Clicks Group Ltd

2024 CDP Corporate Questionnaire 2024

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.
Terms of disclosure for corporate questionnaire 2024 - CDP

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09/30/2024, 03:39 pm

Contents

C1. Introduction

(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 1140 stores across South Africa, Namibia, Botswana, Eswatini and Lesotho, and the Clicks group employs over 18 000 permanent employees. The Clicks group includes market-leading brands such Clicks, The Body Shop, General Nutrition Corporation (GNC), Sorbet and United Pharmaceutical Distributors (UPD). Clicks is South Africa's largest retail pharmacy chains, with 832 stores in South Africa and 49 in the rest of Africa, and 711 in-store pharmacies, and has one of the largest loyalty programmes in South Africa with 11 million active ClubCard members which accounted for 80.2% of the Group's sales. The Body Shop sells natural, ethically-produced beauty products and has operated under a franchise agreement with The Body Shop International since 2001. GNC is the largest 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 is South Africa's largest 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.
[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
	08/31/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(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]

(1.24) 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 has been utilising SEDEX (Supplier Ethical Data Exchange) - a large 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. Clicks is a SEDEX member and endorses all suppliers to become SEDEX members, however becoming a SEDEX member is voluntary. Except for the Group's Private Label, where Clicks will identify suppliers and instruct them to become SMETA (SEDEX Members Ethical Trade Audit) certified at their 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 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 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:

☑ Yes

(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. Changes Since Last Reporting Year: Clicks is continually improving supplier engagement and has been utilising the SEDEX (i.e. supplier data) platform to improve our assessment of risks and opportunities within the supply chain.
[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

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, notably, customers, suppliers, regulators, staff, shareholders and providers of financial capital, (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's internal audit division monitors the business units' management of risks, opportunities, 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. 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. Changes Since Last Reporting Year: Clicks is continually improving supplier engagement and has been utilising the SEDEX (i.e. supplier data) platform to improve our assessment of risks and opportunities within the supply chain.
[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

749636

(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 Report. 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 3 476 million, therefore 5% of this value would be R173 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 R107 091 per store per day. This figure is calculated by dividing the total retail revenue in 2023 (44 560 532 000) by the total number of stores (1140) 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 R749 636 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) for capital expenditure on projects which would result in a % increase in revenue of 0.1%. Based on the Group's 2023 revenue, this would be R44 560 532. 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 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

There is growing concern about the resources used in packaging production, particularly plastic, 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 achieving the industry-wide targets set for 2025. The SA Plastics Pact has outlined the following key goals for its members by 2025: 1) Addressing problematic or unnecessary plastic packaging through elimination, redesign, innovation, or alternative delivery models such as re-use, 2) Ensuring 100% of members' packaging is reusable or recyclable and 3) Incorporating 30% recycled content in plastic packaging across all members. While Clicks is making strides in responsible plastic use and improving end-of-life management practices, the full integration of plastic-related risks into the group's risk register is still in progress.

[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 quality and availability are crucial for Clicks' pharmacy operations, as they are essential for providing medical services and complying with regulatory requirements. Clean water is necessary for pharmacists and nurses to wash their hands and clean equipment used to mix medications. According to climate change predictions from the IPCC Sixth Assessment Report and local climate projections, temperatures are expected to rise, rainfall patterns to shift, and drought periods to become longer and more intense in southern Africa. Given that the region is already experiencing water stress, these climatic changes will likely exacerbate water

scarcity in South Africa, potentially leading to water shortages (which have been experienced in parts of the country e.g. Cape Town and parts of the Eastern Cape). Clicks anticipates that water scarcity could impact both its direct and indirect operations. The potential rise in water prices and the increased frequency of water supply interruptions pose a threat to daily activities, as clinics, pharmacies, and distribution centres may be forced to close intermittently during these periods. Additionally, the hygiene and sanitation of Clicks' employees and customers could be compromised, further increasing the risk of operational disruptions. This could in turn lead to reduced sales and revenues.

(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

An increase in water scarcity may result in periods of store closure, which would result in a reduction in sales, and ultimately reduce Clicks' revenue. The impact of drought and water scarcity is considered in the long term.

(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)

749636

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

12113495

(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 R107 091 per store per day. This figure is calculated by dividing the total retail revenue in 2023 (44 560 532 000) by the total number of stores (1140) 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 R749 636 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 134) are impacted this value could rise to R12 113 495. 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 **:**Adopt water efficiency, water reuse, recycling, and conservation practices

(3.1.1.27) Cost of response to risk

740000

(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 R740 000. This consists of the ongoing cost to run the risk communication Platform (R240 thousand/year) plus a once-off Business Impact Analysis assessment on risks of R500 000.

(3.1.1.29) Description of response

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. For example, the head office has diversified their water withdrawal sources and uses municipal water, rainwater, and borehole water. In addition, the air conditioning plant uses recycled water which is then used to flush toilets. This diverse supply allows Clicks' head office to continue operations during water supply interruptions.

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

Constant electricity supply is critical to ensure Clicks' operations (across the stores, distribution centres, and head office) are uninterrupted, therefore, load shedding poses a significant risk in this regard. In South Africa, the transition to renewable energy has been delayed, increasing the demand on the national utility, Eskom, which primarily generates power from coal-fired stations. If Eskom is unable to meet the national electricity demand, load shedding will occur, limiting electricity supply

on a regional basis. The operational disruptions caused by load shedding can have substantial financial impacts on Clicks, affecting the ability to keep stores open and ultimately leading to reduced revenues due to store closures.

(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 an increase in operating costs to ensure business continuity during load shedding.

(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)

19000000

(3.1.1.25) Explanation of financial effect figure

To keep operations running during load shedding, Clicks invested in diesel-powered generators. Clicks group consumed 918 290 litres of diesel in the 2023 financial year to operate during load shedding. The price of a litre of diesel over this period was approximately R21.00. Therefore, Clicks spent an estimated R19 million in 2023 on diesel purchases in order to operate during load shedding.

(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

66000000

(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). The total solar PV installation (including lithium batteries) has cost the company R57 million in 2022, plus an additional R9 million in the reporting year (source: UPD solar PV costs).

(3.1.1.29) Description of response

Clicks continually assesses where emission reduction initiatives can be implemented within our operations. In addition to solar PV, Clicks utilises uninterruptible power supplies (UPSs) to maintain power during load shedding. The company has also implemented energy management initiatives across its stores, distribution centres, and head office to reduce energy consumption from the grid. For example, LED technology is used in all operations, and electronic meters have been installed to monitor energy usage at each store. Store lighting is managed through motion sensors, occupancy sensors, or timer controls that automatically turn off lights when they are not in use.

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:

☑ 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

Extreme weather events and changes in weather patterns may cause disruptions to operations, trading and the supply chain, and damage to physical assets.

(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:

☑ More likely than 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

An increase in extreme weather events and flooding may result in periods of store closure and/or inability to deliver goods from distribution to stores, which would result in a reduction in sales, ultimately reducing Clicks' overall revenue.

(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)

749636

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

50000000

(3.1.1.25) Explanation of financial effect figure

A full day's closure could result in a financial loss of approximately R107 091 per store per day. This figure is calculated by dividing the total retail revenue in 2023 (44 560 532 000) by the total number of stores (1140) and then dividing by the number of days in the year (365). Additionally, there would be negative effects on the well-being of employees and customers, which are not easily quantifiable in financial terms. A significant financial impact for the group is defined as a store closure lasting one week, which would lead to a loss of approximately R749 636 per store per week. Furthermore, transport routes between distribution centres and stores may be disrupted, which may impact the availability of goods in multiple stores. On the higher end, potential losses could reach up to R50 million due to operational disruptions and repair costs, which has been estimated based on historical costs associated with operation disruptions and repairs.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Upgrading infrastructure and undergoing risk assessments

(3.1.1.27) Cost of response to risk

740000

(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 R740 000. This consists of the ongoing cost to run the risk communication Platform (R240 thousand/year) and a once-off Business Impact Analysis assessment on risks of R500 000.

(3.1.1.29) Description of response

The increasing frequency and severity of extreme weather events such as floods, storms, and pose significant risks to the Group's operations. These events can cause physical damage to infrastructure and disrupt supply chains, thereby, delaying inventory delivery, and impacting employee safety and customer accessibility. Through such risk assessments, Clicks can identify stores and distribution centres across our distribution network which are considered to be at higher risk for such events. (e.g. flooding). Regarding distribution of products, alternative routes are assessed to ensure that essential products can still reach stores even if certain distribution centres are compromised. Clicks invests in climate resilient infrastructure and takes out adequate insurance to ensure operational continuity and reduced risk of damage during extreme weather events. Furthermore, Clicks participates in lobbying for infrastructure developments which facilitate resilience and redundancy into supply chains.

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

Reputational risk arises for Clicks as consumers increasingly prioritise sustainability and opt for more environmentally responsible alternatives when making purchasing decisions. With growing awareness of environmental issues such as plastic pollution, carbon emissions, and resource conservation, customers are gravitating towards brands and products that demonstrate a strong commitment to eco-friendly practices. If Clicks fails to meet these expectations or lags behind its competitors in offering sustainable products, the company risks being perceived as indifferent to environmental concerns. In more extreme cases, this may result in protests of boycotts of the brand.

