APPLICATION OF KING III PRINCIPLES 2012

This document has been prepared in terms of the JSE Listings Requirements and sets out the application of King III principles by the Clicks Group. The following table includes references to the group's 2012 Integrated Annual Report where detail on the application of the principles is disclosed.

Principles 3.2 and 9.3 were not fully applied during the 2012 financial year. Further detail on the application of these principles can also be found on page 35 of the Integrated Annual Report.

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Chapter 1 : Ethical leadership and corporate citizenship		
Principle 1.1: The board should provide effective leadership based on an ethical foundation.	The board is responsible for corporate governance and determining the group's strategic direction. Decisions, deliberations and actions are based on the group's ethical values and principles. The Integrated Annual Report provides further detail on how the board has discharged its responsibilities in 2012.	The effective leadership is reflected throughout the Integrated Annual Report in areas such as the Chairman's and Chief Executive's Reports (pages 14 to19), Stakeholder Engagement (pages 32 to 34), Corporate Governance Report (pages 35 to 40) Ethics and values (page 40) and Social and Ethics Committee Report (page 46).
Principle 1.2: The board should ensure that the company is and is seen to be a responsible corporate citizen.	The Integrated Annual Report outlines the group's performance. With the strategic direction provided by the board the group seeks to protect, enhance and invest in the wellbeing of the economy, society and the environment. The social and ethics committee ensures that the group formulates collaborative responses to sustainability challenges.	There is a continued focus on sustainability, CSI initiatives and in particular with regards to the healthcare industry. This is reflected in the Chief Executive's and Social and Ethics Committee Reports on pages 16 to 19 and pages 46 to 49.
Principle 1.3: The board should ensure that the company's ethics are managed effectively.	The board ensures that the group's ethical standards are clearly articulated and supported as an integral part of conducting business. The ethical standards guiding the group's relationship with stakeholders are governed by the group's code of conduct. Ethical standards of the group are integrated into all the group's strategies and operations. Internal Audit annually assesses the group's ethical performance and provides regular reports to both the audit and risk as well as the social and ethics committees.	Corporate Governance Report (page 40) Social and Ethics Committee Report (page 47) Audit and Risk Committee Report (page 51)
Chapter 2 : Board and directors		
Principle 2.1: The board should act as the focal point for and custodian of corporate governance.	The board has a charter setting out its role, powers and responsibilities both in terms of the latest governance developments as well as the requirements for its composition, meeting procedures and work plan.	Corporate Governance Report (page 36) Chairman's Report (page 15)
Principle 2.2: The board should appreciate that strategy, risk, performance and sustainability are inseparable.	The board is active in informing the strategy of the group, ensuring appropriate alignment with the purpose and mandate of the group. The board appreciates that strategy, risk, performance and sustainability are inseparable and this is evident in the Integrated Annual Report.	Integrated Annual Report presented

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Principle 2.3: The board should provide effective leadership based on an ethical foundation.	The board is responsible for corporate governance and determining the group's strategic direction. Decisions, deliberations and actions are based on the group values. The Integrated Annual Report provides further detail on how they have discharged their responsibilities in 2012.	The values are discussed in the 2012 Integrated Annual Report and these are led by the board.
Principle 2.4: The board should ensure that the company is and is seen to be a responsible corporate citizen.	The Integrated Annual Report outlines the group's performance with regards to sustainability. With the strategic direction provided by the board the group seeks to protect, enhance and invest in the wellbeing of the economy, society and the environment. The social and ethics committee ensures that the group formulates collaborative responses to sustainability challenges.	Refer to Principles 2.1 and 2.3
Principle 2.5: The board should ensure that the company's ethics are managed effectively.	The management of ethics within the group forms an important aspect of the board's focus and responsibility. Regular updates are received from the social and ethics committee on ethical matters.	Corporate Governance Report (page 40) Audit and Risk Committee Report (page 51)
Principle 2.6: The board should ensure that the company has an effective and independent audit committee.	An effective and independent audit and risk committee is in place. The committee terms of reference outline the roles, powers, responsibilities and membership.	Corporate Governance Report (page 37) Audit and Risk Committee Report (pages 50 to 52)
Principle 2.7: The board should be responsible for the governance of risk.	The audit and risk committee assist the board in executing its responsibility in terms of the governance of risk. The committee terms of reference outline the responsibilities, members and work plan.	Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 2.8: The board should be responsible for information technology (IT) governance.	An IT steering committee which includes the group CFO and Head of IT reports to the chairman of the audit and risk committee. The committee reviews IT standards, governance frameworks and results of internal audit reviews.	Corporate Governance Report (page 39)
Principle 2.9: The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	The audit and risk committee assists the board in ensuring that a relevant compliance framework is maintained and that applicable laws and regulations are complied with.	Corporate Governance Report (page 39)
Principle 2.10: The board should ensure that there is an effective risk-based internal audit.	An effective risk-based internal audit function is in place.	Audit and Risk Committee Report (page 51)

