benefits by reducing utility costs, strengthening assets, and improving resilience. Financial Position: Upgrades such as LED lighting, solar PV, efficient refrigeration, and borehole systems enhance the long-term value of property, plant and equipment while reducing liabilities from carbon tax, regulatory non-compliance, and future obsolescence of high-emission assets. Financial Performance: Lower electricity and water use reduces operating costs, directly improving margins. For example, solar PV offsets rising tariffs and water-saving measures reduce municipal charges. These savings support profitability, while enhanced sustainability credentials strengthen customer loyalty and improve access to ESG-linked finance at lower cost of capital. Cash Flows: Although capital outflows are required upfront, long-term savings in electricity and water bills generate stable net operating cash flows. Reduced exposure to tariff hikes, water shortages, and carbon-related costs increases predictability. Efficiency upgrades also limit disruptions from load shedding and water scarcity, protecting revenue inflows.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

15000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

17000000

(3.6.1.23) Explanation of financial effect figures

Upgrading lighting from fluorescent to LED lighting and implementing other energy efficiency measures such as double switches and monitoring meters allow Clicks to reduce our operating costs for electricity. In the reporting year the Group spent R368 724 000 on water and electricity, of which electricity makes up approximately 60% (i.e. R221 234 400). Furthermore, improved energy efficiency lowers Clicks' energy usage and resultant scope 2 emissions. In the reporting year, Clicks had 632 stores with LED lights, of which 186 were completed in the last year. The transition to LED in these stores is estimated to save 8 843 000 kWh to 9 601 000 kWh of electricity per year. The anticipated savings on LED over the next three years (in the short term) from this retrofit is the electricity usage saved (in kWh) multiplied by the average electricity tariff of R1.84, which estimates the savings to be from R15 000 000 to R17 000 000 per year (1.84/kWh to R2/kWh were used).

(3.6.1.24) Cost to realize opportunity

20000000

(3.6.1.25) Explanation of cost calculation

This retrofit cost approximately R20 million. In total the company has spent R68 million on transitioning to LED lighting and has installed LED lighting in 72% of stores. The most recent retrofit could reduce emissions by up to 8 795 tCO2e savings or 47 per store per year. In addition, 700 stores include a double key switch. This allows the store to have 40% of the lights switched on before trade and 100% once trade commences. Lastly, each store has an electricity monitoring meter. The meters are used to detect excessive usage in comparison to other stores. In addition, resting usage during store closure is monitored to detect if and why excessive power is consumed at night, for example, if an aircon is still operational.

(3.6.1.26) Strategy to realize opportunity

Clicks' strategy to maximise the benefits of more energy-efficient buildings is embedded in its Carbon Neutrality Management Plan and linked to its medium-term energy reduction targets for 2030. The approach prioritises proven, quick-payback initiatives such as lighting retrofits and metering while integrating efficiency standards into the design and operation of all new and existing facilities. Key actions implemented: - LED lighting rollout across all stores, distribution centres, and head office, significantly lowering energy intensity. - Smart meters installed at store level to track consumption and identify high-use sites for targeted interventions. - Motion and occupancy sensors in retail and office spaces, and timer-controlled lighting, to cut unnecessary consumption. - Eco-efficient refrigeration and HVAC upgrades in distribution centres and high-footfall stores to reduce both cost and emissions. - Integration of efficiency standards (e.g., SANS 10400-XA) into new store and DC designs to embed long-term savings. These measures deliver immediate operating cost savings by reducing grid electricity use, while also lowering exposure to future carbon costs and easing the transition to renewable energy by cutting baseline demand. For example, by lowering consumption through LED lighting and sensors, the load that must be supplied by rooftop solar PV or PPAs is reduced, making those projects more cost-effective and scalable. This opportunity has been prioritised relative to other environmental initiatives because of its high return on investment, short payback period, and direct impact on the Group's largest emission category (Scope 2). While renewable energy projects such as solar PV offer long-term benefits, building efficiency upgrades deliver immediate financial relief and operational improvements, paving the way for larger-scale decarbonisation. Future plans include further rollout of energy-efficient refrigeration and HVAC systems, continuous monitoring through store-level data, and integration of battery storage and building management systems to enhance efficiency during load shedding. Collectively, these initiatives support SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), while advancing Clicks' long-term goal of carbon neutrality by 2050.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

891000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

In the 2024 financial year, Clicks Group's total capital expenditure (CAPEX) amounted to R891 million, allocated across property, plant and equipment as well as intangible assets to support the maintenance and expansion of operations (Clicks IAR, 2024). Within this amount, R77 million was directly invested in environmental opportunities that advance the Group's climate transition strategy. These investments included R10 million in solar photovoltaic (PV) systems to expand renewable energy capacity, R1 million in borehole water systems to strengthen water resilience, R46 million in electric vehicles for UPD's owner-driver programme to reduce diesel use, and R20 million in LED lighting rollouts across the store network to lower electricity demand. When combined, these environmentally aligned investments represent 8.64% of the Group's 2024 CAPEX (77 000 000 ÷ 891 000 000). The calculation methodology the numerator comprises the actual expenditure on environmental initiatives, derived from project-level budgets, while the denominator is the Group's audited CAPEX as disclosed in the Integrated Annual Report. Only investments with a substantive and measurable environmental effect were included in the numerator Key assumptions include: - Investments were considered aligned where they demonstrably reduce emissions, enhance resource efficiency, or support renewable energy or water security. - Figures are based on reported expenditure during the 2024 financial year and exclude pipeline or planned projects not yet capitalised.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The group has adopted a policy to ensure diversity on the board, specifically relating to race and gender but also in respect of broader diversity attributes such as skills, qualifications and experience, age and culture. The board currently comprises nine directors: two salaried executive directors (the CEO and CFO) and seven independent non-executive directors. The board comprises four female and five male members, 67% of whom are black, meeting the race and gender targets set in the broader board diversity policy adopted by the group. In addition to these diversity objectives, the board charter requires an appropriate balance of knowledge and skills to discharge its responsibilities effectively, including oversight of ESG matters. While the Social and Ethics Committee bears primary responsibility for the group's environmental and climate change policy, the Audit and Risk Committee is responsible for external verification of material sustainability issues, and the Remuneration Committee is responsible for incorporating ESG metrics into the group's remuneration policies and practices.

(4.1.6) Attach the policy (optional)

CGL-YE24-Corporate-governance-report.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:
☑ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Biodiversity is not prioritised for board-level oversight in FY24, consistent with previous years. Clicks Group continues to focus its environmental efforts on primarily focused on emissions reduction, waste management, and water management, where relevant. Clicks' operations are not resource-intensive in terms of water use, and biodiversity is not a direct operational concern. As a retailer primarily involved in health and beauty products, the company's activities do not significantly impact natural ecosystems or require large-scale land use, which would typically necessitate biodiversity considerations. Therefore, biodiversity is not prioritised as a key environmental issue for board-level oversight, allowing the company to focus its sustainability efforts on areas with more direct relevance to its business operations and environmental impact.
[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Other policy applicable to the board, please specify :Clicks Group's Environmental and Climate Change policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures
☑ Monitoring compliance with corporate policies and/or commitments
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The custodian of the Environmental and Climate Change Policy is the Social & Ethics Committee, with the CEO bearing primary responsibility for implementation. The Board retains ultimate accountability for environmental conduct and climate change strategy, with oversight exercised through three key committees. The Social & Ethics Committee manages the policy and monitors performance against commitments, the Audit & Risk Committee oversees climate-related risk management and the integrity of sustainability reporting, and the Remuneration Committee ensures that incentive structures support environmental and climate objectives. Environmental issues are standing items on the Social & Ethics Committee agenda and are reported to the Board at least twice annually. The CEO, supported by senior management, briefs the Board on progress towards climate-related targets, including renewable energy expansion, emissions reduction, water and waste initiatives, and the Group's 2050 carbon neutrality commitment. In FY24 the Board approved additional rooftop solar investments at distribution centres and monitored progress against waste diversion and sustainable packaging targets. The Audit & Risk Committee also reviewed the integration of climate-related risks into the enterprise risk management framework. Through these governance mechanisms, the Board oversees the setting of environmental targets, monitors progress and ensures transparent disclosure of results. Progress reports and environmental data are reviewed at Board and committee level and, where appropriate, subject to external verification. Oversight also extends to regulatory developments affecting sustainability and the evaluation of trade-offs in decision-making, balancing near-term investment costs against long-term resilience, operational savings and stakeholder expectations. By embedding climate change into risk management, business strategy, remuneration and capital allocation, environmental issues remain central to governance, with the CEO and Board accountable for delivery of the Group's long-term sustainability commitments.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience
☑ Executive-level experience in a role focused on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:
☑ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:
☑ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:
☑ Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

Clicks' operations are primarily located within existing retail hubs, and unlike resource-intensive sectors such as mining or agriculture, the Group's interactions with ecosystems and biodiversity are indirect and limited. Biodiversity is therefore not prioritised for management-level responsibility, consistent with previous years. Instead, management accountability is focused on emissions reduction, renewable energy adoption, water conservation, waste reduction and circular packaging. These areas are directly linked to operational impacts, regulatory requirements, and customer expectations. Although biodiversity is not a standalone area of responsibility, related considerations are indirectly addressed through responsible sourcing practices, the Supplier Code of Ethics, and the policy's commitment to sustainable supply chains and stakeholder engagement. The Social & Ethics Committee monitors these aspects through its statutory oversight of sustainability and ethics. Looking ahead, the Group has committed to annually assessing whether it is appropriate to set additional environmental or climate-related targets beyond energy, carbon, water and waste. The Environmental and Climate Change Policy is reviewed on a two-year cycle to ensure relevance and effectiveness, providing an opportunity to consider whether biodiversity should be elevated as a specific area of management accountability. The Group also undertakes to keep up to date with national and international environmental regulations and frameworks, which will inform whether biodiversity oversight becomes more material in the future.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing a climate transition plan

☑ Implementing the business strategy related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CEO holds executive accountability for implementing the Environmental and Climate Change Policy, including climate strategies and operational targets. Responsibility is cascaded through the Corporate Affairs Head, who reports directly to the CEO and participates in Social & Ethics Committee meetings, linking board oversight and management implementation. The Corporate Affairs Head is supported by the Group Sustainability Manager, who provides dedicated support on environmental programmes and reporting, and the Group Facility Manager, who manages renewable energy projects, waste diversion and water efficiency, and reports to the Chief Financial Officer. These management roles ensure environmental commitments are embedded in operations and measured against defined targets. Environmental issues are also addressed through the Sustainability Forum, which consists of executive management and sustainability-related professionals. Environmental matters are reported to the CEO and the Social & Ethics Committee through management reports prepared by the Corporate Affairs Head and Group Facility Manager. These cover emissions, energy and water use, value chain engagement and progress against targets, and are reviewed quarterly in line with committee meetings with outcomes escalated to the Board. Oversight is reinforced by controls and procedures that integrate sustainability across business functions. Finance manages allocations for environmental projects, Operations leads energy and waste initiatives and Risk embeds climate risks in the enterprise risk framework overseen by the Audit & Risk Committee. This process enables the CEO and executives to assess environmental risks and opportunities, set and measure progress against targets, implement the climate transition plan and align business strategy with environmental commitments. Incentives are linked to these responsibilities, with ESG measures embedded in short- and long-term incentive schemes.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

3

(4.5.3) Please explain

15% of the long-term incentive (LTI) award for executive directors is subject to an ESG modifier. This modifier can reduce the total LTI payout if specified ESG objectives are not achieved. The modifier is weighted as follows: Composite measure – maintaining leadership in the FTSE4Good Index relative to the sub-sector and consumer services industry averages (6%); Environmental measure – increasing use of solar renewable energy to at least 4,500 MWh (3%); Social measure – achieving at least a level 4 BBBEE rating, with UPD achieving level 2 or better (3%); and Governance measure – no material breaches of customer privacy and data security (3%).
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Emission reduction