(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

Reputational risk may result in a reduction in sales and/or impaired brand reputation, ultimately impacting Clicks' overall revenue. In more extreme cases, customers may protest of boycott the brand, resulting in temporary store closure as well.

(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)

749636

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

30000000

(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 R30 million (approximately 0.1% 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

10750000

(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 R740 000. This consists of the ongoing cost to run the risk communication Platform (R240 thousand/year) and a once-off Business Impact Analysis assessment on risks of R500 000.Other mechanisms Clicks uses to reduce product related risks are memberships to various organisations, for example, SEDEX, eWASA and Polyco, amounting to R10 000 000 annually.

(3.1.1.29) Description of response

In response to the risk Clicks uses the BIA as a mechanism to keep informed about consumer trends and to remove objectionable items from shelves. For example, Clicks is a member of eWASA and Polyco, which assists the company in meeting plastic and waste reduction targets. Clicks also utilises the supplier engagement platform, SEDEX, to ensure suppliers meet Clicks' standards for ethical souring and sustainability practices. An example of this is the introduction of the 'My Earth' range of eco-friendly products with plant-based ingredients and packaging designed to be recyclable within South Africa, both which align with the group's sustainability strategy. Furthermore, Clicks uses the JSE Sustainability Disclosure Guidance and Climate Change Disclosure Guidance to guide and meet ESG requirements.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(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

Extreme weather events and changes in weather patterns may cause disruptions to operations, trading and the supply chain, and damage to physical assets, especially at ports of entry.

(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:

☑ More likely than 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

An increase in extreme weather events and flooding may result in periods of port and store closure, which would result in a reduction in sales, ultimately reducing Clicks' overall revenue.

(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)

749636

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

20000000

(3.1.1.25) Explanation of financial effect figure

Climate change can disrupt global supply chains, affecting the availability and cost of raw materials and products. Inventory shortages may result from delays in product delivery, leading to stockouts and loss of sales. There may also be increased costs associated with disrupted logistics and transportation routes. A full day's closure could result in a financial loss of approximately R107 091 per store per day. This figure is calculated by dividing the total retail revenue in 2023 (44 560 532 000) by the total number of stores (1140) 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 R749 636 per store per week. Potential losses could reach up to R20 million annually from supply chain disruptions and increased logistics costs. This has been based on historical costs associated with value chain disruptions that Clicks had experienced in previous years, for example, during periods of civil unrest which resulted in disruptions to transport routes.

(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

740000

(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 R740 000. This consists of the ongoing cost to run the risk communication Platform (R240 thousand/year) and a once-off Business Impact Analysis assessment on risks of R500 000.

(3.1.1.29) Description of response

The increasing frequency and severity of extreme weather events such as floods, storms, and pose significant risks to the Group's indirect operations. These events disrupt supply chains, delaying inventory delivery, and impact employee safety and customer accessibility. Through such risk assessments, Clicks can identify suppliers across our network which are considered to be at higher risk for such events. (e.g. flooding). In response Clicks will increase geographic diversity of facilities and implement buffer stocks or dual sourcing to ensure product supply. Clicks also leverages the SEDEX platform which provides access to information which assists in understanding the vulnerability of certain suppliers to climate-related risks.
[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)

44560532000

(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)

44560532000

(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 our total financial metric vulnerable to physical risks is the loss of revenue from a store closure of one week (R749 636) divided by our total annual revenue (R44 560 532 000), which equals 0.00168%. This is the value if only one store is impacted, however, this could increase up to R 50 million depending on the type and magnitude of the risk event and the associated repair costs.
[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

12/31/2022

(3.5.3.2) Period end date

12/30/2023

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

100

(3.5.3.4) Total cost of tax paid

91444

(3.5.3.5) Comment

Clicks Group does not pay carbon tax directly to the South African Revenue Services, as our carbon taxable emissions only relate to diesel consumption. The carbon tax payable for diesel consumption is collected as part of the South African fuel levy when purchasing the diesel and was set at 10 cents (ZAR) per litre for 2023. This was R91 444 in total for the 2023 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?

The South African Carbon Tax was implemented on 1 June 2019. The carbon tax for 2023 was applied to emissions emitted from 1 January 2023 to 31 December 2023. The only carbon taxable emissions that Clicks will be liable for is the emission resulted to the consumption of diesel in the group's back-up electricity generators, which are used during power outages. As Clicks pays the carbon tax related to its diesel consumption at time of purchasing the diesel as part of the South African carbon fuel levy, Clicks is not required to pay carbon tax directly to the South African Revenue Services. Clicks' strategy for complying with the South African Carbon Tax is to continuously follow carbon tax developments. Workshops on climate change-related activities, including the carbon tax, are attended regularly and commentary is provided to the NBI, who in turn communicates the feedback to the regulatory body of government. Clicks has externally verified emissions to assure accuracy and validity to manage and monitor our exposure to the Carbon Tax, these verifications are conducted annually. Clicks has shifted to Paris-aligned science-based targets for its greenhouse gas (GHG) emission reductions (Scope 1, 2 and 3) and is in the process of developing and formally set a long-term group carbon commitment to be carbon neutral by 2050. These targets build on its existing targets for Scope 1 and 2, in line with the Paris Agreement on reducing global emissions. Further, emission reduction activities, such as the implementation of on-going energy efficiency projects, are implemented each year and short-, medium- and long-term emission reduction targets are set. The adoption of renewable energy at our operations will reduce our dependency on the national utility, Eskom, but also reduce our dependency on backup generators to power our operations in times of power outages, which are expensive to operate. The reduced dependency on backup generators will in turn reduce our diesel consumption, thereby reducing the carbon tax payable on our diesel consumption. Additional renewable energy was installed at our Distribution Centres in the reporting year resulting in lower demand on municipal/utility electricity and hence backup generators when this power is not available.

(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:* ☑ 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 aligns its ESG practices with the United Nations Sustainable Development Goals (UN SDGs) to ensure our activities support the global effort to achieve these targets by 2030. The group is particularly focused on SDG 7 (Affordable and Clean Energy), as it is committed to integrating alternative energy sources into its operations and reducing reliance on diesel-powered generators during load shedding. This opportunity allows Clicks to secure energy supply while also reducing scope 1 emissions and the associated carbon tax (which is included in the price of purchased diesel).

(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

☑ Long-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 transition to renewable energy is anticipated to result in significant savings on both electricity and the carbon tax associated for powering operations with diesel-powered generators during load-shedding. The operating costs savings will be realised in the long term.

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

Select from:

☑ Yes

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

192000000

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

568000000

(3.6.1.23) Explanation of financial effect figures

To keep operations running during load shedding, Clicks invested in diesel-powered generators. Clicks group consumed approximately 918 290 litres of diesel in the 2023 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 R19 million in 2023 on diesel purchases in order to operate during load shedding. Therefore, the savings over the 10 years of the solar PV will be R192 million and could increase up to 568 million as the price of diesel rises (assumed a 5% increase in price in line with annual inflation). The operating costs of diesel-powered generators (approximately R6/kWh) is higher than renewable sources, such as solar PV (approximately R1.33/kWh). Implementing renewable energy options at Clicks' operations will not only enable 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

10000000

(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 a cost of R100 million. This commitment has increased renewable energy generation capacity at its operations to 4.5MW annually. In the reporting year the group installed 766 kW of PV at the cost of R10 214 712 (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 realise this opportunity includes the development of a comprehensive carbon neutrality management plan, which will not only monitor but also strategically implement renewable energy solutions across our operations. As part of this plan, Clicks is conducting feasibility studies to assess the viability of various renewable energy projects, such as solar installations, to ensure these initiatives are both cost-effective and scalable. These studies are critical in identifying the most efficient renewable energy sources that can be integrated into operations, while also considering geographic and operational constraints. Furthermore, the carbon neutrality management plan aligns with Clicks' intermediate energy consumption target for 2030, which aims to reduce the Group's energy consumption by 5% by 2030. This includes optimizing energy efficiency within stores, distribution centres, and offices, alongside incorporating renewable energy systems to gradually phase out carbon-intensive energy use. By establishing these clear milestones and continuously evaluating our, Clicks is ensuring a steady trajectory toward achieving our carbon neutral target by 2050.

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 across water stressed regions of the country, and climate projections suggest that temperatures are to increase, rainfall patterns to change and drought periods become longer in southern Africa. Therefore, there is an opportunity for Clicks to improve water use efficiencies and reduce operational costs to secure this increasingly scarce resource for operations. At the Group's head office, we have initiated water recycling and installed a rainwater harvesting system to reduce withdrawals from municipal supply and be partially operational for short periods when water is unavailable. In addition, wastewater is recycled from the building's air-conditioning cooling towers and used for flushing toilets. Clicks has the opportunity to expand these water recycling initiatives to other facilities, such as our distribution centres. These mitigation measures will improve Clicks' resilience to potential future water stress, thereby reducing the risks of operational inefficiency and loss of revenue.

(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 rainwater harvesting and saving measures at facilities can lead to a notable reduction in operating costs, particularly in regions facing high water tariffs or where water scarcity affects supply stability. The operating cost savings 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)

480000

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

519000

(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 7560kl per year will range between R480 000 and R519 000.

