CLICKS GROUP LIMITED

Social and ethics committee report 2026

The Clicks Group social and ethics committee (the committee) is a statutory committee of the board that supports ethical and effective leadership and oversees the group's ethical culture, corporate citizenship, stakeholder relationships and sustainability. In line with King V, the committee contributes to the governance outcomes of ethical culture, sustainable value creation, effective control and legitimacy. It applies an integrated-thinking approach in overseeing the policies, practices, controls and disclosures that promote accountability, transparency and responsible decision-making across the group's economic, social and environmental impacts.

The committee's terms of reference set out its composition, functioning and duties under the Companies Act, the Companies Regulations, 2011, the JSE Listings Requirements and the King V Report on Corporate Governance for South Africa (King V), including matters delegated to it by the board and recommended practices relevant to ethics, responsible corporate citizenship, sustainable value creation, stakeholder relationships, compliance, reporting and disclosure.

This report should be read together with the corporate governance report on pages 32 to 35 of the integrated report.

Role and responsibilities of the committee

The committee acts in terms of the board's delegated authority and performs the statutory monitoring and oversight functions assigned to it. Its mandate is aligned with the Companies Act, the Companies Regulations, 2011, the JSE Listings Requirements and the King V principles. It assists the board by monitoring the group's activities, governance outcomes and disclosures in accordance with applicable laws, adopted standards and codes of best practice relating to:

- social and economic development;
- strategic empowerment, and changes in the application and interpretation of empowerment charters and codes;
- good corporate citizenship, including the group's:
  - promotion of equality, prevention of unfair discrimination and reduction of corruption;
  - contribution to the development of the communities in which it operates; and
  - sponsorships, donations and charitable giving;
- the environment, health and public safety (including the impact of the group's activities, products and services on the environment; and the annual review of the group's environmental and climate change policy);
- consumer relationships, including its advertising, public relations and compliance with consumer protection laws;
- labour and employment, including the group's standing in relation to the decent work and working conditions provisions of the International Labour Organisation's (ILO) Decent Work Agenda and the United Nations 2030 Agenda for Sustainable Development, its employment relationships and its contribution towards the educational development of its employees;
- monitoring and receiving reports in respect of the group's stakeholder engagement, including shareholders and lending institutions, communities, employees, suppliers, government and industry regulators, and the media;
- compliance by the group's supply chain with the group's ethical standards and adherence to its supplier code of ethics;
- ethics, including:
  - whether the group has effective governance, controls and accountability mechanisms to support conformance with applicable laws, regulations and adopted standards, and remains responsive to evolving norms governing business conduct in the countries in which it operates, irrespective of whether these norms are prescribed by law;
  - taking positions of principle, specifically in relation to important matters of social, political or environmental concern;
  - promoting an ethical culture of integrity, accountability, fairness and transparency across the group; and
  - supporting integrated thinking by considering how the group's use of, and effect on, key resources and relationships contributes to sustainable value creation over time;

- targets set by management relating to the committee's mandate and progress against those targets, including how they contribute to ethical culture, performance and sustainable value creation, conformance and prudent control, and legitimacy; and
- adverse findings, fines or other sanctions by regulators, courts or quasi-judicial bodies, and any allegations of anti-competitive behaviour made against the group.

Composition and functioning

The committee comprises independent non-executive directors Nomgando Matyumza (chairperson) and Dr Penelope Moumakwa, and executive director and CEO Bertina Engelbrecht. The current committee members were elected by shareholders at the company's annual general meeting (AGM) and will be recommended to shareholders for re-election to the committee at the AGM scheduled for January 2027. The committee's composition and functioning are considered with reference to the requirements of the Companies Act and the Companies Regulations, 2011, and King V's expectations for governing body committees, including appropriate delegation, effective oversight, independence, skills, experience and accountability.

The chief people officer and company secretary attend committee meetings as invitees.

The effectiveness of the committee is assessed as part of the annual board and committee self-evaluation process. The committee was assessed as having adequately discharged its mandate. Attendance at committee meetings is detailed on page 34 of the integrated report. Fees paid to committee members for 2026 and proposed for 2027 are detailed on page 22 of the remuneration report, which is available on the Clicks Group website.

Activities of the committee

In the reporting period the committee met twice and, in support of the King V governance outcomes and relevant principles, it:

- monitored the group's transformation progress against its broad-based black economic empowerment (BBBEE) plan, the internal employment equity plan (including the report on income disparities), and the diversity and inclusion training plan, and considered the external verification of the group's BBBEE rating;
- assessed sustainability performance with specific reference to the group's inclusion in the FTSE4Good Index, its Carbon Disclosure Project rating and the extent to which sustainability matters support sustainable value creation within the group's economic, social and environmental context;
- evaluated the group's corporate social investment programme, focusing primarily on its:
  - funding of students by the New Clicks Foundation, including those studying pharmacy;
  - pharmacy internship and graduate programmes;
  - investment in employee learning and development;
  - enterprise development and supplier development programmes; and
  - achievement of the commitment to donate 1% of net profit after tax to socio-economic development;
- assessed the group's actions in relation to the Ten Principles of the United Nations Global Compact (UNGC), the decent work and working conditions provisions of the ILO's Decent Work Agenda and the United Nations 2030 Agenda for Sustainable Development. As a signatory to the UNGC, the group has adopted the Ten Principles and monitors its performance against them in the areas of human rights, labour, anti-corruption and the environment;
- assessed the group's activities related to the Organisation for Economic Co-operation and Development's recommendations regarding corruption and reviewed the group's ethics management programme;
- considered the effectiveness of the group's stakeholder engagement, ethics and sustainability practices in supporting the King V governance outcomes; and
- reviewed compliance with the regulatory frameworks applicable to the group, amended policies where applicable and received reports on litigation and legal compliance matters relevant to the committee's mandate, supporting the King V outcome of conformance and prudent control.

In accordance with the Companies Regulations, 2011, the chairperson, or another member designated by the committee, will report to shareholders at the AGM on matters within the committee's mandate.



Nomgando Matyumza

Chairperson
Social and ethics committee

6 November 2026