☑ Increased share of renewable energy in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The Clicks Group's incentive framework incorporates ESG considerations into both the Short-Term Incentive (STI) and Long-Term Incentive (LTI) plans for executive directors. STI awards are determined on an annual basis, while the LTI scheme includes an ESG modifier of up to 15% of the total award. The weighting of this modifier is as follows: Composite measure (6%) – maintaining leadership in the FTSE4Good Index relative to sub-sector and consumer services industry averages; Environmental measure (3%) – increasing renewable energy use to at least 4,500 MWh; Social measure (3%) – achieving at least a level 4 BBBEE rating for the Group and level 2 for UPD; Governance measure (3%) – no material breaches of customer privacy and data security. These incentives ensure executives are held accountable for delivering on the Group's sustainability and climate objectives while creating long-term value in the South African retail sector.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Executive remuneration at Clicks Group is structured to align shareholder value creation with delivery of the Group's sustainability agenda. A significant portion of remuneration is variable, with both the STI and LTI schemes incorporating ESG objectives to ensure climate and environmental considerations are embedded into strategic planning and operational delivery. The LTI scheme includes an ESG performance modifier of up to 15% of the total award, which can reduce payouts if specified objectives are not achieved. The environmental element of this modifier requires the Group to increase renewable energy use to at least 4,500 MWh. This

target has already supported the rollout of solar photovoltaic installations across operations, reducing reliance on fossil-fuel-based electricity and lowering operational emissions. In FY24, UPD installed 648 kW of solar PV (saving 1,166 tCO_2e per year), while distribution centres added a further 81.9 kW and associated storage. Looking ahead, UPD has committed to producing 2,500 MWh of renewable electricity by FY26, which will significantly expand the Group's renewable energy capacity and progress toward the 4,500 MWh target. By linking remuneration to progress on renewable energy adoption, the incentive framework directly contributes to the implementation of the Group's environmental commitments. These incentives also reinforce delivery of the Group's climate transition plan, which aims to achieve carbon neutrality by 2050 in line with the Paris Agreement. The renewable energy KPI is a cornerstone of the Group's environmental strategy and a critical driver of long-term emissions reduction. In parallel, the STI framework embeds ESG-related measures into annual performance assessments, ensuring that short-term decisions complement long-term sustainability goals. Together, these mechanisms motivate executives to integrate sustainability into business planning, capital allocation and risk management. Through this approach, executive incentives are already contributing to measurable progress on environmental objectives while ensuring that the Group's climate transition plan remains embedded in corporate governance and strategy.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

The Environmental & Climate Change Policy applies to all entities and employees within the Clicks Group and extends to third parties contractually required to comply such as suppliers and service providers. The policy has organisation-wide coverage across retail stores, distribution centres and support offices with no exclusions in terms of geography or business activities. Oversight rests with the Social & Ethics Committee, which is the custodian of the policy and reports to the Board at least twice annually. The CEO holds primary responsibility for executive implementation, ensuring that environmental objectives are embedded across strategic and operational activities. This is supported by the Chief People Officer and Group Facility Manager, who lead operational initiatives relating to energy, water, waste and carbon emissions. The policy commits the Group to minimising environmental impact, improving resource efficiency and aligning with regulatory requirements. Performance is assessed against key metrics and disclosed on an ongoing basis to promote accountability and raise awareness among employees, customers and other stakeholders, reinforcing responsible environmental stewardship across the Group.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Clicks-Group-Environmental-and-Climate-Change-Policy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ National Business Initiative

☑ UN Global Compact

☑ Other, please specify :SA Plastics Act Polyco eWASA for electrical and electronic equipment, Fibre Circle for paper, Aerosol Manufacturers Association for aerosol products.

(4.10.3) Describe your organization’s role within each framework or initiative

We participate in a range of environmental collaborative frameworks and initiatives. These include formal signatory commitments such as the United Nations Global Compact (UNGC) and membership-based partnerships like the World Wide Fund for Nature South Africa (WWF-SA) and the National Business Initiative (NBI). In addition, Clicks is a member of several South African industry initiatives, including the South African Plastics Pact, Polyco, the Electronic Waste Association of South Africa (eWASA) and the Aerosol Manufacturers Association (AMA). UNGC: In the 2024 financial year, Clicks Group became a signatory to the United Nations Global Compact. The Group has adopted the Ten Principles of the Compact covering human rights, labour, the environment and anti-corruption, and monitors compliance against these principles. This commitment reflects the Group’s focus on embedding responsible business practices into its strategy and governance. Progress against the UNGC principles is assessed by the Social and Ethics Committee and disclosed through the Integrated Annual Report and other sustainability reporting. WWF-SA: Clicks Group is a member of WWF South Africa, reflecting its commitment to stakeholder engagement and strategic partnerships that advance sustainability.

Membership provides a platform for collaboration on environmental issues relevant to the South African retail and consumer goods sector, aligning the Group with broader industry efforts to promote sustainable practices and reduce environmental impacts. NBI: Through continued participation in the National Business Initiative, Clicks Group remains informed of both national and international climate-related developments. This proactive engagement strengthens the Group's sustainability initiatives and ensures that its practices align with evolving global standards for corporate environmental responsibility. By staying ahead of regulatory trends and industry expectations, the Group is well positioned to lead in sustainability, attract like-minded partners and deliver long-term value to stakeholders. South African Plastics Pact: Clicks Group is a founding member of the South African Plastics Pact, which was developed by the World Wide Fund for Nature South Africa, in partnership with the South African Plastics Recycling Organisation (SAPRO) and the United Kingdom's Waste and Resources Action Programme (WRAP). The Pact is managed and delivered by GreenCape. As a member, Clicks has committed to a set of ambitious targets for 2025 to prevent plastics from becoming waste or pollution. These include eliminating problematic or unnecessary plastic packaging through redesign, innovation or alternative re-use delivery models, ensuring that 100% of plastic packaging is reusable, recyclable or compostable, achieving a 70% effective recycling rate, and incorporating an average of 30% recycled content across all plastic packaging. Polyco: Clicks Group is a member of Polyco, which is a producer-responsibility organisation for the plastics industry. Membership requires Clicks to report on the tonnages of plastic packaging that it places on the market and to ensure that this material is responsibly diverted to recycling. This aligns with South Africa's Extended Producer Responsibility regulations, which require producers to take responsibility for the full life cycle of their products and packaging. eWASA: Clicks Group is a signatory to the Electronic Waste Association of South Africa and ensures compliance with national and international standards for the responsible management of electronic waste. Through this membership, the Group adopts environmentally responsible practices for e-waste disposal, supports collective industry efforts to increase recycling rates, and works to minimise the environmental impacts associated with electrical and electronic products. AMA: Clicks Group is a member of the Aerosol Manufacturers Association, which represents the local aerosol industry on regulatory, safety and environmental matters. As a member, Clicks ensures that its aerosol products meet all applicable national and international standards relating to the manufacturing, packaging, labelling and distribution of aerosol products. The Association also acts on behalf of the industry, including Clicks, in engaging with regulators, promoting education and awareness, and setting national standards to enhance safety and environmental stewardship.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

CGL-YE24-Sustainability-report-databook.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Clicks manages its external engagement activities through established governance structures to ensure alignment with its environmental commitments and transition plan. The Group Environmental and Climate Change Policy, approved by the board and overseen by the Social & Ethics Committee, sets the framework for responsible engagement and requires compliance with applicable regulatory frameworks and voluntary commitments such as the Paris Agreement and the UN Global Compact. Externally, engagement takes place through platforms such as the National Business Initiative (NBI) and partnerships with NGOs including WWF. These forums provide guidance on climate change and sustainability issues, and Clicks ensures that all contributions are reviewed against its climate targets and sustainability strategy. Internally, the Sustainability Forum, comprising executive management and sustainability professionals, coordinates all climate-related activities. It develops group standards and guidelines, monitors performance, and collates ESG data for disclosure, thereby ensuring a common approach across the business. Where potential inconsistencies are identified, matters are escalated to the Social & Ethics Committee for oversight and corrective action, consistent with its mandate to monitor environmental performance and compliance. This process ensures that engagement activities remain aligned with the Group's environmental commitments and identified risks and opportunities. Engagement is reviewed against risks such as water stress, transition to lower-emissions technologies, negative press related to environmental impacts, and increased severity of extreme weather events. At the same time, it supports opportunities such as the use of low-carbon energy sources to advance the Group's transition plan.
[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Africa

☑ Other trade association in Africa, please specify :The National Business Initiative (NBI)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

The National Business Initiative (NBI), a regional partner to the World Business Council for Sustainable Development, is a voluntary coalition of South African and multinational companies focused on advancing sustainable growth and development. It provides an important platform for business to engage with government on climate change policy and the just transition to a low-carbon economy. Through the NBI, new regulatory developments are discussed with members, including Clicks, and feedback is channelled to the relevant government departments. The NBI continues to communicate positive positions on climate-related policy, including support for achieving net-zero greenhouse gas emissions by 2050 and advancing a just transition that balances decarbonisation with social benefits. These positions are consistent with Clicks’ own Environmental and Climate Change Policy, which commits the Group to managing carbon emissions in line with the Paris Agreement. Clicks participates in NBI forums such as the Advisory Council for Environment and Society (ACES), which meets quarterly to update members on industry trends, international partnerships, and government activity. This forum enables Clicks to share its perspectives, stay informed on emerging environmental risks and opportunities, and contribute to the design of collective strategies to address systemic sustainability challenges. Through this engagement, Clicks helps to shape NBI’s position while benefiting from its collaborative approach to influencing national climate policy.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

85021

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The Clicks Group aligns its strategic priorities with the work of the National Business Initiative (NBI) and is regularly updated on the organisation’s progress and activities. As an NBI member, Clicks benefits from access to insights, research, and networks that enable the Group to anticipate and respond to critical environmental, social and governance (ESG) developments, particularly those linked to climate change. The contribution, paid as a membership fee, supports the NBI’s capacity to deliver workshops, advisory forums, and collaborative platforms through which member companies engage with government and other stakeholders. These activities are essential for shaping policy discussions, preparing industry for pending climate change legislation, and supporting the transition to a net-zero economy by 2050. Through this funding, Clicks both supports and benefits from the NBI’s role in communicating transition pathways, building collective strategies, and providing opportunities for direct collaboration with business peers, government representatives, and experts. This ensures that Clicks remains part of a strong coalition working to influence climate policy, strengthen sustainability practices, and drive a resilient and low-carbon economy.

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Content of environmental policies

(4.12.1.6) Page/section reference

Page 11 – 23 "Performance and Progress"

(4.12.1.7) Attach the relevant publication

CGL-YE24-Sustainability-report-databook.pdf

(4.12.1.8) Comment

In the reporting year, Clicks published information on its environmental response across several platforms in addition to its CDP submission. This includes our Sustainability Report, which outlines actions taken to minimise environmental impacts, manage climate-related risks, and improve water and waste management. The report also highlights the group's approach to reducing greenhouse gas emissions across its operations and ongoing initiatives to strengthen sustainability practices. [Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Not an immediate strategic priority

(5.1.4) Explain why your organization has not used scenario analysis

Clicks Group has not yet utilised climate-related scenario analysis to inform its business strategy. We acknowledge the importance and benefits of scenario analysis as recommended by the TCFD, particularly in enhancing our ability to assess climate-related risks and opportunities comprehensively. During the reporting period, our focus remained on building the foundational elements of our climate response, including emissions measurement, target setting and the rollout of emissions reduction initiatives in line with our transition plan. As part of our evolving climate strategy, we intend to incorporate scenario analysis in the near future to strengthen our understanding of climate-related risks and improve strategic resilience. Clicks is considering undertaking scenario analysis in collaboration with the Council for Scientific and Industrial Research (CSIR) and the Consumer Goods Council of South Africa (CGCSA). This initiative would assess the potential physical and transition impacts of climate change on the South African retail sector, including shifts in consumer demand, disruptions to supply chains, and the financial implications of more frequent extreme weather events. By leveraging the scientific modelling capabilities of the CSIR and the industry insights of the CGCSA, the analysis will provide sector-specific scenarios aligned to global climate pathways. These scenarios will support Clicks in stress-testing its business model under different climate futures, identifying vulnerabilities across operations, distribution networks and supplier relationships.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ No