(3.6.1.24) Cost to realize opportunity

5500000

(3.6.1.25) Explanation of cost calculation

The estimated cost of installing a rainwater harvesting system that can save 630kl per month is R 5500000.

(3.6.1.26) Strategy to realize opportunity

The strategy to realise this water management opportunity involves a proactive approach to ensuring the sustainability of water resources across Clicks' operations. This includes implementing on-site water storage solutions and reducing reliance on municipal water supplies. By decreasing dependence on external water sources, Clicks is better equipped to manage risks associated with water scarcity and maintain continuous operations during periods of water stress. The strategy also emphasises creating significant value through cost savings, such as reducing water bills, while mitigating material risks posed by water shortages. It ensures sustainability by aligning with Clicks' commitment to environmental and social responsibility, maintaining compliance with industry standards and guidelines. Additionally, these initiatives support Clicks' long-term strategic goals and corporate vision by reducing our environmental footprint and advancing toward carbon neutrality, making them integral to the company's broader sustainability objectives.

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' UPD division is a pharmaceutical distributor, therefore, the majority of the Group's emissions lie within scope 1 mobile fuels. To reduce both cost and usage of fossil fuels, UPD has purchased 42 electric vehicles to replace 42 diesel vehicles in the division's fleet.

(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 R2 000 000 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)

1200000

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

2000000

(3.6.1.23) Explanation of financial effect figures

The savings result from reduced reliance on diesel (R21/litre) and associated carbon tax. UPD used 383 299 litres diesel for vehicles in 2023 which is cost the company R8 049 269. Average fuel efficiency is 6km/litre, therefore, the approximate distance travelled is 6km multiplied by 383 299 litres which equals 2 299 791 km. The electricity to 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 2 299 791 km which equals 676 990 kWh. The average cost of electricity is 1.84 R/kWh. Therefore, the cost to charge EVs would be 676 990 kWh multiplied by R1.84, which equals R1 245 660. However, this could go up to R2 million depending on the specific electricity tariff, which may be higher in certain areas.

(3.6.1.24) Cost to realize opportunity

47285000

(3.6.1.25) Explanation of cost calculation

Clicks has procured 42 electric vehicles for UPD mobile transport. The total cost for this is R 47 285 000, which is approximately R1 125 833 per vehicle.

(3.6.1.26) Strategy to realize opportunity

The strategy to capitalise on this renewable energy opportunity has involved the initial procurement of electric vehicles, which aligns with Clicks' broader sustainability and carbon neutrality goals. As part of our carbon neutrality management plan, Clicks aims to significantly reduce its Scope 1 emissions, which include those generated from vehicle operations. The shift from diesel-powered vehicles to electric vehicles (EVs) is a critical step towards this goal, helping the company decrease its carbon footprint. To further enhance the environmental benefits of the electric vehicle fleet, Clicks is exploring the use of renewable energy-powered battery chargers. This initiative would allow the company to charge the EVs using clean energy sources, ensuring that the benefits of transitioning to electric vehicles are fully realised in reducing both carbon emissions and reliance on fossil fuels. The ability to generate renewable energy on-site, or through external agreements, supports our long-term commitment to reducing emissions across all operations, aligning with the Group's carbon neutrality targets. By integrating these battery chargers into our broader energy strategy, Clicks will not only lower operational costs but also contribute meaningfully to our goal of achieving carbon neutrality across the group.

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

Clicks is continually implementing energy-efficient technologies and practices, such as LED lighting and sensors in stores and distribution centres.

(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

Clicks is continually implementing energy-efficient technologies and practices, such as LED lighting and sensors in stores and distribution centres to reduce emissions and costs associated with our scope 2 emissions.

(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 R336 790 000 on water and electricity, of which electricity makes up approximately 60% (i.e. R202 074 000). Furthermore, improved energy efficiency lowers Clicks' energy usage and resultant scope 2 emissions. Clicks currently has 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.

(3.6.1.24) Cost to realize opportunity

68000000

(3.6.1.25) Explanation of cost calculation

Clicks currently has 632 stores with LED lights, of which 186 were completed in the last year. In total, Clicks has installed LED lighting in 71.7% of stores. The most recent retrofit could reduce emissions by up to 8 795 tCO2e savings or 47 tCO2e 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

This initiative is being integrated into Clicks' carbon neutrality strategy as part of our goal to reduce overall energy consumption and minimize carbon emissions. The installation of LED lighting is a tangible step toward achieving Clicks' intermediate energy reduction targets for 2030, which align with our long-term goal of carbon neutrality by 2050. The LED lighting implementation also directly supports the company's renewable energy goals by lowering energy demand, making future renewable energy solutions more feasible and cost-effective. This opportunity has been prioritized due to its immediate impact on reducing energy costs, improving operational efficiency, and contributing to Clicks' sustainability objectives. Compared to other opportunities, such as renewable energy projects, the LED lighting initiative provides quicker returns on investment and helps pave the way for larger-scale energy and carbon reduction efforts in the future.
[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)

130500000

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

Select from:
☑ 11-20%

(3.6.2.4) Explanation of financial figures

The capital expenditure for Clicks Group in 2023 amounted to R930 million. This was allocated across various investments, including R509 million for new stores, pharmacies, and refurbishments, R316 million for information technology and other retail infrastructure, and R105 million for distribution centres (Clicks IAR, 2023). The total cost spent on the opportunities described above is: R10 000 000 plus R5 500 000 plus R47 000 000 plus R68 000 000 which equals R130 500 000. This is then divided by the total CAPEX in 2023: 130 500 000/930 000 000, which equals 14%
[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

☑ Non-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 comprises four female and six male members, 60% of whom are black - meeting race and gender targets set in the broader board diversity policy adopted by the group.

(4.1.6) Attach the policy (optional)

Clicks-Corp-Governance-Report-2023.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

Clicks Group does not have board-level oversight of biodiversity issues because its environmental priorities are 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 and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring the implementation of the business strategy

(4.1.2.7) Please explain

The custodian of the Environmental and Climate Change policy is the Clicks Group Limited Social & Ethics Committee, with the CEO bearing primary responsibility for its implementation. In 2023, the board reviewed the group's environmental policy, incorporating the JSE's June 2022 guidance on sustainability and climate change disclosures. The board adopted ESG modifiers in both short- and long-term incentive schemes and provided director training on water management, presented by the World Wide Fund for Nature (IAR and Policy, 2023). Environmental oversight is embedded at the highest level of the company through the Social & Ethics Committee, which ensures adherence to sustainability commitments. The CEO, as an active member, integrates policy development with execution, overseeing the group's climate transition plan. This role involves managing resources and expenditures on initiatives such as renewable energy and electric vehicles (EVs). The CEO also reports progress and outcomes to the board, ensuring accountability and alignment with environmental targets. The board considers trade-offs associated with environmental risks and opportunities, particularly balancing the costs of adopting new technologies with long-term benefits. For instance, while transitioning to renewable energy and eco-friendly technologies may involve significant capital investments, these are evaluated against increasing consumer preferences for sustainability and the potential for long-term savings and regulatory benefits. The board factors these trade-offs into its decision-making, ensuring alignment with financial performance and stakeholder expectations. Annual assessments of the group's environmental impacts, such as carbon emissions and water usage, are aligned with international frameworks. These reviews are part of an ongoing commitment to track progress, identify emerging risks, and adjust strategies accordingly. By incorporating sustainability training and expert input, Clicks ensures that its leadership is well-equipped to make informed decisions on environmental governance. The Social & Ethics Committee, chaired by an independent non-executive director, is responsible for reviewing the group's environmental performance. Meeting at least twice a year, it ensures that environmental issues remain central to Clicks' broader governance strategy. This structured approach supports the integration of environmental goals into the group's operations, with the CEO playing a critical role in executing initiatives and achieving sustainability targets.
[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
[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 spread across many locations, which are typically existing retail hubs, and unlike industries such as mining or agriculture, our interactions with specific ecosystems and biodiversity are less direct and less pronounced. 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 biodiversity-related issues.
[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

Policies, commitments, and targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing a climate transition plan