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, but we plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Clicks' largest source of emissions comes from purchased electricity, supplied by the national utility Eskom, which predominantly generates power from coal. To address this dependency, the focus of Clicks' carbon neutrality management plan is on renewable electricity procurement through solar PV installations, Renewable Energy Certificates (RECs), and Power Purchase Agreements (PPAs). While the group's ability to produce renewable electricity onsite is limited by physical constraints, it will continue to rely on the grid for options such as wheeling renewable energy. Additional actions, including energy efficiency improvements and electrification of the distribution fleet, further support the group's transition. Our target remains to achieve carbon neutrality by 2050 by expanding the use of alternative energy sources and benefiting from the reduced grid emission factor as the national utility integrates more renewable energy.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Clicks' transition plan is set out in the Carbon Neutrality Management Plan (CMNP), which draws on international best practice and is reviewed annually. The CMNP focuses on high-impact categories of purchased electricity, mobile fuels, upstream transportation, and refrigerants, with reduction initiatives phased through 2035 and longer-term planning to 2050. As purchased electricity accounts for approximately 73% of the Group's emissions, the plan prioritises on-site solar PV at standalone

facilities, lease agreements that enable renewable supply, and the use of Power Purchase Agreements or Renewable Energy Certificates. The CNMP uses a conservative outlook for emissions projections, assuming limited near-term improvement in national grid emissions. Broader reductions are expected to be supported by emerging technologies and sectoral changes, including increased electric vehicle adoption, the availability of refrigerants with lower global warming potential (GWP), as well as changes that are out of Clicks' control such as the reduction in South Africa's grid emission factor. The CMNP is reviewed annually to incorporate changes in technology, regulation and emissions factors into future reduction strategies. Dependencies include the pace of decarbonisation in the national energy and transport sectors, supplier collaboration on Private Label product emissions, landlord engagement for renewable electricity access and continued investor support for climate-related capital expenditure. Resourcing is embedded in Clicks' governance and operational processes. The Board has ultimate oversight of the climate strategy, with the Social and Ethics Committee responsible for climate policy and the Audit and Risk Committee overseeing risk assurance. A dedicated sustainability team consolidates inputs from business units, and facility managers and operational leads are accountable for delivery. Progress is reported annually through the integrated and sustainability report.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

In the reporting year, Clicks made measurable progress in implementing its transition plan, with a continued focus on reducing emissions from high-impact categories such as purchased electricity and fuel use. The Group increased its renewable energy generation by 41%, producing 5,135 MWh primarily from solar PV systems installed at its head office and distribution centres. UPD installed 648 kW of solar PV capacity, saving approximately 1,166 tCO2e per year, while additional capacity and battery storage were added at other distribution sites. To support its fleet decarbonisation goals, 42 electric delivery vehicles were ordered for deployment in Gauteng and the Western Cape, and solar and battery systems were installed on existing vehicles to power refrigeration and reduce cold-chain emissions. The emissions intensity of the business decreased by 5% in FY2024. These efforts reflect the CNMP's implementation trajectory through 2035 and longer-term planning to 2050.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

CGL-YE24-Integrated-annual-report.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Water

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

• *Water is also recognised as a crucial climate risk for Clicks, particularly given South Africa's high levels of water stress and vulnerability to drought. While water use contributes minimally to Clicks' overall carbon footprint, it represents a material operational and reputational risk due to its importance for store operations, distribution centres, and pharmacy services. Disruptions to municipal supply or deteriorating water quality could affect business continuity, hygiene standards, and customer service levels.* • • *As part of its climate and resilience planning, Clicks is prioritising initiatives to reduce municipal water dependency and expand water efficiency measures. These include the installation of greywater reuse systems and rainwater harvesting at distribution centres and head offices, and ongoing education to promote behavioural changes in water consumption. The Group is also assessing opportunities for alternative water sources, such as boreholes, in high-*

risk locations to ensure operational continuity during supply interruptions. • • These initiatives not only safeguard against the operational risks of water scarcity but also reduce utility costs and demonstrate responsible environmental stewardship to stakeholders. Over the medium to long term, enhanced water efficiency is expected to improve resilience, protect financial performance from utility price escalations, and strengthen Clicks' reputation as a sustainable and responsible retailer. [Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Which Risk and Why: Shifting consumer expectations and evolving regulatory environments have impacted our Products and Services division. Stakeholders increasingly expect responsible sourcing, sustainable packaging and visible commitment to environmental standards. This reputational risk is reflected in stakeholder concern over packaging waste, palm oil sourcing and supplier ethics. In response, Clicks has integrated environmental considerations into its product and brand strategy, reinforcing its commitment to a sustainable, retail-led health, beauty and wellness offering. Horizons: The risk is associated with a medium-term time horizon. Most Substantial Decisions: Key decisions influenced by this risk include a shift toward sustainable sourcing practices and strong product-level environmental compliance. We continue to promote environmentally responsible products within our Private Label offering, such as MyEarth, Sorbet and The Body Shop. Sorbet salons continue to offer a range of Clean Beauty brands in selected stores, including Skoon, Le-Live, Vita-Derm, Paul Mitchell, REF and Vitamin Me, reflecting our ongoing commitment to responsible product sourcing and formulation. How Strategic Decisions Have Been Made: We work with accredited and audited suppliers for our Private Label range. New and existing suppliers are assessed using a scorecard system to evaluate risk areas, including environmental and ethical compliance. Preference is given to suppliers aligned with the Group's environmental expectations. Currently, 56.2% of the private label supply base is registered on the Supplier Ethical Data Exchange (SEDEX) and 9.7% with the Business Social Compliance Initiative (BSCI), reflecting ongoing efforts to strengthen transparency and supply chain due diligence. Clicks' trading terms continue to reinforce its environmental and ethical standards, including expectations related to packaging and sourcing practices. These apply to exclusive and franchised brands. The Body Shop franchise continues to align with its global sustainability standards, including fair trade, community upliftment and conservation of scarce resources. Its products are naturally derived, not tested on animals, and subject to strict safety and efficacy standards. Effect on Business Model and Transition Plan: Enhancing supplier regulation and engagement helps prepare the Group for shifts in consumer expectations and mitigates reputational risk. Strengthening environmental oversight in sourcing and packaging aligns with evolving market norms and regulatory requirements. These changes also support our transition planning under the Carbon Neutrality Management Plan, which reinforces environmental governance across the value chain.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Which Risk and Why: Clicks is committed to maintaining an environmentally responsible supply chain, working closely with suppliers to ensure adherence to environmental and ethical standards. A key risk involves potential reputational damage and financial consequence if suppliers fail to meet expectations from consumers, regulators, and other stakeholders. Non-compliance with environmental standards could also result in regulatory penalties, disruptions to supply, restricted market access, or loss of customer trust. These risks affect both upstream supply continuity and downstream product integrity. Time Horizons: The risk is associated with a medium-term time horizon. Most Substantial Decisions: In response to these risks, Clicks has taken steps to strengthen transparency and oversight within its supply chain. This includes leveraging platforms like SEDEX and BSCO to assess supplier practices, particularly for Private Label suppliers. Furthermore, Clicks is implementing processes to begin collecting greenhouse gas (GHG) emissions data from its Private Label suppliers, supporting alignment with the Group's sustainability goals and climate commitments. How Strategic Decisions Have Been Made: Clicks' strategic decisions in sustainable supply chain management are informed by risk assessments, stakeholder feedback and monitoring of regulatory compliance and developments. Decisions such as adopting SEDEX and continuing to collect GHG emissions data from priority Private Label suppliers are aimed at mitigating reputational and regulatory risks strengthening supply continuity. The sustainability, procurement, and supply chain teams jointly review supplier performance via scorecards and periodic reviews to ensure alignment with immediate operational needs and long-term sustainability goals. Effect on Business Model and Transition Plan: Clicks' efforts to maintain a sustainable supply chain directly support our climate transition planning. Embedding environmental requirements in trading terms, using SEDEX/BSCI for due diligence, and improving visibility of value-chain emissions help reduce reputational and compliance risk and inform product and packaging decisions. These actions align upstream practices with Group standards and support our Carbon Neutrality Management Plan.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Which Risks and Opportunities and Why: Environmental opportunities have shaped our R&D strategy, particularly through investment in low-emission technologies such as electric vehicles (EVs), battery storage, and renewable energy systems. These efforts align with our carbon neutrality goals and Carbon Neutrality Management Plan (CNMP). Shifting from diesel-powered vehicles to EVs charged by renewable energy, reduces Scope 1 emissions, mitigates diesel cost volatility

and addresses growing regulatory and stakeholder pressure for climate action. These opportunities are reinforced by environmental risks, including energy insecurity and reliance on South Africa's carbon-intensive electricity grid. Time Horizons: This initiative spans both short- and medium-term timeframes. In the short term, we transitioned a portion of UPD's logistics fleet to 42 EVs, deployed in Gauteng and the Western Cape in 2023. We also launched an owner-driver programme that enabled 11 individuals to become business owners operating EVs through a structured development initiative. Battery storage and rooftop solar PV systems were installed at key distribution centres and our head office to strengthen resilience and enable cleaner energy use. Over the medium term, we plan to expand renewable energy use across our operations through additional on-site installations and by exploring power purchase agreements (PPAs) to support fleet electrification and reduce Scope 1 and 2 emissions. Most Substantial Decisions: Our decision to invest in EVs and supporting solar and battery systems was driven by the need to reduce diesel reliance and ensure operational continuity during load shedding. This includes procurement of low-emission vehicles and upgrades to facilities to enable clean energy use. To ensure a sustainable and cost-effective energy supply, we are expanding on-site solar and evaluating PPAs to support both logistics and retail operations. Launching the owner-driver programme was a key strategic decision that advances both environmental and social goals while supporting a just transition. How Strategic Decisions Have Been Made: These decisions were guided by our CNMP, informed by emissions data, cost-benefit analysis and aligned with broader sustainability goals. Teams across sustainability, logistics, procurement and finance collaborated to ensure the initiatives meet both short-term needs and long-term objectives. Effect on Business Model and Transition Plan: These opportunities have influenced our business model and transition plan through the integration of sustainable technologies and practices. These initiatives, alongside the EV-based owner-driver programme, demonstrate how innovation is being embedded into operational and value chain models. This approach ensures that Clicks remains competitive in a market increasingly driven by sustainability considerations and supports the Group's long-term carbon neutrality goals.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Which Risk/s and Why: Clicks faces two critical environmental risks to our operations: diesel consumption related to energy supply disruptions and water availability. Ongoing load shedding and grid instability in South Africa pose a risk to operational continuity, particularly at our distribution centres, retail stores, and clinics. These risks are compounded by climate-related factors such as extreme heat, drought and long-term shifts in rainfall patterns. Prolonged electricity outages can disrupt store trading, cold-chain logistics and service delivery. In parallel, water scarcity, particularly in drought-prone regions such as the Western Cape, continues to pose a

risk to our healthcare services, including pharmacy operations and clinics where clean water is required for basic hygiene and medication preparation. Both risks are fully incorporated into our strategy to maintain uninterrupted operations and business continuity, particularly across our retail, distribution and healthcare operations. These risks have also created opportunities for operational innovation, including greater use of decentralised renewable energy, efficiency technologies, and cleaner transport solutions. Time Horizons: The risks associated with energy supply and water availability remain relevant over both short- and medium-term time horizons. In the short term, we have implemented immediate solutions to mitigate disruptions, including investment in alternative energy sources, battery storage, and water management systems. Over the medium term, we continue to enhance resilience through sustained investment in renewable energy and water-saving infrastructure to reduce our operational exposure to these risks. Most Substantial Decisions: To mitigate energy risk, we have installed rooftop solar PV systems totalling 4.5 MW across our distribution centres and head office, with the capacity to generate over 7 000 MWh annually. These are supported by lithium battery systems that help maintain operations during load shedding. We also use LED lighting, electronic meters and automated controls to enhance energy efficiency. On the water side, we have installed boreholes at our head office to ensure business continuity during shortages. We've also enhanced operational resilience through our EV-based owner-driver programme and continue to improve resource efficiency via recycling and waste reduction at distribution centres. How Strategic Decisions Have Been Made: These decisions were informed by operational risk assessments, including the potential impact of load shedding and water scarcity on trading continuity, supply chain efficiency and healthcare service delivery. Our sustainability, facilities and finance teams work together to evaluate options and prioritise investments that strengthen operational resilience while contributing to our climate goals. Effect on Business Model and Transition Plan: We have embedded energy and water risk responses into our operational model and trans
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply
☑ Revenues

(5.3.2.2) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Opportunity: We continue to identify revenue opportunities from our environmentally responsible product ranges such as MyEarth, Sorbet and The Body Shop. These ranges align with growing consumer demand for sustainable and ethically sourced products and reinforce our brand positioning in health, beauty and wellness. We also expect to see increased demand for pharmacy and healthcare products associated with climate-sensitive conditions, such as respiratory and vector-borne diseases. These opportunities are reflected in our financial planning over the short-term horizon as part of our product development, marketing and customer engagement strategies. Risk: Environmental risks, particularly water scarcity and extreme weather, have historically impacted our revenues and continue to pose a material risk. Water shortages in drought-prone regions such as the Western Cape have previously resulted in temporary closures of stores and clinics, affecting service delivery and sales. A full day's closure is estimated to cost approximately R81 727 per store, with higher aggregate losses possible during widespread disruptions. In response, we have invested in water resilience infrastructure at key facilities, including boreholes, rainwater harvesting systems and high-efficiency water fixtures. Water access is now factored into store acquisition, design and leasing decisions. We also face increasing risks from flooding and extreme weather events that may disrupt logistics and store operations. These risks are integrated into our short-term financial planning and business continuity strategy. These responses are resourced through operational and capital allocations aligned with our climate and facilities resilience strategies.

Row 2

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risk: Climate change is a material risk that influences Clicks' capital expenditures. In 2018, the Western Cape experienced severe drought conditions that led to a water crisis. Clicks faced municipal water supply constraints at its head office building and some distribution centres, requiring immediate implementation of mitigation measures to sustain day-to-day operations. In response, Clicks has implemented various water conservation initiatives. These include installing water boreholes at the head office and Cape Town distribution centre, as well as utilising a rainwater harvesting system that provides approximately 3 000 kilolitres per year. Additionally, water recycling from the building's air-conditioning cooling towers allows partial operational capability during short periods (3-4 days) when water is unavailable. This water recycling initiative saves the business around 200 kilolitres of water annually. In the financial planning process, the short-term timeframe is considered for addressing these water-related challenges and their impact on capital expenditures. Opportunity: Capital expenditures have been directed towards procuring electric vehicles (EVs) for UPD's fleet. This investment enables the Clicks Group to capitalize on the opportunity to lower operating costs related to diesel purchases for our vehicle fleet and aligns with our climate transition plan. Additionally, the shift from diesel-powered to electric vehicles is a key component of the emission reduction initiatives outlined in Clicks' CNMP.

Row 3

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Opportunity: Environmental opportunities are guiding our capital allocation toward low-carbon and climate-resilient infrastructure. We continue to invest in store energy efficiency initiatives, including the installation of LED lighting. In the reporting year, 186 stores were fitted with LED systems, reducing emissions by approximately 8,795 tCO2e annually. Capital had also been allocated to electrify logistics operations through the procurement of 42 electric vehicles for UPD, and to decentralised clean energy generation, with 4.5 MW of rooftop solar PV and battery systems installed across our operations, which can generate over 7 000 MWh

annually. In addition, we have prioritised funding for water resilience infrastructure, including boreholes, greywater systems and rainwater harvesting. These allocations, away from diesel powered vehicles, grid powered electricity and municipal water, support our Carbon Neutrality Management Plan and are embedded into our short- to medium-term financial planning. Risks: Environmental risks have influenced our capital allocation by requiring greater prioritisation of resilience-focused investments. Energy insecurity and load shedding have increased the need to direct capital toward decentralised renewable energy and backup storage systems, reducing exposure to grid disruptions and volatile diesel costs. Water scarcity has also required the allocation of capital to boreholes, rainwater harvesting and greywater reuse infrastructure to safeguard operational continuity at our head office and distribution centres. These capital allocations help mitigate the financial impact of service interruptions and reputational risks associated with environmental disruptions. They are reviewed through our annual budgeting process and embedded in short-term financial planning as part of our operational resilience strategy.

Row 4

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risk: Extreme weather events, such as droughts and flooding, are likely to reoccur in the Western Cape. As a result, Clicks Group may focus future investment in areas that are impacted by fewer climate risk in long term. This could lead to a decrease in group revenues and a decline in the company's share price, which might, in turn, affect the Group's financial planning process, including its ability to access capital. These impacts are expected to only materialise over the long term, depending on the severity and timing of the extreme events.

Row 5

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Access to capital

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risk: Clicks engages regularly with stakeholders on key business areas, including regulatory developments, capital management and environmental performance. Areas of concern include risks related to carbon taxation, rising utility costs, and mandatory greenhouse gas (GHG) reporting requirements. These factors, if not adequately managed, could negatively affect investor confidence and limit access to capital. Water scarcity and energy insecurity, particularly in high-risk regions, are also seen as barriers to future expansion and investment appeal. Clicks' inclusion in sustainability indices such as FTSE4Good enhances investor confidence, but maintaining this position requires ongoing delivery against environmental, social and governance (ESG) expectations. Agency ratings impact on our access to capital. The financial planning process considers these risks over the short-term horizon, particularly given annual reporting cycles. We continue to invest in energy-efficient technologies, water-saving infrastructure and the implementation of our Carbon Neutrality Management Plan to mitigate these risks and align with investor expectations.

Row 6

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risks: Clicks' product inventory is our most significant physical asset, and the safe storage of medicines and other sensitive products is critical to our operations. Severe weather events, such as flooding or extreme heat, pose a risk of damage to our distribution centres or disruption to cooling infrastructure, which could lead to inventory loss. The cost of replacing damaged stock could be substantial. Cooling systems are also energy intensive, making them vulnerable to load shedding and rising electricity prices. As part of our financial planning, we consider both short- and medium-term climate-related risks to our inventory, and we implement mitigation measures such as asset insurance and investment in climate-resilient infrastructure. In recent years, we have also invested in rooftop solar PV and battery systems at key facilities to reduce reliance on grid power and improve operational continuity during outages.

Row 7

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Liabilities

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risk: 1) Supply Chain and Inventory Liabilities: Extreme weather events such as floods, droughts, and heatwaves could disrupt logistics, ports, and international shipping routes that Clicks depends on for merchandise sourcing. Such disruptions may increase accounts payable, as settlement with suppliers could be delayed, and trigger inventory write-downs if stock is damaged, spoiled, or arrives late, 2) Lease Liabilities: Clicks' extensive retail footprint creates exposure to physical climate risks. Flooding or grid instability may render leased premises unusable or require costly remediation. Lease obligations remain payable even if a store is non-operational, while provisions could increase for onerous leases if profitability is reduced by climate impacts, 3) Insurance, Legal and Regulatory Liabilities: As climate regulation in South Africa becomes more stringent, including mandatory climate disclosure and extended producer responsibility requirements, Clicks may face compliance costs, penalties, or litigation if obligations are not met. These could increase contingent liabilities and provisions, where current exposures are recognised but may expand to include climate-related issues and 4) Employee and Healthcare Liabilities: As a healthcare retailer, Clicks may see increased healthcare obligations as climate change exacerbates health risks (e.g., heat-related illness, vector-borne disease). This could raise employee benefit obligations and increase liabilities if workforce availability is disrupted by extreme events.

Row 8

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Indirect costs

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Risks: Climate risks affect Clicks' indirect costs mainly through value chain pressures. Extreme weather events, water scarcity, and port disruptions can increase the cost of raw materials, packaging, and imported merchandise. Suppliers facing higher compliance costs, such as under Extended Producer Responsibility (EPR) regulations or tightening international standards, may pass these costs on to Clicks. Import delays also heighten the risk of out-of-stocks or overstocks, creating

inefficiencies in working capital and raising indirect costs linked to inventory management. Clicks mitigates these risks by engaging directly with suppliers, particularly within its Private Label range, to collect sustainability and emissions data and improve transparency. Alternative suppliers are being sourced across diverse regions, and local sourcing is expanded where feasible to reduce reliance on vulnerable import routes. Investment in advanced forecasting systems such as the OneBeat Planning Tool and Blue Yonder further improves supply chain resilience by identifying priority SKUs, consolidating slow-moving stock, and reducing costs associated with write-downs and emergency logistics.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:
☑ Other, please specify :A self-assessment of our financial planning against time bound KPIs outlined in our transition plan

(5.4.1.5) Financial metric

Select from:
☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

77000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

8.64

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

15

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

17

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Methodology: Clicks tracks climate-related spending through its Carbon Neutrality Management Plan (CNMP), developed in line with ISO 14068-1:2023 and ISO 14064-1:2018 standards. An internal system is used to classify expenditure that directly contributes to emissions reduction and the achievement of Clicks' annual GHG reduction pathway of 3.6% from a 2022 baseline. This approach links capital allocation with the Group's long-term 2050 carbon neutrality goal and is disclosed through climate-related reporting. Criteria for alignment: Spending is considered climate-aligned where it directly supports transition goals. Examples include: 1) Renewable energy: Rooftop solar PV installations, Renewable Energy Certificates (RECs), and Power Purchase Agreements (PPAs), 2) Fleet decarbonisation: Procurement of electric vehicles to reduce reliance on diesel, 3) Energy efficiency: LED lighting rollouts across stores and distribution centres, and the transition to lower global warming potential refrigerants, 4) Supply chain engagement: Investments to strengthen data collection and emissions reductions from Scope 3 Private Label suppliers, 5) Spending not classified as aligned includes the purchase of standard diesel vehicles and infrastructure upgrades that do not contribute to emissions reduction or climate resilience. Expected change over time: Aligned spending is expected to increase as emission reduction initiatives are rolled out across business units and scaled up. Key assumptions include increased pressure from regulators, customers and investors for low-carbon operations, the ongoing cost competitiveness of renewable technologies, and the progressive implementation of supplier engagement programmes to capture Scope 3 impacts. Annual fluctuations may occur, but the long-term trajectory is upward as transition activities become integrated into business planning and capital deployment. Verification and Governance: The CNMP is based on a carbon inventory independently assured under ISO 14064-1:2018, with forecasting that accounts for business growth. Climate-aligned expenditure is reviewed internally through capital allocation processes and overseen by executive management. While the Group's GHG emissions inventory is independently assured, external verification of aligned versus non-aligned spending under the CNMP has not yet been obtained but remains a future consideration to enhance credibility and comparability.
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Navigate regulations
☑ Drive energy efficiency
☑ Drive low-carbon investment
☑ Conduct cost-benefit analysis
☑ Reduce upstream value chain emissions
☑ Identify and seize low-carbon opportunities
☑ Influence strategy and/or financial planning
☑ Setting and/or achieving of climate-related policies and targets
☑ Incentivize consideration of climate-related issues in decision making
☑ Incentivize consideration of climate-related issues in risk assessment

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment with the price of a carbon tax

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Clicks bases its internal shadow price on South Africa's national carbon tax, which was introduced in 2019 as a key mitigation policy instrument. The carbon tax rate used for internal pricing is aligned to the published statutory rate, which increased from R159/tCO2e in 2023 to R190/ tCO2e e in 2024 (current reporting year). Government has published the price per year to 2030. This price is used to assess the long-term cost of carbon in evaluating capital investments, including energy efficiency, refrigerant switching, and electrification initiatives under the Carbon Neutrality Management Plan (CNMP). For transport-related emissions, Clicks also considers the carbon fuel levy, which increased to 11 cents per litre for petrol and 14 cents per litre for diesel in 2024. The internal carbon price is updated periodically in line with government announcements, with a price of R462/ tCO2e by 2030.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

The price of carbon evolves over time (evolutionary pricing). The initial rate was set at R120/tCO2e in 2019 and was escalated annually. From 1 January 2024, the price was set as R190/tCO2e. The tax rate was then increased to R236/tCO2e in 2025 and will be increased thereafter, as determined by government. Government has published carbon tax rate increases as follows: - By 2026: R308 - By 2030: R462. Pricing past 2030 has not been confirmed yet.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

190

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

462

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Operations
☑ Procurement
☑ Product and R&D
☑ Risk management
☑ Capital expenditure
☑ Opportunity management
☑ Value chain engagement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for some decision-making processes, please specify :In planning of scope 1 emission reduction initiatives

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

2.29

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Methodology and Monitoring: Clicks accounts for the national carbon tax in its Scope 1 fuel emissions, as the cost is embedded in fuel purchases. The Group closely monitors the South African carbon price under the Carbon Tax Act and tracks potential legislative changes that could affect financial planning and investment decisions. One key post-2030 risk is the possible passthrough of tax from Eskom to the end user, which could result in significant increases in electricity tariffs. Current estimates indicate this passthrough could result in an increase of approximately R66 per megawatt-hour (MWh) by 2030. Monitoring of carbon pricing trends ensures Clicks' internal assumptions remain relevant and consistent with the Group's Carbon Neutrality Management Plan (CNMP). Application in Decision-Making: The carbon tax signal is integrated into key business areas: 1) Capital expenditure: Incorporated into feasibility studies for projects such as rooftop solar PV, energy-efficient lighting, and refrigerant replacement, ensuring investments align with low-carbon pathways, 2) Supply chain and product development: Considered in supplier engagement programmes for Private Label products, incentivising lower-emission inputs and improved environmental performance, and 3) opportunity management: Supports evaluation of renewable energy procurement options (PPAs, RECs) and future financing opportunities linked to sustainability performance. Contribution to Commitments and Transition Plan: Carbon pricing considerations underpin Clicks' CNMP by embedding climate costs into operational and strategic decisions. This drives aligned investment in renewable energy and efficiency measures, strengthens Scope 3 engagement, and ensures the business remains on

track with its annual 3.6% emissions reduction trajectory. It also ensures Clicks remains prepared for potential carbon cost passthroughs, supporting resilience against future regulatory tightening. Regional and Sectoral Context: This approach is particularly relevant in South Africa, where retail operations depend on a carbon-intensive electricity grid. By planning for both direct carbon tax exposure and potential passthrough costs, Clicks strengthens its ability to safeguard financial performance while advancing its climate transition objectives.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