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

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

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The role of the CEO includes approving sustainability and climate-related strategies, while the implementation of these strategies is delegated to the Corporate Affairs Head. The Corporate Affairs Head, reporting directly to the CEO, is also an invitee to the Social and Ethics Committee. This role ensures the effective implementation of sustainability and climate change activities, supported by the Group Facility Manager, who oversees operational-level climate initiatives and reports to the Chief Financial Officer. The Social and Ethics Committee and the CEO are informed of environmental issues through regular reports provided by the Corporate Affairs Head and Group Facility Manager. These reports include updates on emissions reduction, waste management, and water conservation efforts, and are presented at least twice a year during committee meetings. This ensures environmental matters are regularly reviewed and incorporated into the company's overall strategy. Environmental controls and procedures are integrated with other internal functions such as finance, operations, and risk management. For example, the Group Facility Manager works with finance teams to manage the budget for sustainability initiatives and coordinates with operational teams to ensure the successful implementation of projects such as renewable energy installations and waste reduction efforts. This integration ensures that environmental risks and opportunities are evaluated in conjunction with broader business objectives. Clicks' board and management executives closely collaborate in shaping the group's strategy, recognising the material impact of climate change on operations and long-term value creation. Responsibility for climate-related issues rests with executives and senior management, as they are tasked with implementing climate adaptation and mitigation measures in alignment with the company's business strategy.
[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 annual bonus is related to meeting ESG targets. Therefore, a proportion of this 15% will be paid based on the proportion or progress of the ESG target met. Modifier Weightings are described below: Composite measure: The Clicks Group maintaining its leadership positioning on the FTSE4Good Index relative to the sub sector average for drug retailers and the consumer services industry average (6%). Environmental measure: The Clicks Group increasing its use of solar renewable energy from 631 MWh (megawatt hours) to at least 4 500 MWh when compared to the base 2021 financial year (3%). Social measure: The Clicks group maintaining its BBBEE leadership positioning relative to the retail industry (3%). Governance measure: The Clicks Group experiencing 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 Long-Term Incentive (LTI) schemes are designed to align executive remuneration with shareholder interests by rewarding executives for driving sustainable shareholder value over the medium term. Participation in the LTI scheme is exclusive to senior employees, including executive directors, with incentives awarded annually. As part of this structure, 15% of the annual bonus is linked to the achievement of Environmental, Social, and Governance (ESG) targets. The payout for this portion is based on the degree to which these ESG targets are met. The ESG modifiers are weighted as follows: Composite measure (6%): Maintaining the Clicks Group's leadership position on the FTSE4Good Index relative to the sub-sector average for drug retailers and the consumer services industry. Environmental measure (3%): Increasing the Clicks Group's use of solar renewable energy from 631 MWh to at least 4,500 MWh compared to the 2021 base year. Social measure (3%): Maintaining the group's BBBEE leadership position relative to the retail industry. Governance measure (3%): Ensuring no material breaches of customer privacy and data security within the Clicks Group. This framework emphasises the importance of meeting both financial and ESG objectives, ensuring executives are incentivized to contribute to sustainable business practices while delivering value to shareholders.

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

A significant portion of remuneration is variable and designed to incentivise executives. Short-term and long-term incentives are an integral part of the total rewards framework and aim to align employee performance with the interests of shareholders. Through the inclusion of ESG modifiers in the short and long-term incentive scheme rules, executives are motivated to incorporate ESG objectives in the group's strategy. The Long-term Incentive Scheme (LTI) incorporates ESG performance measures that could result in the payout being adjusted downwards by up to 15%. This is aimed at ensuring that management pursues a sustainability agenda which contributes to long term enterprise value creation. The key climate-related metric under the LTI is the expansion of renewable energy capacity within the Group. This is both a cornerstone of the group's environmental commitments and a critical initiative under the climate transition plan aimed at reducing emissions and achieving carbon neutrality by 2050. The short-term incentive (STI) scheme incorporates similar ESG performance modifiers.
[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 policy applies to all entities and employees within the Clicks Group and extends to third parties who have contractually agreed to comply with it. The custodian of the policy is the Clicks Group Limited Social & Ethics Committee, which has been designated to oversee the group's environmental management agenda. The CEO bears primary responsibility for the executive implementation of the policy, ensuring that sustainability practices are embedded across the group's strategic and operational activities. The responsibility for the day-to-day implementation and regular review of the environmental management policy has been assigned to the

Group HR Director. This role ensures that the group's environmental objectives, such as improving energy and water efficiency, optimizing distribution networks, and enhancing waste management and recycling, are pursued in alignment with regulatory requirements and sustainability goals. The policy also includes ongoing assessments and public disclosures of the group's sustainability performance, fostering engagement with employees, customers, suppliers, and stakeholders to promote environmental awareness and responsible stewardship.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Additional references/Descriptions

☑ Description of renewable electricity procurement practices

(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

☑ 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

SA Plastics pact: Clicks is a founding member of SA Plastic Pact. The South Africa Plastics Pact was developed by the World Wide Fund for Nature (WWF-SA), in partnership with the South African Plastics Recycling Organisation (SAPRO), and the UK's WRAP. The SA Plastics Pact will be managed and delivered by GreenCape, with the founding members committed to a series of ambitious targets for 2025 to prevent plastics from becoming waste or pollution. By 2025, all members commit to: Take action on problematic or unnecessary plastic packaging through redesign, innovation or alternative (re-use) delivery models. • 100% of plastic packaging to be reusable, recyclable or compostable • 70% of plastic packaging effectively recycled • 30% average recycled content across all plastic packaging Polyco: Polyco is a producer-responsibility organisation (PRO) for the plastic industry. Clicks is a member of Polyco and is required to report on tonnages of plastic produced and ensure waste is directed to recycling. EWASA: Clicks is a signatory of eWasa and ensures that the Group complies with national and international e-waste management regulations and standards and adopt environmentally sustainable practices in the management of electronic waste. Clicks is a member of the Aerosol Manufacturers Association (AMA). Clicks adheres to national and international regulations governing the manufacturing, packaging, labeling, and distribution of aerosol products and ensures that products meet safety and environmental standards. AMA acts on behalf of the industry, including Clicks group, in a variety of issues such as legislation, education and setting of national standards.
[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

Clicks_Sustainability-report-and-databook_download_v1 (1).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 is a member of the NBI (National Business Initiative) which is a voluntary coalition of South African and multinational companies, working towards sustainable growth and development. The NBI supports the Clicks Group on climate change related matters and in turn, Clicks ensures that engagement activities with associations such as the NBI and NGO's (e.g., WWF), are in line with our climate targets. Within Clicks, the Sustainability Forum is the point of contact within the company for any climate-related issues and queries. It consists of executive management and sustainability-related professionals. The team establishes group sustainability-related standards and guidelines, provides shared services to all departments, monitors performance and collates ESG data for disclosure. In this way, direct and indirect company activities that influence policy will be consistent with the company's overall climate change strategy and sustainability framework.
[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

Global

☑ Other global trade association, please specify **:**National Business Initiative

(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 Clicks Group ensures that its strategic needs are aligned with the work of the National Business Initiative (NBI) and is regularly updated on the organisation's progress and activities. As a member of the NBI, Clicks benefits from the insights, resources, and networks that the NBI provides, allowing the company to stay ahead of critical environmental, social, and governance (ESG) developments, particularly those related to climate change and the Just Transition in South Africa. By paying the membership fee, Clicks contributes to the continuous support and capacity building that the NBI offers to its members, ensuring that the company has access to best practices, research, and tools needed to advance its sustainability and decarbonisation strategies. The Advisory Council for Environment and Society (ACES) is one of NBI's three main engagement channels and serves as the key advisory body to the NBI's Environmental Sustainability Unit. The ACES forum holds quarterly meetings which focus on understanding members' strategic needs, updating members on the work ACES is doing, as well as sharing information on international partnerships, NBI events, current industry trends, best practice and general industry and government activity. NBI recognises that it is essential for business to stay informed and engaged on South Africa's socio economic and environmental challenges as well as on the just transition to a net zero carbon economy by 2050, in order to accurately identify and mitigate risks and find new avenues for innovation. ACES is a platform where these topics are openly discussed, with specific reference to the business case, and presents an opportunity for members to contribute to the design and implementation of collective strategies to address systemic challenges. Moreover, the funding helps the NBI maintain communication of transition pathways, which are essential for guiding businesses toward a low-carbon economy. As part of this, Clicks receives direct benefits through the NBI's platforms for engagement with other leading companies, government stakeholders, and experts. This enables Clicks to influence national climate policies, enhance its sustainability efforts, and stay informed on emerging risks and opportunities related to the transition to a sustainable economy. Overall, membership in the NBI ensures that Clicks remains part of a powerful collective effort to shape a resilient, inclusive, and sustainable future for South Africa.

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

80972

(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 ensures that its strategic needs are aligned with the work of the National Business Initiative (NBI) and is regularly updated on the organisation's progress and activities. As a member of the NBI, Clicks benefits from the insights, resources, and networks that the NBI provides, allowing the company to stay ahead of critical environmental, social, and governance (ESG) developments, particularly those related to climate change and the Just Transition in South Africa. By paying the membership fee, Clicks contributes to the continuous support and capacity building that the NBI offers to its members, ensuring that the company has access to best practices, research, and tools needed to advance its sustainability and decarbonisation strategies. Moreover, the funding helps the NBI maintain robust communication of transition pathways, which are essential for guiding businesses toward a low-carbon economy. As part of this, Clicks receives direct benefits through the NBI's platforms for collaboration and engagement with other leading companies, government stakeholders, and experts. This enables Clicks to influence national climate policies, enhance its sustainability efforts, and stay informed on emerging risks and opportunities related to the transition to a sustainable economy. Overall, membership in the NBI ensures that Clicks remains part of a powerful collective effort to shape a resilient, inclusive, and sustainable future for South Africa.