(5.11.2) Environmental issues covered

Select all that apply
☑ Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

(5.11.2) Environmental issues covered

Select all that apply
☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Clicks continues to prioritise engagement with key value chain stakeholders, specifically suppliers, customers, investors, and shareholders, on environmental matters, and has further strengthened these relationships over the past year. These engagements have focused on ethical sourcing, responsible consumer behaviour, transparent ESG disclosure, and sustainability-linked investment practices. While direct engagement with other value chain stakeholders has not yet commenced, Clicks remains committed to broadening its scope of collaboration. In particular, the group plans to expand engagement with third-party logistics providers, with a view to accelerating the transition to low-emission delivery models. This includes the exploration of electric vehicle (EV) adoption within its delivery fleet, such as the owner-driver scheme used by UPD. These efforts are aligned with Clicks' broader carbon neutrality goals and the intent to drive decarbonisation across its upstream and downstream operations.
[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 1-25%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Clicks defines suppliers as having substantive environmental dependencies and/or impacts if their emissions contribute 1% or more of the Group's total Scope 3 emissions This threshold ensures that these suppliers are prioritised for engagement and alignment with Clicks' climate transition plan to ensure mitigation efforts are targeted and effective.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

17
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

Clicks defines a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment based on the proportion of their emissions relative to the Group's total Scope 3 emissions. A supplier is classified as having a substantive environmental impact if their emissions contribute 1% or more of Clicks' total Scope 3 emissions. This threshold ensures that suppliers with significant environmental footprints are identified and managed more closely to align with Clicks' sustainability objectives. While all suppliers are required to adhere to the Supplier Code of Ethics, Clicks prioritises engagement with Private Label suppliers. These suppliers are selected because Clicks has greater influence over their operations and environmental practices compared to branded suppliers, who often already disclose emissions independently. Clicks also has a supplier scorecard that tracks sustainability related information such as responsible sourcing, waste management plans, and business continuity measures to mitigate impacts of climate change and water-related issues. This approach supports Clicks' broader efforts to improve upstream emissions transparency and reduce climate-related impacts over time.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Environmental requirements are embedded in Clicks' procurement practices through the Supplier Code of Ethics, which forms part of supplier contracts. Suppliers are expected to implement and maintain policies to manage environmental impacts responsibly and comply with all applicable environmental laws and regulations. They are encouraged to reduce emissions, energy and water use and waste, and to take proactive steps to minimise pollution, biodiversity loss and resource degradation. The Code aims to ensure that suppliers take proactive steps to systematically reduce and remove environmental impacts and prevent degradation, thereby contributing to the building of a sustainable society and environment.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Clicks is engaging with its Private Label suppliers to improve transparency and disclosure of greenhouse gas (GHG) emissions data, supporting the Group's Scope 3 reporting efforts. This supplier group has been prioritised because Clicks has greater influence over their environmental practices compared to branded suppliers, who often already disclose emissions independently. Private Label suppliers represent approximately 19% of Clicks' total supplier spend in the reporting year. Private Label suppliers are being engaged to support the Group's Scope 3 emissions tracking efforts, with a focus on improving the availability and quality of upstream GHG data. The Group is consolidating these disclosures into a central database to support annual monitoring and future compliance tracking. While formal environmental targets are not yet a contractual requirement, Clicks has communicated its intent to include environmental expectations, such as emissions disclosure and reduction targets, into procurement policies and supplier agreements over time. This approach will enable consistent tracking of supplier compliance as the programme evolves.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Financial incentives
☑ Include long-term contracts linked to environmental commitments

Information collection
☑ Collect GHG emissions data at least annually from suppliers

Innovation and collaboration
☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services
☑ Engage with suppliers to advocate for policy or regulatory change to address environmental challenges
☑ Facilitate adoption of a unified climate transition approach with suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 1-25%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Clicks has put in processes to begin restating its carbon footprint boundary to include emissions from the procurement of Private Label goods. Building on this, the Group has advanced from broad estimations to more data-driven supplier engagement in the current reporting year. The Private Label division started collecting data on product emission intensities and supplier-level emissions last year, and this work continues as part of a broader effort to strengthen the quality and completeness of upstream emissions data. All information gathered is being consolidated into a central database, enabling annual tracking and improving the accuracy of Scope 3 reporting over time. engagement has, at this stage, focused on a targeted subset of Tier 1 suppliers that account for a meaningful share of Private Label spend and emissions. As a result, approximately 1–25% of Tier 1 suppliers (by spend) and associated Scope 3 emissions are currently covered. This reflects the early stage of the programme, with coverage expected to expand as supplier data maturity improves. Clicks recognises that supplier reporting capabilities vary. Smaller and local manufacturers, in particular, may face barriers to providing reliable emissions data. To address this, The Group has adopted a supportive approach—setting realistic expectations, accepting different levels of data maturity, and developing internal tools to track supplier responses over time. These initiatives are laying the foundation for stronger collaboration, greater transparency, and eventual alignment with environmental performance standards. While suppliers are not yet required to set formal emissions reduction targets, Clicks has communicated its intention to integrate environmental expectations, such as emissions reduction targets and circular economy principles, into procurement policies and supplier agreements over time. These initiatives directly support Clicks' climate transition plan by addressing upstream Scope 3 emissions and aligning the Group more closely with the goals of the Paris Agreement.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :Engagement supports supplier readiness to meet future Scope 3 disclosure and reduction expectations that Clicks intends to include in procurement policies over time

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We engage with customers through in-store messaging, digital platforms such as the Clicks mobile app, and promotional campaigns. The rationale for targeting all customers is to maximise awareness of environmentally-friendly products, support more sustainable purchasing choices, and increase the visibility of lower-impact alternatives. Engagement includes private label products with reduced environmental impact and brand partnerships that promote responsible consumer behaviour. This broad-based approach enables us to raise awareness of climate change and encourage behaviour change at scale.

(5.11.9.6) Effect of engagement and measures of success

Our engagement with customers on climate-responsible products has helped raise environmental awareness and encourage more sustainable purchasing behaviour. For example, Clicks continues to offer its affordable and environmentally friendly private label range, including the "MyEarth" brand, which features on-pack recycling labels to guide responsible consumer disposal. The private label programme is also a member of the Roundtable on Sustainable Palm Oil (RSPO), supporting sustainable sourcing practices. A key measure of success is the growth in customer demand for environmentally responsible products. During the reporting year, private label sales grew by 13.5%, ahead of overall sales growth, reflecting increased uptake and interest in lower-impact alternatives. Best-performing product lines have been extended to additional stores, reinforcing the link between climate engagement and consumer behaviour.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We engage with investors and shareholders to maintain transparency and build trust in our sustainability-focused business strategy. Climate-related risks and opportunities are increasingly material to investment decisions, and effective engagement promotes investor confidence in the Group's approach to responsible growth. Clicks ensures comprehensive climate-related and environmental disclosure through its TCFD-aligned Integrated Annual Report, CDP submission, JSE Sustainability and Climate Change Disclosure Guidance compliance and ESG-linked indices such as FTSE4Good and the FTSE/JSE Responsible Investment Top 30 Index. The Group uses these platforms to communicate its environmental performance, carbon neutrality targets, climate-related risk management and broader ESG progress, thereby enabling informed stakeholder decision-making and reinforcing our positioning as a responsible corporate actor in the ESG landscape.

(5.11.9.6) Effect of engagement and measures of success

We continue to engage investors through enhanced climate-related disclosures aligned with global and local expectations. Following the previously conducted TCFD readiness gap analysis, we have taken steps to improve corporate governance, risk oversight and emissions disclosure. These improvements were integrated into the 2024 Integrated Annual Report and Corporate Governance Report, and are aligned with the JSE's Sustainability and Climate Change Disclosure Guidance, including the adoption of the JSE Sustainability Narrative Disclosure standards. These standards cover governance, strategy, risk management, and metrics and targets, and improve the accessibility and comparability of ESG data for investors. Progress is reflected in Clicks' continued inclusion in ESG indices such as FTSE4Good and the FTSE/JSE Responsible Investment Top 30 Index. Furthermore, the group's S&P Global score increased from 32 in 2023 to 36 in 2024. These engagements demonstrate the Group's responsiveness to investor expectations and have contributed to improved external ESG ratings and increased stakeholder confidence.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Clicks Group's carbon footprint boundary is based on an operational control approach, including the subdivisions that it has full authority to introduce and implement its operating policies at the operations. This includes all divisions in our consolidated accounting group: Head office, Clicks Stores, Body Shop, UPD, Medicross and Clicks Distribution Centres.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Clicks Group's carbon footprint boundary is based on an operational control approach, including the subdivisions that it has full authority to introduce and implement its operating policies at the operations. This includes all divisions in our consolidated accounting group: Head office, Clicks Stores, Body Shop, UPD, Medicross and Clicks Distribution Centres.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Clicks Group's carbon footprint boundary is based on an operational control approach, including the subdivisions that it has full authority to introduce and implement its operating policies at the operations. This includes all divisions in our consolidated accounting group: Head office, Clicks Stores, Body Shop, UPD, Medicross and Clicks Distribution Centres.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, an acquisition

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

In 2016, Clicks acquired 36 Medicross pharmacies.

(7.1.1.3) Details of structural change(s), including completion dates

Clicks Group has begun reporting on Medicross emissions in FY2024. Previously, these pharmacies were considered immaterial, as their combined occupied area of 3374 m² represents less than 1% of the total occupied area of the group's store network. However, as part of the Group's commitment to improving the completeness and accuracy of its carbon footprint, Clicks has implemented processes to systematically collect electricity consumption data from these pharmacies and ensure their inclusion in the Group's emissions reporting going forward.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Clicks Group recalculates the base year emissions if the acquired emissions make up more than 1% of the total emissions or if there are significant data errors in past calculations or methodological changes. The Medicross pharmacies make up 0.22% of Clicks’ total emissions (326 tCO2e/149983 tCO2e).

(7.1.3.4) Past years’ recalculation

Select from:

☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ ISO 14064-1

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Clicks is currently negotiating a renewable energy power purchase agreement (PPA); once operational, this PPA will allow the company to apply a supplier-specific emission factor reflecting zero- or low-carbon generation, thereby reducing market-based emissions. Therefore, in preparation the Group is reporting emissions using both the location-based and market-based approaches.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

08/31/2008

(7.5.2) Base year emissions (metric tons CO2e)

5255.0

(7.5.3) Methodological details

Activity data: Clicks' scope 1 emissions include the quantity of stationary diesel (litres), mobile diesel (litres), mobile petrol (litres) and refrigerants (kg) that the company consumed in the base year. Emission factors: The quantity of each fuel (in litres or tonnes) is multiplied by the emission factor for the combustion of these fuels in the base year (from the 2006 IPCC Guidelines) in tCO2e/litre or tCO2e/tonne to get tCO2e. The quantity of refrigerants used (kgs) is multiplied by the respective Global Warming Potential value (from the 2006 IPCC Guidelines or the refrigerant specialist's ("A-gas") product guide) to get tCO2e.

Scope 2 (location-based)

(7.5.1) Base year end

08/31/2008

(7.5.2) Base year emissions (metric tons CO2e)

86811.0

(7.5.3) Methodological details

Activity data: Clicks' Scope 2 emissions are calculated in line with the GHG Protocol Scope 2 Guidance, using a location-based approach. Emissions are determined from the quantity of purchased electricity consumed, measured in megawatt hours (MWh). Activity data is collected from reliable sources, including electricity invoices, municipal and utility bills, and metered records where available. This consumption data is multiplied by the applicable grid emission factor for each country in the base year, as published by credible sources such as national utilities or government agencies.