(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]

(4.12.1) 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
☑ Value chain engagement

(4.12.1.6) Page/section reference

Page 32-35

(4.12.1.7) Attach the relevant publication

Clicks_Sustainability-report-and-databook_download_v1 (1).pdf

(4.12.1.8) Comment

For the reporting year, Clicks published information on its response to environmental issues in various platforms beyond our CDP response. This includes our Sustainability Report, which covers their efforts to minimise environmental impact, manage climate change risks, and improve water and waste management. The report also outlines the company's strategies and work in progress to reduce greenhouse gas emissions across our operations.
[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. However, our immediate focus has been on other climate-related initiatives, including our long-term carbon neutrality goal by 2050. Clicks Group remains committed to aligning with TCFD recommendations. As part of this commitment, we aim to integrate exploratory and normative scenario analysis into our strategic planning within the next two years. This will involve assessing a range of plausible future states to better understand potential climate-related risks and uncertainties.
[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, the key focus of Clicks' management plan is to procure renewable electricity through solar PV installations, Renewable Energy Certificates (RECs), and Power Purchase Agreements (PPAs). While our ability to produce renewable electricity onsite is limited by physical constraints, we will continue to rely on the grid for options like wheeling renewable energy. Our target is to achieve carbon neutrality by 2050 by expanding the use of alternative energy sources and benefiting from the reduced grid emission factor as the grid 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 AGMs and we also have an additional feedback mechanism in place

(5.2.8) Description of feedback mechanism

The carbon neutrality management plan is structured around Clicks' five business units, with each unit reviewing proposed initiatives to assess their feasibility. In addition, within each business unit feedback is collected from suppliers (of products or other services like transport). The feedback from these reviews is given to the sustainability team, which compiles a consolidated plan for presentation to the Board for financial approval and implementation during the Annual General Meetings (AGMs). Investors are also consulted regarding the implementation of the CNMP and associated expenditures.

(5.2.9) Frequency of feedback collection

Select from:

☑ Annually

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

Clicks will focus emission reduction initiatives in the high emission categories such as purchased electricity, mobile fuels, upstream transportation and refrigerants (building upon existing initiatives) up to 2035. Nearing 2035, variables such as store growth, availability and cost of Best Available Technologies and changes in the grid emission factor will be assessed and considered in the remaining 15-year period to 2050. Purchased electricity makes up 73% of Clicks' emissions, therefore, the key initiatives for Clicks to implement in the first ten-year period of the CNMP will be own generation of solar PV (particularly for standalone facilities), negotiating lease agreements with landlord (for stores), entering a PPA and/or purchasing Renewable Energy Certificates. By prioritising high emission categories, Clicks can streamline the resources required, better manage emission reductions, and achieve more significant results. Clicks' efforts to reduce emissions will depend on the decarbonisation of other sectors they rely on, such as energy generation and transport. Currently, Clicks has used a conservative approach in tour projection of emissions by assuming the grid emission factor remains constant. Therefore, the CNMP will be reviewed annually to incorporate changes in Best Available Technology and the grid emission factor into future reduction strategies. Certain emission reductions, like those from Sustainable Aviation Fuel (SAF) and Electric Vehicles, are not directly implemented by Clicks but could contribute to overall reductions if their market adoption grows as expected. Ultimately, Clicks will need to depend on the decarbonisation of sectors beyond its direct operations, such as energy and transport, to achieve carbon neutrality by 2050 in the most cost-effective way.

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

The Carbon Neutrality Management Plan has been developed in the current year, therefore progress made will be reviewed in the next financial year.

(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 a crucial climate risk that Clicks considers and contributes to emissions within our carbon footprint. Therefore, part of the plan considers reducing municipal water use and increasing water reduction and/or water saving initiatives.
[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 behaviour and evolving regulatory environments have impacted our products and services division. As a result, Clicks has incorporated these risks into its strategy, which focuses on creating sustainable, long-term shareholder value through a retail-led health, beauty, and wellness offering. Time Horizons: The risk is associated with a medium-term time horizon. Most Substantial Decisions: The most significant decisions influenced by these risks include a shift toward sustainable product sourcing. Clicks Group actively promotes products with sustainable attributes and invests in environmentally friendly options within its private label offerings, such as MyEarth, Sorbet, and The Body Shop. Sorbet salons have introduced several Clean Beauty brands in selected stores, including Skoon, Le-Live, Vita-Derm, Paul Mitchell, REF, and Vitamin Me. This reflects the integration of environmental considerations into our product strategy. How

Strategic Decisions Have Been Made: For our Private Label range, Clicks is committed to working with accredited, reliable, and audited suppliers. Both new and existing suppliers undergo evaluations through a scorecard system to identify potential supply chain vulnerabilities. Preference is given to suppliers who demonstrate a strong commitment to responsible practices. 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). Recent updates to our trading terms emphasise environmental and social ethical responsibilities. The local franchise of The Body Shop aligns with its global standards by maintaining sustainability principles, including fair trade, community enhancement, and conservation of scarce resources. Ingredients used in The Body Shop products are derived from nature and are free from animal testing, with rigorous testing to ensure safety and efficacy. Effect on Business Model and Transition Plan: The decisions to enhance supplier regulation and engagement and to expand our range of sustainability-focused brands were made to prepare the group for anticipated changes in consumer behaviour and to ensure alignment with evolving market trends.

Upstream/downstream value chain

(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 and Why: Clicks is committed to maintaining a sustainable supply chain, working closely with suppliers to ensure adherence to environmental standards. A key risk involves potential reputational damage and financial consequences if suppliers fail to meet the environmental standards expected by consumers, regulators, and stakeholders. Additionally, non-compliance with environmental standards could lead to penalties, restricted market access, and loss of consumer trust. Time Horizons: The risk is associated with a medium-term time horizon Most Substantial Decisions: In response to these risks, Clicks has embraced opportunities to enhance transparency and control within its supply chain by leveraging platforms like SEDEX to monitor and assess supplier practices. Furthermore, Clicks has initiated the collection of greenhouse gas (GHG) emissions data from its Private Pabel suppliers to ensure alignment with its sustainability goals and climate commitments. How Strategic Decisions Have Been Made: Clicks' strategic decisions in sustainable supply chain management are made through a comprehensive evaluation process involving market analysis, stakeholder engagement, and risk assessments. Decisions such as adopting SEDEX or collecting supplier GHG emissions data are based on avoiding potential reputational risks and reducing exposure to regulatory non-compliance, and exploiting opportunities to enhance market position. The sustainability team, in collaboration with procurement and supply chain management departments, regularly reviews these decisions to ensure alignment with both 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 its climate transition plans. By ensuring supplier compliance with environmental standards and actively managing emissions, Clicks can reduce its overall carbon footprint and align with global climate goals.

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 Opportunity and Why: The opportunity lies in advancing renewable energy integration within Clicks' operations, specifically through the initial procurement of electric vehicles (EVs), Proof of Concept testing of EVs in the Distribution Centres, and the exploration of renewable energy-powered battery chargers. This aligns with Clicks' broader sustainability and carbon neutrality goals, particularly by targeting a significant reduction in Scope 1 emissions from vehicle operations. The shift from diesel-powered to EVs and the use of clean energy sources for charging is a crucial step in reducing the company's carbon footprint and reliance on fossil fuels. The opportunity enables Clicks to meet its environmental commitments while also benefiting from cost savings. Time Horizons: This opportunity is over both short-term and medium-term time horizons. In the short term, Clicks has already begun transitioning to EVs at UPD through the owner driver scheme pilot and is exploring renewable energy-powered chargers. Over the medium term, the company plans to expand its use of renewable energy, whether through on-site generation or external agreements, to power its fleet and other operations. Most Substantial Decisions: The decision to invest in EVs was driven by the need to reduce Scope 1 emissions and align with sustainability goals. This decision supports the group's goal of reducing its reliance on fossil fuels. Clicks is considering both on-site renewable energy generation and external agreements to ensure a sustainable and cost-effective supply of clean energy for its operations and EV fleet. How Strategic Decisions Have Been Made: Strategic decisions regarding the adoption of EVs and renewable energy-powered battery chargers have been made based on a comprehensive assessment of potential benefits, including emissions reduction, cost savings, and alignment with the group's sustainability goals. These decisions are guided by the carbon neutrality management plan, which outlines specific targets for reducing emissions. Collaboration between the sustainability team, logistics, and finance departments ensures that these investments align with both short-term operational needs and long-term strategic objectives. Effect on Business Model and Transition Plan: This opportunity has driven changes in Clicks' business model and transition plan by incorporating more sustainable practices and technologies. The shift to EVs, combined with the exploration of renewable energy-powered chargers, and further Proof of Concept testing in other business units, reflects a broader commitment to reducing carbon emissions across all operations and strengthens its position as a sustainability-focused business, which is essential for achieving long-term carbon neutrality goals. This approach ensures that Clicks remains competitive in a market increasingly driven by sustainability considerations.