Scope 2 (market-based)

(7.5.1) Base year end

08/31/2008

(7.5.2) Base year emissions (metric tons CO2e)

86811.0

(7.5.3) Methodological details

Activity data: Clicks' market-based Scope 2 emissions are calculated in line with the GHG Protocol Scope 2 Guidance. Emissions are determined from the quantity of purchased electricity consumed, measured in megawatt hours (MWh). Activity data is sourced from electricity invoices, municipal and utility bills, and metered records to ensure accuracy and completeness. This consumption data is multiplied by supplier-specific emission factors where contractual instruments exist.Clicks is currently negotiating a renewable energy power purchase agreement (PPA); once operational, this PPA will allow the company to apply a supplier-specific emission factor reflecting zero- or low-carbon generation, thereby reducing market-based emissions.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

61

(7.5.3) Methodological details

Activity data: This includes the volume of water purchased in the base year in litres. Emissions factor: The emission factor was obtained from Randwater annual report 2017 which uses an emission factor of 1.442 tCO2e/Megalitre. The emissions were calculated by multiplying the activity data with the emission factor after converting the activity data into megalitres.

Scope 3 category 2: Capital goods

(7.5.3) Methodological details

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

15903

(7.5.3) Methodological details

Activity data: The scope 1 fuels and gases and scope 2 electricity consumption. Emission factor: these values are multiplied by the transmission and distribution losses percentage in the base year for each country. This was 0.14154 tCO2e/MWh for South Africa.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

7516.0

(7.5.3) Methodological details

Activity data: The distance travelled by each class of truck in kilometres. These distances are determined using readings from the trucks' onboard odometers, telematics systems, or trip logs, which capture actual mileage for each vehicle class. Emission factor: the kilometres are multiplied by their respective tonne CO2e/km emission factor from DEFRA 2020 for the respective vehicle class in the base year.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

1464.0

(7.5.3) Methodological details

Activity data: The quantity of waste (in tonnes) sent to landfill, recycled or incinerated in the base year. Emission factor: this value was multiplied by the respective emission factor for these activities from DEFRA 2020.

Scope 3 category 6: Business travel

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

326.0

(7.5.3) Methodological details

Activity data: Business travel comprised of air travel and rental vehicles. All flights were recorded by Clicks' travel agents. Emission factors: DEFRA 2020 emission factors for short and long-haul flights were used, differentiating between economy and business class. Radiative forcing was included in estimating these emissions. For rental vehicles, vehicles were classified as small, medium or large petrol engines, and the DEFRA emission factors were applied. Activity data: All flight and taxi data used comprised primary data (in km travelled). Emission factors: However, emission factors were from DEFRA databases, based on assumptions and assumed vehicle fuel consumption rates. The calculations were carried out as per the ISO 14064 Part 1 and The Greenhouse Gas Protocol.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

9406.0

(7.5.3) Methodological details

In 2016 an employee commuting survey was undertaken to determine the modes of transport and distances travelled by employees. Leave days and holidays were omitted, and results were extrapolated across all full time employees to obtain the totals of kms travelled by each mode. These included a combination of office staff and store based staff. Office staff tends to drive single occupancy privately owned cars, as opposed to employees at shops and distribution centres who may rely primarily on the more efficient public transport modes. The results of the survey were used in the 2021 calculation. Activity data: The activity data for this calculation consisted of the employee numbers for the year and the results of the survey regarding the transport modes. Emission factors: The DEFRA (2020) emission factors were multiplied to the kms travelled by each transport mode to yield total emissions. The calculations were carried out as per the ISO 14064 Part 1 and The Greenhouse Gas Protocol.

Scope 3: Other (upstream)

(7.5.1) Base year end

08/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

68354.0

(7.5.3) Methodological details

A significant proportion of Clicks Groups' GHG emissions are scope 3 and thus FY2021 will be used as a baseline for future reporting. The Clicks Group has reviewed their scope 3 calculations and are reporting on the private label as this is where the company has influence over supplier emissions.
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5135

(7.6.3) Methodological details

Clicks' scope 1 emissions include the quantity of stationary diesel, mobile diesel, mobile petrol (in litres) and refrigerants (in kg) that the company has used in the reporting year. Quantities of fuels are obtained from reliable operational records, including supplier invoices, purchase and delivery records, and fuel consumption

logs, with verification against equipment or vehicle usage data where possible. Refrigerant quantities are recorded from maintenance logs and service contractor reports, which track the amount of refrigerant charged or replaced during servicing. This is multiplied by the emission factor from the South African Methodological guidelines for the combustion of these fuels to convert to tCO2e.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

106944

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

106944

(7.7.4) Methodological details

Clicks' scope 2 emissions are calculated from the quantity of purchased electricity (in MWh) consumed multiplied by the grid emission factor for the respective country. This is 1.04 tCO2e/MWh in the reporting year in South Africa, and the respective IRENA Statistical Profile emission factors for Botswana, Lesotho, Namibia and Eswatini. We are in the process of negotiating a PPA for renewable electricity which will use a supplier specific emission factor.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

130

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Spend-based method

☑ Average spend-based method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Clicks has calculated the emissions associated with our purchased water. Activity data: The volumes of water purchased in litres. Emissions factors: The emission factor was obtained from Randwater annual report 2017, which uses an emission factor of 1.442 tCO2e/Megalitre. The emissions were calculated by multiplying the activity data with the emission factor after converting the activity data into megalitres.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Capital goods are not an inherent part of Clicks' business as it does not have significant manufacturing facilities. The purchase of capital goods such as forklifts or delivery vehicles will not result in significant Scope 3 emissions in terms of Clicks' overall emissions profile.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

15179

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Clicks has calculated the emissions associated with the production of our purchased fuels and electricity. Activity data: The volumes of fuel purchased in litres and the amount of electricity in MWh. Emissions factors: The WTT emission factors to produce petrol and diesel were obtained from DEFRA 2023.The transmission and distribution losses factors were calculated using information from the 2023 annual report of Eskom the national utility. The emissions were calculated by multiplying the activity data with the emission factor.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9631

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

All 3rd party distribution (from distribution centres to all stores) country-wide was included in this calculation. Activity data: The total kilometres travelled were collected for the various classes of road vehicles used by Clicks. Emission factors: Freighting emissions factors were sourced from DEFRA 2023. The specific emission factor for each vehicle in the category was allocated then multiplied by its respective distance travelled (km). Primary data sets (in km) were used to calculate the distribution related emissions, with only the emission factors being sourced from DEFRA databases which are based on assumptions and assumed vehicle fuel consumption rates. The calculations were carried out as per the ISO 14064 Part 1 and The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1584

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Clicks has calculated the emissions associated with the waste generated by our operations. Activity data: The volumes of waste in kg. Emissions factors: The emission factors for recycled waste were taken from DEFRA 2023. The emissions related to wastewater treatment were calculated using the IPCC 2006 methodology. The emissions were calculated by multiplying the activity data with the emission factor.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1515

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Business travel comprised of air travel and rental vehicles. All flights were recorded by Clicks' travel agents. Emission factors: DEFRA 2023 emission factors for short and long-haul flights were used, differentiating between economy and business class. Radiative forcing was included in estimating these emissions. For rental vehicles, vehicles were classified as small, medium or large petrol engines, and the DEFRA 2023 emission factors were applied. Activity data: All flight and taxi data used comprised primary data (in km travelled). However, emission factors were from DEFRA databases, based on assumptions and assumed vehicle fuel consumption rates. The calculations were carried out as per the ISO 14064 Part 1 and The Greenhouse Protocol.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9574

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

An employee commuting survey was undertaken to determine the modes of transport and distances travelled by employees. Leave days and holidays were omitted, and results were extrapolated across all full-time employees to obtain the totals of kms travelled by each mode. These included a combination of office staff and store-based staff. Office staff tends to drive single occupancy privately owned cars, as opposed to employees at shops and distribution centres who may rely primarily on the more efficient public transport modes. The results of the survey were used in the 2024 calculation. Activity data: the activity data for this calculation consisted of the employee numbers for the year and the results of the survey regarding transport modes. The DEFRA (2023) emission factors were multiplied to the kms travelled by each transport mode to yield total emissions. The calculations were carried out as per the ISO 14064 Part 1 and The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Clicks does not have any upstream leased assets.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Downstream transport is relevant to all Clicks' products. However, estimating these emissions is complex due to the large number of customers involved. Furthermore, Clicks has little influence over these emissions.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

The Clicks Group does not sell products that require further processing.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

There are emissions associated with the use of some of Clicks' products, such as kitchen appliances, however these emissions have not been calculated yet.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

The emissions from this category were evaluated and fell below the materiality threshold of 5% of Scope 3 emissions. These emissions are therefore deemed not relevant based on the materiality criteria in the GHG protocol standard.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Clicks Group does not have any downstream leased assets.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Clicks does not have operational control over franchised stores.

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Investment is not a core function of the Clicks Group.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Clicks Group does not have any other upstream sources of emissions.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Clicks Group does not have any other downstream sources of emissions.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.1.4) Attach the statement

Clicks Group Limited_FY24_GHG_Verification_Report_2024-10-16 (1).pdf

(7.9.1.5) Page/section reference

This document contains the verification opinion in accordance with ISO 14064-3:2019. The document covers scope 1, 2 and 3 emissions.

(7.9.1.6) Relevant standard

Select from:
☑ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

Clicks Group Limited_FY24_GHG_Verification_Report_2024-10-16 (1).pdf

(7.9.2.6) Page/ section reference

This document contains the verification opinion in accordance with ISO 14064-3:2019. The document covers scope 1, 2 and 3 emissions.

(7.9.2.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply
☑ Scope 3: Business travel
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

☑ Scope 3: Employee commuting
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

Clicks Group Limited_FY24_GHG_Verification_Report_2024-10-16 (1).pdf

(7.9.3.6) Page/section reference

This document contains the verification opinion in accordance with ISO 14064-3:2019. The document covers scope 1, 2 and 3 emissions.

(7.9.3.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

1514

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.33

(7.10.1.4) Please explain calculation

*The gross global emissions (Scope 1 and 2) for this reporting year are 112079 metric tons of CO2e. The gross global emissions for the previous reporting year were 113969 metric tons of CO2e. This means that the total change in emissions is 1890 metric tons of CO2e, equal to a 1.66% decrease, according to the formula in the explanation of terms: (1890/113969) * 100 = 1.66%. The change from 113969 to 112079 metric tons is attributed to four reasons: 1) a decrease in 1124 tCO2e emissions due to decreased loadshedding; and 2) an increase of 348 tCO2e due to increased mobile fuel and refrigerant use as result of increased transport activities, 3) a decrease in 1513 tCO2e due increased renewable energy consumption and 4) an increase in 399 tCO2e due to a combination of increase electricity usage and change in grid emission factors across the countries Clicks operates. The percentage change for this factor (i.e. renewable energy) is calculated using the*

*same formula above: Renewable energy usage increased from 3636 MWh (2023) to 5135 MWh (2024), resulting in 1514 tCO2e reduction in emissions from renewable from 2023. Therefore, (1514/113969) * 100 = 1.33%. This represents a 1.33% decrease in emissions due to increased renewable energy use.*

Other emissions reduction activities

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Divestment

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Acquisitions

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Mergers

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

348

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

0.13

(7.10.1.4) Please explain calculation

*There was increase in use of mobile fuels and refrigerants in the last reporting year due to increased business activity relating to transport of goods. The emissions value (percentage) for this factor (i.e. change in output) is calculated using the same formula above: Emissions from mobile fuels and refrigerants increased from 3470 to 3818 = 348 tCO2e. Therefore, (347/113969) * 100 = 0.31%. This represents a 0.31% increase in emissions due to increased output.*

Change in methodology

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Change in boundary

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

1124

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.99

(7.10.1.4) Please explain calculation

*There was a decrease in stationary diesel use due to a decrease in loadshedding in the last reporting year. The emissions value (percentage) for this factor (i.e. decrease in loadshedding) is calculated using the same formula above: Emissions from stationary diesel decreased from 2441 to 1317 = 1124 tCO2e. Therefore, (1124/113969) * 100 = -0.99%. This represents a 0.99% decrease in emissions due to a decrease in loadshedding.*

Unidentified

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

399

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

0.35

(7.10.1.4) Please explain calculation

*The percentage change for this factor i.e. a combination of increased electricity usage from increased number of stores, reduction in loadshedding (meaning more grid electricity usage in place of diesel generators) and updated emission factors is calculated using the same formula above: The balance of the scope 2 emissions is 108058 to 106944 = - 1114 tCO2e + 1514 = 399 tCO2e (399/113969) * 100 = 0.35%. This represents an overall 0.35% increase in emissions due to increase in electricity usage and reduction in emission factors.*
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

3292

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

4

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

139

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1699

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Fourth Assessment Report (AR4 - 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Botswana	*0*	*2793*	*2793*
Eswatini	*0*	*197*	*195*
Lesotho	*0*	*0*	*0*