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 risks to operations: energy supply risks and water availability risks. The energy supply risk arises from South Africa's ongoing issues with load shedding (electricity shortages due to generation constraints) and chronic climate impacts, such as cold weather and droughts, which can cause electricity outages. These outages threaten operational efficiency, disrupt the receipt of goods and services, and may lead to store closures. Water availability risk is also significant, particularly in the Western Cape, where prolonged droughts have impacted the quality and availability of water necessary for pharmacy operations, including medical services requiring clean water for handwashing and mixing medications. Both risks are incorporated into Clicks' strategy to maintain uninterrupted operations and business continuity. Time Horizons: The risks associated with energy supply and water availability are considered over short and medium-term time horizons. In the short term, Clicks is focusing on immediate solutions to mitigate disruptions, such as investing in alternative energy sources and water management systems. Over the medium term, the company aims to enhance its resilience against these risks through sustained investment in renewable energy and water-saving infrastructure. Most Substantial Decisions: Clicks has installed rooftop solar panels at its eight distribution centres to reduce carbon emissions, lower electricity costs, and mitigate the impact of load shedding. To maintain operations during electricity outages, Clicks has equipped its facilities with lithium batteries, ensuring business continuity even load shedding. Clicks employs LED lighting, electronic energy meters, and automated lighting controls to enhance energy efficiency across its operations. To address water availability risks, Clicks has installed boreholes at its head office, ensuring a reliable water supply for critical operations. How Strategic Decisions Have Been Made: Clicks' strategic decisions have been made based on an assessment of the potential operational disruptions caused by energy and water shortages. The company has prioritised investments in renewable energy and water-saving infrastructure to mitigate these risks. The sustainability team, in collaboration with the facilities management and finance departments, regularly review these decisions to ensure they meet both short-term operational requirements and long-term strategic objectives. Effect on Business Model and Transition Plan: The adoption of alternative energy sources and the implementation of energy efficiency measures reflect a shift towards reducing dependency on the national grid and lowering operational costs. Similarly, investments in water management infrastructure demonstrate Clicks' commitment to addressing water risks. These initiatives are key components Clicks' Carbon Neutrality Management Plan, to reach carbon neutrality by 2050.

[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: Clicks Group has identified an opportunity to increase revenues through the introduction of eco-friendly product ranges such as MyEarth, Sorbet, and The Body Shop. These products appeal to the growing market of environmentally conscious consumers. Additionally, providing health products related to climate-induced diseases (e.g., increased spread of malaria) offers new revenue streams. These initiatives align with the company's sustainability strategy and respond to consumer demand for products with reduced environmental impact. The time horizon for this covered in our financial planning is the short-term. Risk: A significant promotion of Clicks' operations are in the Western Cape, where water availability is projected to decline, as a result of rising ambient temperatures and changing rainfall patterns. This could lead to water shortages, impacting both our direct and indirect operations. If water cannot be supplied to Clicks' pharmacies and stores, these will be forced to close operations intermittently during periods of water unavailability. The closure of stores and pharmacies as a result of water shortages would lead to losses in sales. Between 2017-1019, water shortages impacted day to day operations at the Clicks' head office, the distribution centres and an estimated 120 stores that are situated in the Western Cape. The impact of this water crisis resulted in a decline in sales and loss of turnover to the group. The closure of a store for a day can cost approximately R100 029 per store per day, the Clicks Group's financial planning processes to mitigate such impacts therefore includes the procurement of additional water supplies, investments in water maintenance and capital items (such as water storage facilities) as well as the development of product lines that may better serve water constrained clients (e.g. waterless hand sanitisers) which may increase revenues. The time horizon for this covered in our financial planning is the short-term.

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

☑ 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: The company's capital allocation decisions have been influenced by the need to prioritise investments in sustainability initiatives. This includes allocating funds towards energy efficiency roll outs in stores, such as LED lighting, to reduce operating costs related to electricity. Clicks currently has 632 stores with LED lights, of which 186 were completed in the last year. In total, Clicks has installed LED lighting in 71.7% of stores. The allocation also supports the company's broader environmental and sustainability goals and is a key component in Clicks' emission reduction pathway in the CNMP. The time horizon for this financial planning is the short-term.

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 consider divesting from operations in this region. This could lead to a decrease in group revenues and a decline in the company's share price, which might, in turn, affect Clicks 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 with stakeholders on various business aspects, including store and pharmacy expansion plans, regulatory changes, and capital management strategies. Key areas of discussion include risks related to the Carbon Tax, rising upstream costs, and new regulations mandating greenhouse gas (GHG) reporting. For example, Clicks has discussed with stakeholders the potential financial impact of non-compliance with these reporting requirements, which could damage investor confidence and limit access to capital. Stakeholders are also concerned about escalating water scarcity and rising utility costs, which could affect the group's expansion plans and, consequently, investor sentiment. The financial planning process considers these factors over a short-term horizon, as mandatory GHG

reporting requirements need to be met annually. Clicks continually reports on efforts to mitigate these risks by investing in energy-efficient technologies and water-saving initiatives to align with investor expectations and support sustainable growth.

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 asset; therefore, the safe storage of products and medication is crucial to our operations. If a distribution centre is damaged by severe weather, the cost of replacing the damaged stored items could cost billions. Additionally, ensuring proper cooling for distribution centres and warehouses is essential, but also energy intensive. In the Clicks Group's financial planning, we consider future impacts from extreme weather evens and implement measures to reduce the risk of impacts on our inventory. For example, we implement measures to reduce short- to medium-term impacts (e.g., insuring assets), as well as medium- to long-term impacts e.g., ensuring our facilities have climate-resilient infrastructure.

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: Damage to critical infrastructure, such as storage facilities, buildings, IT systems, and transportation networks, could significantly disrupt the supply of medication and prevent Clicks from fulfilling its service level agreements. To manage these potential liabilities, Clicks conducts regular risk assessments, including Business Impact Analysis and climate risk assessment studies, to identify and evaluate vulnerabilities. As part of our strategy to mitigate distribution risks, Clicks explores alternative transport routes to ensure a resilient supply chain in the face of infrastructure challenges. Additionally, we have installed additional solar PV panels and lithium batteries at our facilities in 2023 to maintain power for essential IT systems during prolonged outages, reducing our reliance on the national grid. These proactive measures are integrated into Clicks' medium-term financial planning to safeguard operations against potential disruptions and to maintain service continuity for our customers.

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

Risk: The South African carbon tax has been implemented in 2019, however, and the price is known up to 2030, however there is uncertainty of the cost from. Electricity tariffs have already increased significantly since 2019 which continues to pose a risk to Clicks' operating costs. To mitigate high electricity tariffs, Clicks has replaced light fittings in stores, company-owned buildings and distribution centres with LED lightbulbs and installed electricity meters to accurately measure electricity use per store to monitor and manage energy more effectively. The metering systems alone cost R850 000 per annum. The costs have been included in the Group's operational budgets. The time horizon for this financial planning is the medium to long-term.

[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)

120000000

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

14

(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

Clicks Group has committed to setting a carbon neutral target under the ISO 1068 target setting standard. Clicks is required to reduce our GHG emissions by approximately 3.6% per year from the 2022 baseline to reach carbon neutrality by 2050. The trajectory of emission reductions will be dependent on the level of ambition that Clicks is able to implement in the Carbon Neutrality Management Plan (CNMP). The CNMP outlines the intermediate targets and initiatives that Clicks is implementing and providing capital towards to reach carbon neutrality. Therefore, the primary criterion used to allocate capital for Clicks' climate transition is the potential of the expenditure to reduce greenhouse gas (GHG) emissions. Investments in technologies or assets that directly contribute to emission reduction, such as Electric Vehicles (EVs), LED lighting, and Photovoltaic (PV) systems, are classified as aligned. In addition, projects or assets that improve energy efficiency or shift the organisation toward cleaner energy sources, such as switching to renewable energy or using energy-efficient equipment, are considered aligned. Finally, spending must support the organisation's long-term carbon reduction goals, such as its commitment to achieving net-zero emissions by a specific date. Aligned spending is expected to increase over time as the company continues to invest in sustainability initiatives and ensure that the Group remains on the target trajectory. This includes expanding the EV fleet, rolling out LED lighting across more stores, increasing solar PV installations and/or purchasing of RECs or PPAs.
[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 considers the South African Carbon Tax in our calculation of the internal price on carbon. The carbon tax is a shadow price which was 10c/litre in 2023. South Africa's Carbon Tax was implemented in 2019 to drive the country's climate change mitigation strategy. The values are known up to 2030, where the price will reach R462/ tCO2e. The value in the reporting year was R159/tCO2e.

(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 is based on South Africa's existing published Carbon Tax Act which has specified values that increase up to 2030. These range from R159 (in 2023) to R462 (by 2030).