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Namibia	*0*	*233*	*233*
South Africa	*5135*	*103721*	*103720*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Body Shop*	*14*
Row 2	*UPD*	*2218*
Row 3	*Head Office*	*206*
Row 4	*Clicks Stores*	*2112*
Row 5	*Distribution Centres*	*584*
Row 6	*Medicross*	*0*

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Company owned vehicles*	*2119*
Row 2	*Stationary fuel combustion*	*1317*
Row 3	*Fugitive emissions*	*1699*

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Head Office*	*2234*	*2234*
Row 2	*Clicks Stores*	*93894*	*93894*
Row 3	*Distribution Centres*	*3527*	*3527*
Row 4	*Body Shop*	*727*	*727*

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 5	*UPD*	*6274*	*6274*
Row 6	*Medicross*	*288*	*288*

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Electricity consumption*	*106944*	*106944*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

5135

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

106944

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

106944

(7.22.4) Please explain

Clicks' consolidated accounting group includes all emission producing entities in our boundary. This includes the head office, Clicks Stores, Body Shop, UPD, Medicross and DC's

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Not applicable - Clicks' consolidated accounting group includes all emission producing entities in our boundary. This includes the head office, clicks stores, body shop, UPD, Medicross and DC's
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☑ No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

12343

(7.30.1.4) Total (renewable + non-renewable) MWh

12343.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

15111

(7.30.1.3) MWh from non-renewable sources

92823

(7.30.1.4) Total (renewable + non-renewable) MWh

107934.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

5135

(7.30.1.4) Total (renewable + non-renewable) MWh

5135.00

Total energy consumption

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

20246

(7.30.1.3) MWh from non-renewable sources

105166

(7.30.1.4) Total (renewable + non-renewable) MWh

125412.00
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of sustainable biomass.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of other sustainable biomass.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of any renewable fuels

Coal

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of any coal

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

12343

(7.30.7.3) MWh fuel consumed for self-generation of electricity

4886

(7.30.7.4) MWh fuel consumed for self-generation of heat

7457

(7.30.7.8) Comment

The fuel consumed figures reported under the MWh consumed for heat generation relates to consumption for mobile combustion in company owned vehicles and the figure under consumption for electricity generation includes diesel consumed in diesel powered generators for energy requirements.

Gas

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of any gas

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

Clicks does not make use of any other non-renewable fuels

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

12343

(7.30.7.3) MWh fuel consumed for self-generation of electricity

4886

(7.30.7.4) MWh fuel consumed for self-generation of heat

7457

(7.30.7.8) Comment

Clicks only makes use of petrol and diesel for fuel related energy requirements
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

6894

(7.30.9.2) Generation that is consumed by the organization (MWh)

6894

(7.30.9.3) Gross generation from renewable sources (MWh)

5135

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

5135

Heat

(7.30.9.1) Total Gross generation (MWh)

7457

(7.30.9.2) Generation that is consumed by the organization (MWh)

7457

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ South Africa

(7.30.14.2) Sourcing method

Select from:

☑ None (no active purchases of low-carbon electricity, heat, steam or cooling)

(7.30.14.10) Comment

Clicks generates solar PV electricity from installations that are owned by the Group. There is therefore no active purchase of low carbon electricity in the reporting year. However, Clicks is currently negotiating a renewable energy power purchase agreement (PPA); once operational, this PPA will allow the company to apply a supplier-specific emission factor reflecting zero- or low-carbon generation, thereby reducing market-based emissions. Therefore, in preparation the Group is reporting emissions using both the location-based and market-based approaches.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Botswana

(7.30.16.1) Consumption of purchased electricity (MWh)

2793

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2793.00

Eswatini

(7.30.16.1) Consumption of purchased electricity (MWh)

197

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

197.00

Lesotho

(7.30.16.1) Consumption of purchased electricity (MWh)

0

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Namibia

(7.30.16.1) Consumption of purchased electricity (MWh)

233

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

233.00

South Africa

(7.30.16.1) Consumption of purchased electricity (MWh)

103721

(7.30.16.2) Consumption of self-generated electricity (MWh)

6894

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

110615.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000025

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

112079

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

45438000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

9.91

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Change in output

☑ Change in revenue

☑ Change in physical operating conditions

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 1.66% as well as an increase in revenue of 9.17%. The decrease in emissions is primarily due to Clicks' increase in usage of renewable energy that has been installed across the DC's, UPD and head office, decreased loading shedding i.e. physical conditions (reducing scope 1 emissions), increased mobile fuel usage from increased business activity (change in output of transport) reducing scope 1 emissions, and increased electricity usage combined with updated emission factors for scope 2 emissions across countries in which Clicks operates.

Row 2

(7.45.1) Intensity figure

5.71

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

112079

(7.45.3) Metric denominator

Select from:

☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

19621

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

9.83

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Change in output

☑ Change in physical operating conditions

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 1.66% as well as an increase in the number of Full Time Employees (FTE) by 9.83%. The decrease in emissions is primarily due to Clicks' increase in usage of renewable energy that has been installed across the DC's, UPD and head office, decreased loading shedding i.e physical conditions (reducing scope 1 emissions), increased mobile fuel usage from increased business activity (change in output of transport) reducing scope 1 emissions, and increased electricity usage combined with updated emission factors for scope 2 emissions across countries in which Clicks operates, as well as an increase in the number of FTE.

Row 3

(7.45.1) Intensity figure

0.168

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

112079

(7.45.3) Metric denominator

Select from:

☑ square meter

(7.45.4) Metric denominator: Unit total

666109.09

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

14.59

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Change in output

☑ Change in physical operating conditions

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 1.66% as well as an increase in number of stores, increasing store area by 15.09%. The decrease in emissions is primarily due to Clicks' increase in usage of renewable energy that has been installed across the DC's, UPD and head office, decreased loading shedding i.e. physical conditions (reducing scope 1 emissions), increased mobile fuel usage from increased business activity (change in output of transport) reducing scope 1 emissions, and increased electricity usage combined with updated emission factors for scope 2 emissions across countries in which Clicks operates., and the change in physical operating conditions (i.e. increase in number of stores).
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Waste

(7.52.2) Metric value

75

(7.52.3) Metric numerator

weight (kg) of waste recycled

(7.52.4) Metric denominator (intensity metric only)

weight (kg) of total waste

(7.52.5) % change from previous year

5.9

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

The Clicks Group tracks the percentage of its waste that is recycled. Due to the nature of Clicks' business not all of its waste can be recycled. Medical waste is required to be incinerated rather than recycled. The percentage of total waste recycled decreased from 76.5% to 75.4% in the reporting year, representing a 5.9% decrease in waste recycled.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Intensity target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☑ Well-below 2°C aligned

(7.53.1.5) Date target was set

09/29/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)
☑ Methane (CH4)
☑ Nitrous oxide (N2O)
☑ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply
☑ Scope 1
☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:
☑ Location-based

(7.53.1.11) End date of base year

08/30/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

4087

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

110099

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

114186.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

08/30/2030

(7.53.1.55) Targeted reduction from base year (%)

28.57

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

81563.060

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

5135

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

106944

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

112079.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

6.46

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Target: The Clicks Group has an absolute target of a 3.57% reduction annual reduction in scope 1 and 2 emissions from the base year of 2022 up until 2032. This is in line with a Paris-agreement aligned target for a 1.5C scenario. Target coverage: This target covers the company-wide emissions for the Clicks Group. Target type: This is a financial year target.

(7.53.1.83) Target objective

The objective of Clicks Group's absolute target is to achieve a 3.57% annual reduction in emissions across Scopes 1 and 2, as part of the long-term goal to achieve carbon neutrality by 2050. This target aligns with global efforts to limit climate change and is informed by international agreements such as the Paris Agreement.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Clicks has set a target to reduce Scope 1 and 2 emissions by 3.57% annually through a combination of renewable energy expansion, energy efficiency improvements, and lower-emission supply chain and logistics practices. Key initiatives include: 1) Solar PV installations: Expanding capacity across operations, including an additional 730 kW installed in the past year, to increase the share of renewable energy, 2) LED lighting: Transitioning more stores to LED technology to significantly reduce electricity consumption and 3) Low-emission logistics: Adding 42 electric vehicles to the UPD fleet to cut mobile fuel transport-related emissions. Progress towards the 3.57% annual reduction target will be overseen by the Sustainability Committee. Reviews will be conducted regularly to assess the effectiveness of initiatives, introduce adjustments where needed, and incorporate the latest science and best practices. While the target is still in its early stages, Clicks is actively exploring additional measures to accelerate progress, including Power Purchase Agreements (PPAs) to supply renewable electricity to Clicks store (i.e. Clicks' greatest source of emissions).

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

08/30/2022

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per square meter

(7.53.2.12) End date of base year

08/30/2015

(7.53.2.13) Intensity figure in base year for Scope 1

0.01

(7.53.2.14) Intensity figure in base year for Scope 2

0.18

(7.53.2.33) Intensity figure in base year for all selected Scopes

0.1900000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

08/30/2030

(7.53.2.56) Targeted reduction from base year (%)

10

(7.53.2.57) Intensity figure at end date of target for all selected Scopes

0.1710000000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

10

(7.53.2.60) Intensity figure in reporting year for Scope 1

0.008

(7.53.2.61) Intensity figure in reporting year for Scope 2

0.161

(7.53.2.80) Intensity figure in reporting year for all selected Scopes

0.1690000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

110.53

(7.53.2.83) Target status in reporting year

Select from:

☑ Achieved

(7.53.2.85) Explain target coverage and identify any exclusions

Target: 10% reduction in their emission intensity per square meter by 2030 from a base year of 2015. This is not a science-based target, but we are reporting a target that we consider science based in 7.53.1 and 7.54.3. Target coverage: This target covers the company-wide emissions for the Clicks Group. Target type: This is a financial year target.

(7.53.2.86) Target objective

The group is shifting to Paris-aligned GHG emission reduction targets under ISO 14068, aiming to achieve carbon neutrality by 2050.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.53.2.89) List the emissions reduction initiatives which contributed most to achieving this target

Clicks has already achieved its 2030 emissions intensity target, recording an intensity of 0.168 tCO_2e, which is below the target year value of 0.171 tCO_2e. The majority of emissions within this target are Scope 2, which Clicks has successfully reduced in intensity despite a year-on-year increase in its store footprint. This has been achieved through the implementation of a range of energy efficiency and emission reduction initiatives, including the rollout of LED lighting across stores and distribution centres and the use of motion sensors to manage lighting and equipment operation more efficiently. To maintain and improve on this trajectory, Clicks has initiated processes to expand its renewable energy portfolio. This includes negotiating a financial power purchase agreement (PPA) to source electricity from independent renewable energy producers and conducting detailed scoping studies to assess the feasibility of additional solar photovoltaic (PV) installations across its facilities. These measures will further reduce reliance on grid electricity and support ongoing emissions reduction goals.
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

08/30/2022

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Production

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

08/30/2015

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

650

(7.54.1.9) % share of low-carbon or renewable energy in base year

0.65

(7.54.1.10) End date of target

08/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

10

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

4.76

(7.54.1.13) % of target achieved relative to base year

43.96

(7.54.1.14) Target status in reporting year

Select from:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

Yes, this target is linked to our Abs1 target, as an increase in the consumption of renewable energy will contribute to the reduction of our purchased electricity (scope 2) emissions across the group.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

This is an energy production based renewable energy target. In the reporting year, the Clicks Group have produced 5135 MWh of renewable electricity, which accounts for 4.76% of the reporting year's energy generation. The target year is a 10% share of renewable energy consumption by 2030. The target covers the entire Clicks Group and corresponds to financial years.

(7.54.1.20) Target objective

The group is shifting to Paris-aligned GHG emission reduction targets under ISO 14068, aiming to achieve carbon neutrality by 2050.This target serves as an intermediate target to achieving carbon neutrality.