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

159

(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

1.29

(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

The carbon tax is accounted for in Clicks' Scope 1 mobile fuel emissions, as it is embedded in the cost of fuels. Clicks closely monitors the carbon price in accordance with the Carbon Tax Act and tracks any potential changes to the legislation. One possible change after 2030 is the risk of a carbon tax being passed through by the electricity utility, Eskom, which would affect Clicks' Scope 2 emissions. Currently, Eskom is exempt from paying carbon tax, but this may change in the future, leading to the tax being passed on to its customers. If such a passthrough occurs, it could result in an increase of approximately R66 per megawatt-hour (MWh) in electricity tariffs by 2030.
[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

Suppliers, customers, and investors, along with shareholders, are the primary value chain members with which Clicks actively engages. Clicks is currently focusing on strengthening relationships with these key stakeholders before exploring engagement with additional parties. However, in the future, Clicks plans to consider increased collaboration with third-party logistics providers, particularly in the adoption of electric vehicles (EVs), to support its emission reduction efforts.
[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 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 company'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 closely to align with Clicks'

(5.11.1.5) % Tier 1 suppliers meeting the thresholds 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 company'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 closely to align with Clicks' sustainability goals. While all suppliers are required to adhere to the Supplier Code of Ethics, Clicks is focusing engagement on the Private Label suppliers to reduce our scope 3 emissions.
[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

Suppliers are required to implement and maintain environmental policies to ensure that their operations are conducted in an environmentally responsible way and be transparent about and accountable for their environmental performance in terms of our supplier code (Clicks Supplier Code of Ethics). In so doing, suppliers are obligated to comply with the environmental standards, laws and regulations applicable to their respective industries and countries. Suppliers are encouraged to reduce energy use, carbon emissions, water consumption and waste production to prevent unnecessary impacts on biodiversity, pollution and resource use. The

Code aims to ensure that Suppliers take proactive steps to systematically reduce and remove environmental impacts and prevents 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:

☑ 100%

(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 our Private label suppliers to collect their GHG emission data. Private label suppliers are selected as Clicks has higher influence over their emissions compared to suppliers of larger brands which already disclose emission data. Private Label suppliers make up 10% of Clicks supplier spend and all suppliers within this category are required to disclose GHG emission data.
[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

Information collection

☑ Collect GHG emissions data at least annually from 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 recently restated the Group's carbon footprint to include the emissions associated with the procurement of Private Label goods. Thus far, a high-level estimation of supplier emissions have been calculated using available data, however reducing emissions in Private Label will require substantial supplier engagement to obtain accurate data that Clicks can account for within their footprint. The Private Label division has begun collecting data on the product emission intensities and/or emissions of the respective suppliers. This data is being consolidated into a database of these supplier metrics to record and monitor annual changes. Once Clicks has collected all the required data, the Group will then encourage suppliers in setting emission reductions targets. As this process develops, Clicks will include target requirements in supplier procurement policies and contracts.

(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 is aimed to improve our supplier's compliance with our scope 3 emission disclosure and reduction plan

(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

Clicks engages with all customers via in-store communications and messaging as well as through the Clicks mobile app. The rationale for targeting all customers is to obtain the greatest exposure for our environmentally friendly products and make our customers aware of climate-friendly products.

(5.11.9.6) Effect of engagement and measures of success

The advertising of climate-responsible products creates environmentally aware and conscious customers. For example, Clicks continues to sell the environmentally friendly and affordable, private label products such as the "My Earth" brand. An on-pack recycling label ("Recyclable") appears on all private label products to inform consumers to reduce landfill with recyclable packaging. In addition, Clicks' Private Label is a member of the RoundTable of Sustainable Palm Oil (RSPO which promotes the growth and use of sustainable palm oil in the food industry through global standards and multi-stakeholder governance. Clicks' measure of success related to this engagement is an 5% increase in sales of the environmentally responsible products. Clicks My Earth range grew at 11% last year. The best sellers have been extended to more stores.

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

It is important for Clicks to engage investors and shareholders on our climate-related commitments as this promotes investor confidence in the company and our sustainability-focused business strategy. Our investors are engaged in various annual disclosures such as TCFD-framework reporting in our annual reports, CDP and our JSE Sustainability Narrative Disclosures.

(5.11.9.6) Effect of engagement and measures of success

The group conducted a gap analysis on its TCFD readiness and alignment to identify areas of improvement in the group's climate change governance, strategy, risk management, and metrics and targets reporting. The efforts served to communicate the group's commitment to climate change-related risks to investors. The group has taken several steps to address the TCFD alignment gaps identified in the assessment. Following the release of the JSE Sustainability Disclosure Guidance, which incorporates narrative disclosures and metrics, the group has embarked on its JSE Sustainability Narrative Disclosure standards, which covers a wide range of topics, including governance, strategy, risk management, metrics, and targets.
[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 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 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 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

Sorbet beauty

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

194 Sorbet nail and beauty salons were acquired in June 2023, to-date with a total of 195 salons. Ten (5 x Sorbet Man, 2 x Hairbar and 3 Salons) salons are owned by Clicks, and the remaining stores are franchised.
[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 operations acquired or divested did not exist in the base year

(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 or methodological changes

(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: 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

The Clicks Group has solar PV installed at our Head Office, Clicks distribution centres and UPD distribution centres. The Group will report both a location-based and a market-based figure.
[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 used in the base year. 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 South African Technical Guidelines TG-2016) 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 South African Technical Guidelines TG-2016 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 from the MWh of purchased electricity consumed. This is multiplied by the grid emission factor for the respective country in the base year.

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: 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.

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: 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.

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 kilometres travelled by each class of truck. 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

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. As a conservative approach, a factor of 9% was included on all distances. 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 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: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

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)

5911

(7.6.3) Methodological details

Clicks' scope 1 emissions include the quantity of stationary diesel, mobile diesel, mobile petrol and refrigerants that the company has used in the reporting year. 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)

108058

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

108058

(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.
[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)

104

(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 DEFRA 2022 which uses an emission factor of 1.435 tCO2e/Megalitre. The emissions were calculated by multiplying the activity data with the emission factor after converting the activity data into megalitres. Emissions embedded in all other purchased goods would contribute significantly to Clicks' scope 3 emissions. These emissions have been included in the row Other (upstream) to ensure consistency with previous year's reporting.

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)

16141

(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 emission factors for the production of petrol and diesel were obtained from DEFRA 2022.The transmission and distribution losses factors were calculated using information from the 2020 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)

8141

(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 2022. 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)

1457

(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 2022. 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:

☑ Not relevant, calculated

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

1116

(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 2022 emission factors for short and long-haul flights were used, differentiating between economy and business class. As a conservative approach, a factor of 9% was included on all distances. 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). 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)

8831

(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

50

(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 centers who may rely primarily on the more efficient public transport modes. The results of the survey were used in the 2022 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 (2022) 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 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 will separate our franchised emissions from our owned store emissions in the next reporting year.

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:

☑ Relevant, calculated

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

53214

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Spend-based method

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

50

(7.8.5) Please explain

This figure refers to indirect (supplier) GHG emissions from Clicks Group branded products that are not included in the other carbon footprint calculations. Clicks has limited influence over other suppliers that do not produce our branded products.

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_GHG_Verification_Opinion_20211117.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_GHG_Verification_Opinion_20211117.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: Employee commuting
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(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_GHG_Verification_Opinion_20211117.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)

3781

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

3.31

(7.10.1.4) Please explain calculation

Due to the significant increase in loadshedding (power shortages) experienced in South Africa, Clicks experienced increased emissions from stationary diesel consumption. However, due to the increase in renewable energy, the sum of scope 1 and 2 emissions decreased in the last year. The Clicks Group has installed additional Solar PV at several of our Clicks distribution centres, UPD distribution centres and head office. Combined, the solar PV capacity is 4.5 MW and produced 3 636 MWh of renewable electricity in the reporting year. Multiplying this value by the grid emission factor of 1.04 tCO2e/MWh results in 3781 tCO2e emission reductions. The emissions value was calculated as the change in scope 1 and 2 emissions in the reporting year divided by the previous year gross scope 1 and 2 emissions. The emissions value is therefore: -3 781/ 114 186 X 100 - 3.31%

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

3564

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

3.12

(7.10.1.4) Please explain calculation

Due to the significant increase in loadshedding (power shortages) experienced in South Africa, Clicks experienced increased fuel consumption demand. This combined with an increase in store footprint has resulted in an increase in 3 654 CO2e in the reporting year. The emissions value was calculated as the change in emissions divided by the previous year gross emissions. The emissions value is therefore: 3 654/ 114 186 X 100 3.12%
[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)

4254

(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)

5

(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)

129

(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)

1523

(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*	*1451*	*1451*
Eswatini	*0*	*439*	*439*
Lesotho	*0*	*109*	*109*
Namibia	*0*	*2680*	*2680*
South Africa	*5911*	*103379*	*103379*

[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*	*3537*
Row 3	*Head Office*	*371*
Row 4	*Clicks Stores*	*1268*
Row 5	*Distribution Centres*	*721*

[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*	*1947*

	Activity	Scope 1 emissions (metric tons CO2e)
Row 2	*Stationary fuel combustion*	*2441*
Row 3	*Fugitive emissions*	*1523*

[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*	*2064*	*2064*
Row 2	*Clicks Stores*	*95445*	*95445*
Row 3	*Distribution Centres*	*2694*	*2694*
Row 4	*Body Shop*	*876*	*876*
Row 5	*UPD*	*6979*	*6979*

[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*	*108058*	*108058*

[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)

5911

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

108058

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

108058

(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 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 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

15915

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

15915

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

0

(7.30.1.3) MWh from non-renewable sources

104338

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

104338

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

3636

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

3636

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

3636

(7.30.1.3) MWh from non-renewable sources

120253

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

123889
[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:* ☑ No
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:

☑ LHV

(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:
☑ LHV

(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

15917

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

9055

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

6861

(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 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

15917

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

9055

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

6861

(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)

6896

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

6896

(7.30.9.3) Gross generation from renewable sources (MWh)

3636

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

3636

Heat

(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

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 sources solar PV generated electricity from installations that are owned by the Group. There is therefore no active purchase of low carbon electricity in the reporting year.
[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)

1530

(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)

1530.00

Eswatini

(7.30.16.1) Consumption of purchased electricity (MWh)

2826

(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)

2826.00

Lesotho

(7.30.16.1) Consumption of purchased electricity (MWh)

115

(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)

115.00

Namibia

(7.30.16.1) Consumption of purchased electricity (MWh)

463

(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)

463.00

South Africa

(7.30.16.1) Consumption of purchased electricity (MWh)

99403

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

3636

(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)

103039.00
[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

0.000002738

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

113969

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

41622000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

5.58

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 0.2% as well as an increase in revenue of 5.1%. 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

Row 2

(7.45.1) Intensity figure

12.35

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

113969

(7.45.3) Metric denominator

Select from:

☑ full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

9229

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

1.22

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 0.2% as well as an increase in FTE of 1.14%. 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.

Row 3

(7.45.1) Intensity figure

0.197

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

113969

(7.45.3) Metric denominator

Select from:

☑ square meter

(7.45.4) Metric denominator: Unit total

578765

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

16.75

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

The Clicks Group experienced a decrease in Scope 1 and 2 emissions of 0.2% and an increase in store area of 16.4% resulting in an overall decrease in emissions intensity
[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

77

(7.52.3) Metric numerator

% of waste recycled

(7.52.5) % change from previous year

1

(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 waste recycled decreased from 78% to 77% in the reporting year.
[Add row]

(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:
☑ 1.5°C aligned

(7.53.1.5) Date target was set

08/30/2022

(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

03/07/2022

(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

08/30/2032

(7.53.1.55) Targeted reduction from base year (%)

42

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

66227.880

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

5911

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

108058

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

113969.000

(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

0.45

(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 a target of 4.2% annual reduction from the base year of 2022. 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 intensity target is to achieve a 4.2% annual reduction in emissions across all three scopes (Scope 1, 2, and 3) 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 plans to achieve a 4.2% annual reduction in all three scopes (Scope 1, 2, and 3) by expanding renewable energy usage, improving energy efficiency, and reducing emissions in supply chain and logistics operations. Key initiatives include further installation of solar PV systems, transitioning more stores to LED lighting, and adding electric vehicles to the current vehicle fleet. Our sustainability committee will regularly review progress towards the 4.2% annual reduction target. This

process will involve evaluating the effectiveness of current initiatives, making necessary adjustments, and incorporating the latest scientific findings and best practices. • Solar Panel Installations: Expanding our solar PV capacity, including adding 720 kW in the last year, to increase the share of renewable energy in our operations. • LED Lighting: Transitioning additional stores to LED lighting to reduce energy consumption significantly. • Logistics reductions: adding 42 electric vehicles to the UPD fleet to reduce emissions from transportation. Using these initiatives, we expect a steady annual reduction of 4.2% in Scope 1, 2, and 3 emissions. Intermediate targets will be set to track progress, such as a specific reduction percentage to be achieved by 2025 and 2030.

(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

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per square meter

(7.53.2.12) End date of base year

08/30/2015

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.1900000000

(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 (metric tons CO2e per unit of activity)

0.1710000000

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.1970000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Target: The Clicks Group has established a new target of 10% reduction in our 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. 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

[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)

3636

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

1.6

(7.54.1.10) End date of target

08/30/2022

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

5

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

2.94

(7.54.1.13) % of target achieved relative to base year

39.41

(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 3636 MWh of renewable electricity, which accounts for 2.94% of the reporting year's energy generation. The target year is a 5% reduction in 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 4.5MW of renewable energy capacity across the head office, UPD and Clicks DC's to transition from non-renewable grid-based electricity. Clicks has achieved 39% of this target in the reporting year.
[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 (only for rows marked *)
Under investigation	*2*	*`Numeric input*
To be implemented	*3*	*741*
Implementation commenced	*1*	*294*
Implemented	*2*	*12576*
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

Low-carbon energy consumption

☑ Solar PV

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

3781

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

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

13781232

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

62967403

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

The Clicks Group has installed additional Solar PV with a capacity of 4.5MW at several of their distribution centres. These facilities generated 3636 MWh of renewable electricity in 2023. Using the grid emission factor (1.04tCO2e/MWh), this resulted in 3781 tCO2e emission reductions in the last year. The solar PV could produce up to 7490 MWh of electricity per year if uninterrupted by load shedding. Therefore, the savings were calculated as below: 7490 x 1.84 x 1000 R13 781 232 R1.84/kWh Average grid electricity tariff It costs approximately R13 992 756 to install 1MW of Solar PV: 4.5 MW x R13 992 756 R62 967 402.78

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

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

8795

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

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

33238400

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

20012658

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

In the last year Clicks has installed LED lighting across 186 stores which cost R33 238 400. Clicks aims to complete the remaining stores by 2030 and all new stores will have LED lighting installed from the start of operation.
[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 includes budget for non-energy efficiency emission reduction projects. For example, waste separation bins for the head office and waste recycling contracts to the distribution centres have been budgeted for and are being implemented.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

The Clicks Group has a dedicated budget for energy efficiency. For example, the Clicks Group has implemented LED technology and installed electronic meters that monitor energy usage per store. Store lighting is managed through either motion sensors, occupancy sensors or timer controls that automatically switch off lights when they are not needed.

Row 3

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

Continued communication to employees through the internal magazine, emails and environmental committee is carried out to ensure employees are conscious of energy consumption, and environmental aspects and impacts.

Row 4

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

When implementing new technology, the Group makes sure that it is in line with the energy efficient building standards such as the SANS 204 and SANS 10400-XA. SANS 204 defines the maximum energy demand and the maximum annual energy consumption for buildings in the various climatic areas of South Africa. SANS 10400-XA requires that new buildings comply with the energy efficiency requirements set out in SANS 204.
[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 canceled 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

(10.1.3) Please explain

Product packaging presents a key opportunity to demonstrate commitment to responsible product stewardship. There is increasing concern about the resources used in the production of packaging, notably plastic, as well as the impact that packaging has on the environment if it is not recycled or disposed of adequately. To this end, the group is a member of the SA Plastics Pact and committed to meeting joint industry targets by 2025. The SA Plastics Pact has set the following key goals for its members by 2025: • Taking action on problematic or unnecessary plastic packaging through elimination, redesign, innovation or alternative (re-use) delivery models • 100% of its members' packaging re-usable or recyclable • 30% recycled content from plastic waste across all its members' packaging requirements The group's MyEarth range of eco-friendly products are packaged in recyclable plastic packaging or plastic-free packaging made from sustainable paper, all with recycled content where possible. The Body Shop is working to ensure that all its product packaging is either compostable, refillable, or returnable for reuse. Its focus is on using fewer plastic materials where possible; using more plant-based and recycled plastic (rather than oil-based plastics) and helping people to reuse, repurpose and recycle. The group's Sorbet salons offering is working to reduce plastic usage. In their corporate stores, they are phasing out pedi liners which are used during pedicure services for hygienic purposes. They have introduced antibacterial copper bowls as a sustainable alternative, eliminating the need for plastic liners. This transition has already

been implemented in 52 stores, with plans for completion by August this year. The group sells durable reusable, recyclable and made from 100% post-consumer recycled bags in its stores. All single use shopper bags are also made from 100% post-consumer waste.
[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)

2104.17

(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

68.51

(10.5.6) % post-consumer recycled content

31.49

(10.5.7) Please explain

Clicks' Private Label used 1451.6 tonnes of plastic packaging, of which 10 tonnes is post-consumer recycled content (0.69%). All packaging separate from post-consumer recyclate is virgin fossil based plastic. 618.9 tonnes of plastic shopper bags were placed into the market. These are 100% post-consumer recyclate. 33.67 tonnes of reusable shopper bags were placed on the market. These are also 100% post-consumer recyclate. In total, 68.51% of plastic is virgin fossil based, and 31% is 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

1.6

(10.5.1.3) % of plastic packaging that is technically recyclable

79.99

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

79.99

(10.5.1.5) Please explain

Clicks is reporting values on our Private Label packaging, plastic shopping bags and private label goods packaging reusable shopping bags. 1.6% 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 of the PL products are recyclable, ringing the total percentage of recyclable plastic up to 79.99% 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)

5806.9

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

Select all that apply

☑ Recycling

☑ Incineration

☑ Landfill

(10.6.4) % recycling

76

(10.6.7) % incineration

3

(10.6.8) % landfill

21

(10.6.12) Please explain

Clicks is committed to expanding its recycling efforts continuously. Currently, the company recycles 76% of the waste it generates, incinerates 3% as medical waste, and sends the remaining 21% to landfill. These figures are detailed in our annual carbon footprint report, which is independently verified by a third party. We expect an increase in recycled plastic volumes as our distribution centres, which already recycle 88.6% of their solid waste, are finalising a national contract with a new waste service provider aimed at enhancing waste diversion from landfill to recycling.
[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 consumption

☑ 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 has its energy consumption verified as part of the assurance process for its GHG emissions.
[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 actively preparing to enhance its environmental disclosures by collecting relevant data to participate in future CDP Water and Forests questionnaires. While the company currently reports on climate-related impacts, it recognises the importance of water security and responsible forest use related to our products in our sustainability strategy. Clicks is working to gather accurate and comprehensive data on its water consumption, risks, and management practices, as well as its forest-related supply chain impacts.
[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]