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

Clicks has already acquired 4.5 MW of renewable energy capacity across the head office, UPD, and Clicks distribution centres (DCs) to reduce reliance on non-renewable grid-based electricity. In the reporting year, Clicks achieved 48 % of this target through installed onsite solar photovoltaic (PV) systems and embedded generation projects. To build on this progress, Clicks is conducting detailed scoping studies across its facilities to assess additional rooftop and ground-mounted PV potential. These studies evaluate available space, structural suitability, and grid connection capacity to identify opportunities to expand onsite renewable generation. In parallel, Clicks is also negotiating a financial power purchase agreement (PPA) with an independent power producer. This arrangement will allow Clicks to contract renewable electricity virtually, using supplier-specific emission factors to further reduce Scope 2 market-based emissions and provide long-term price stability.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

08/30/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

(7.54.3.5) End date of target for achieving net zero

08/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

(7.54.3.10) Explain target coverage and identify any exclusions

Target coverage: Clicks has a carbon neutrality target for the entire Group and has not excluded any of the divisions within our operational control. Assessment of target: Clicks does not intend to seek validation of the target by the SBTi however we have assessed this target against the Paris objectives and deem it to be aligned with the science required to keep global temperatures below the 1.5 degree increase.

(7.54.3.11) Target objective

Clicks Group's objective to reach carbon neutrality by 2050 aims to align with global climate goals, enhance corporate responsibility, and strengthen long-term business resilience. This target helps Clicks manage climate risks, reduce costs through energy efficiency, and differentiate itself in the market. It promotes innovation, compliance with future regulations, and greater stakeholder engagement while contributing to a healthier environment. Ultimately, this commitment positions Clicks to adapt to evolving market dynamics and maintain competitiveness in a sustainability-driven world.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Clicks Group's carbon neutrality target is reviewed annually to assess progress in reducing greenhouse gas emissions. The company quantifies emissions reductions across its operations and compares them against interim milestones. Based on this assessment, Clicks decides whether further initiatives are needed to stay on track toward its 2050 goal. This process ensures flexibility, continuous improvement, stakeholder engagement, and integration of climate goals into overall business planning, enabling the company to adapt and respond to changing conditions effectively.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*0*	*`Numeric input*
To be implemented	*2*	*361*
Implementation commenced	*1*	*2640*
Implemented	*2*	*1654*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Transportation

☑ Company fleet vehicle replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

406

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

1592327

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

61000000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 16-20 years

(7.55.2.9) Comment

UPD added 42 electric vehicles to their vehicle fleet i.e. making up 34% of the fleet in 2024. Regarding the investment required, it costs R1452381 per EV; therefore, the total cost for the procurement of EV's was R61 000 000. Regarding savings, average fuel efficiency is 6km/litre, therefore, the approximate distance travelled is 6km multiplied by 408 893 litres which equals 2 453 358 km. The electricity needed to power the vehicle over the same distance is 0.294 kWh/km for an EV (DEFRA). Therefore, this would be 0.294 kWh/km multiplied by 2 453 358 km which equals 721 287 kWh. The average cost of electricity is 1.84 R/kWh. Therefore, the cost to charge EVs would be 721 287 kWh multiplied by R1.84, which equals R1 327 169. It costs R21/litre of diesel; therefore, the anticipated savings are R21 408 893 litres * 34% = R R2 919 496 per year. The net savings would be R2 919 496 - R1 327 169 = R1 592 327. UPD plans to add another 30 EVs in 2026.*

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1248

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

2235316

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

10213313

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

*The Clicks Group has installed additional Solar PV with a capacity of 0.7299MW at several of their distribution centres. Using the grid emission factor (1.04tCO2e/MWh), this resulted in 1263 tCO2e emission reductions in the last year (0.7299 * 8760 hours* 19% (capacity factor) * 1.04 = 1263 tCO2e. Therefore, the savings were calculated as below: 1263 x R1.84/kWh (average grid tariff) x 1000 = R2 235 316. It costs approximately R13 992 756 to install 1MW of Solar PV, therefore the cost in 2024 was 0.7229 MW x R13 992 756 = R10 213 313*
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

The Clicks Group allocates budget for non-energy-related emission reduction projects to support its broader sustainability strategy. Examples include the provision of waste separation bins at the head office and the implementation of waste recycling contracts at distribution centres to improve resource recovery and reduce landfill volumes. In addition, Clicks is investing in transitioning to lower-emission refrigerants across its operations. This involves phasing out high global warming potential (GWP) refrigerants and replacing them with alternative gases that have significantly lower climate impacts, in line with best practice and evolving regulatory requirements.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

The Clicks Group allocates a dedicated budget for energy efficiency initiatives to ensure continuous investment in emission-reduction projects. For example, the Group has rolled out LED lighting across its stores and distribution facilities, installed electronic meters to monitor electricity usage at store level, and equipped lighting systems with motion sensors, occupancy sensors, or timer controls to reduce unnecessary energy consumption.

Row 3

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

Clicks drives awareness and behavioural change through regular employee engagement. This includes communication via the Group's internal magazine, email campaigns, and the Environmental Committee, which provide employees with guidance on energy conservation practices and highlight the environmental impacts of daily activities. Such engagement encourages staff participation in supporting the Group's sustainability targets.

Row 4

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

When adopting new technology or upgrading facilities, the Group ensures compliance with applicable South African building and energy-efficiency standards. For instance, all new installations are aligned with SANS 204, which sets maximum energy demand and annual consumption levels for buildings across different climatic zones, and SANS 10400-XA, which requires new buildings to comply with prescribed energy-efficiency standards. This ensures that energy-saving investments are consistent with regulatory requirements and industry best practice

Row 5

(7.55.3.1) Method

Select from:

☑ Financial optimization calculations

(7.55.3.2) Comment

Clicks conducts financial optimization and payback assessments before investing in energy-saving technologies to ensure the most cost-effective solutions are implemented. For example, when evaluating solar PV installations, the Group models the upfront capital expenditure against expected savings in electricity costs, considering grid tariff escalations and the lifespan of the system. This ensures projects not only contribute to emission reductions but also deliver measurable financial returns over time.
[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ No

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☑ No

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ Yes

(10.1.2) Target type and metric

Plastic packaging

☑ Eliminate single-use plastic packaging at scale

☑ Eliminate problematic and unnecessary plastic packaging

☑ Increase the proportion of plastic packaging that is reusable

☑ Reduce the total weight of virgin content in plastic packaging

☑ Reduce the total weight of plastic packaging used and/or produced

☑ Increase the proportion of plastic packaging that is recyclable in practice and at scale

(10.1.3) Please explain

Product packaging remains a key opportunity for Clicks Group to demonstrate its commitment to responsible product stewardship. Growing concern over the resources used in packaging, particularly plastics, and their environmental impact if not adequately recycled or disposed of, has reinforced the Group's focus on sustainable solutions. As a member of the SA Plastics Pact, Clicks is committed to achieving the Pact's 2025 industry targets, which include: 1) eliminating problematic or unnecessary plastic packaging through redesign, innovation, or reuse models, 2) ensuring that 100% of packaging is reusable or recyclable; and 3) incorporating at least 30% recycled content in all plastic packaging. Progress and actions taken: The MyEarth range of eco-friendly products exemplifies this approach, with 94% of its 133 products now packaged in recyclable materials. All 97 products with paper packaging use FSC-certified paper, 3% of which contain 85% recycled content, and 7% with 50% recycled content. Design-for-recyclability guidelines have been rolled out across own-brand products, including the use of recycled PET in Payless, Revive and Extreme Power ranges, and the elimination of unnecessary plastic such as window cut-outs in gift boxes. Sorbet Salons have phased out plastic pediliners for pedicures in favour of antibacterial copper bowls. This change has already been implemented in 85 stores, with full rollout expected by July 2025. Sorbet has also introduced recyclable brown-paper bags, contributing proceeds to the 1% for the Planet Fund, and achieved a 25% reduction in plastic

use for treatments and a 44% reduction in paper bag usage after introducing a bag levy. The Body Shop continues to advance sustainable packaging goals by ensuring products are compostable, refillable, or returnable, while shifting to more plant-based and recycled plastics and promoting consumer reuse and recycling. Across retail operations, the Group has replaced all single-use plastic shopping bags with durable, reusable bags made from 100% post-consumer recycled content, with single-use shopper bags also made entirely from post-consumer waste. Strategic alignment: These packaging commitments form part of the Group's broader environmental strategy to support a circular economy, reduce waste and emissions, and align with extended producer responsibility frameworks such as the SA Plastics Pact, eWASA, and Polyco partnerships. Progress is monitored against the 2025 targets, providing a clear pathway to reducing environmental impacts and strengthening long-term brand integrity.
[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Clicks does not produce plastic polymers.

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Clicks does not produce durable plastic goods.

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Clicks does not use durable plastic goods.

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Clicks does not produce plastic packaging.

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Clicks does not produce plastic packaging for their good/products.

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:

☑ Yes

(10.2.2) Comment

Clicks sells some products in plastic packaging and provide shopping bags.

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Clicks does not provide waste management services.

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Clicks does not provide financial products/services for plastic-related activities.

Other activities not specified

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Clicks does not have any other plastic-related activity.
[Fixed row]

(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

Plastic packaging used

(10.5.1) Total weight during the reporting year (Metric tons)

3117

(10.5.2) Raw material content percentages available to report

Select all that apply

☑ % virgin fossil-based content

☑ % post-consumer recycled content

(10.5.3) % virgin fossil-based content

87

(10.5.6) % post-consumer recycled content

13

(10.5.7) Please explain

Clicks' Private Label used 2758 tonnes of plastic packaging, of which 39 tonnes is post-consumer recycled content (1.43%). All packaging separate from post-consumer recyclate is virgin fossil based plastic. 173.8 tonnes of plastic shopper bags were placed into the market. These are 100% post-consumer recyclate. 157.8 tonnes of pharmacy bags were used in the reporting year and, of which all are 100% post-consumer recyclate. 27.7 tonnes of reusable shopper bags were placed on the market. These are also 100% post-consumer recyclate. In total, Clicks used 3117 tonnes of plastic in the reporting year of which 87% of plastic was virgin fossil based, and 13% was post-consumer recycled content.
[Fixed row]

(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

Plastic packaging used

(10.5.1.1) Percentages available to report for circularity potential

Select all that apply

☑ % reusable

☑ % technically recyclable

☑ % recyclable in practice and at scale

(10.5.1.2) % of plastic packaging that is reusable

0.89

(10.5.1.3) % of plastic packaging that is technically recyclable

71

(10.5.1.4) % of plastic packaging that is recyclable in practice at scale

69

(10.5.1.5) Please explain

Clicks is reporting values on our Private Label (PL) packaging, plastic shopping bags, and reusable shopping bags. 0.89% of our plastics are reusable (e.g. the reusable shopping bags). 100% of our plastic and reusable shopping bags are recyclable (technically and at scale). 71% of the PL products are recyclable, which brings the total percentage of recyclable plastic to 69% with the proportion of the recyclable shopping bags.
[Fixed row]

(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

Usage of plastic

(10.6.1) Total weight of waste generated during the reporting year (Metric tons)

5543

(10.6.2) End-of-life management pathways available to report

Select all that apply

☑ Recycling

☑ Incineration

☑ Landfill

(10.6.4) % recycling

75

(10.6.7) % incineration

4

(10.6.8) % landfill

21

(10.6.12) Please explain

Clicks is committed to continuously expanding its recycling initiatives. In the reporting year, 75% of the Group's waste is recycled, 4% is incinerated as medical waste, and 21% is sent to landfill. These figures are disclosed in the annual carbon footprint report, which undergoes independent third-party verification. Recycling performance is expected to improve further as distribution centre, already achieving a 92% recycling rate for solid waste, finalise a national contract with a new waste services provider to enhance diversion from landfill and increase plastic recycling volumes.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No, we do not use indicators, but plan to within the next two years

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near protected areas.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near UNESCO World Heritage sites.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near UNESCO Man and the Biosphere Reserves.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near Ramsar sites.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near Key Biodiversity Areas.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Clicks' operations are distributed across many locations, which are typically existing retail hubs, therefore our stores and DCs are not located near any other areas important for biodiversity.
[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Electricity/Steam/Heat/Cooling generation

☑ Renewable Electricity/Steam/Heat/Cooling consumption

(13.1.1.3) Verification/assurance standard

Climate change-related standards
☑ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

The Clicks Group's energy consumption is independently verified as part of the external assurance of its greenhouse gas (GHG) emissions.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Clicks Group Limited_FY24_GHG_Verification_Report_2024-10-16 (1).pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Clicks Group is strengthening its environmental disclosures by collecting the data required to participate in future CDP Water and Forests questionnaires. While the Group already reports on climate-related impacts, it recognises the critical role of water security and responsible forest use within its sustainability strategy. Efforts are underway to build robust datasets on water consumption, risks, and management practices, alongside greater visibility into forest-related supply chain impacts, to ensure accurate and comprehensive reporting.
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Head of Corporate Affairs

(13.3.2) Corresponding job category

Select from:

☑ Other C-Suite Officer

[Fixed row]