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 2.11: The board should appreciate that stakeholders' perceptions affect the company's reputation.	Shareholders perceptions and the potential effect that it may have on the reputation of the group is appreciated and focused on by the board. A board-endorsed stakeholder engagement process has been adopted across the business and the related metrics are regularly reviewed by the board.	Stakeholder Engagement (pages 32 to 34)
Principle 2.12: The board should ensure the integrity of the company's integrated report.	The board approves the integrated report after satisfying itself with respect to the accuracy and integrity of the report.	Refer to Principle 9.1 and the Integrated Annual Report (page 1)
Principle 2.13: The board should report on the effectiveness of the company's system of internal controls.	The board obtains assurance and reports on the effectiveness of the group's systems of internal control.	Corporate Governance Report (page 38) Audit and Risk Committee Report (page 51)
Principle 2.14: The board and its directors should act in the best interests of the company.	The board acts in the best interests of the group by ensuring that individual directors: • adhere to legal standards of conduct as set out in the new Companies Act • exercise their fiduciary duties with the best interest of the group at heart • are permitted to take independent advice in connection with their duties following an agreed procedure • disclose real or perceived conflicts to the board and deal with them accordingly • deal in securities only in accordance with the policy adopted by the board.	Corporate Governance Report (pages 35 and 40) Remuneration Report (page 42)
Principle 2.15: The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Act.	The board is apprised of the group's going-concern status at the interim and full year meetings. The board monitors the solvency and liquidity of the company on a regular basis.	Corporate Governance Report (page 39)
Principle 2.16: The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfil the role of chairman of the board.	The chairman of the board is an experienced independent non-executive director, free of conflict upon appointment and was elected by the board. The remuneration and nominations committee annually assesses the independence of the chairman and the chairman is elected annually.	Corporate Governance Report (page 36)
Principle 2.17: The board should appoint the chief executive officer and establish a framework for the delegation of authority.	The board appointed the CEO and provides input into senior management appointments. The role and function of the CEO is formalised and the board evaluates the performance of the CEO annually. Succession plans are in place for the CEO and senior management.	Corporate Governance Report (page 36)

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King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 2.18: The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	The majority of board members are independent non-executive directors. Directors are appointed through a formal process (remuneration and nominations committee) and the knowledge, skills and resources required by the board are considered. The size and diversity of the board allows for the board to conduct its business effectively. The CEO, CFO and Group HR director are executive directors of the board.	Board of Directors (page 12) Chairman's Report (page 15) Corporate Governance Report (page 36)
Principle 2.19: Directors should be appointed through a formal process.	A remuneration and nominations committee is in place and assists in identifying suitable members that will address the board's requirements in terms of knowledge, skills and resources. All appointments comply with the requirements of the Companies Act and the Company's Memorandum of Incorporation. Non-executive directors are formally appointed with a letter of appointment.	Board of Directors (pages 12 and 13) Corporate Governance Report (page 36)
Principle 2.20: The induction of and on-going training and development of directors should be conducted through formal processes.	A formal induction programme is in place for new directors, which provides them with information on the group's strategy and operations as well as sets out their responsibilities as directors. A board continuing development programme is in place that focuses on improving and keeping the board up to date with governance, regulatory and operation developments.	Corporate Governance Report (page 36)
Principle 2.21: The board should be assisted by a competent, suitably qualified and experienced company secretary.	A competent and experienced group secretary, who is not a director of the board, is in place and assists the board with: - the nomination and appointment of directors through the remuneration and nominations committee - assisting with the director induction and training programmes - providing guidance to the board on director duties, responsibilities and good governance - keeping board and committee charters up to date - preparing and circulating board papers - drafting the annual work plans of the board - the preparation and circulation of minutes of board and committee meetings - the evaluation of the board, committees and individual directors. The appointment and functions of the group secretary are in line with the requirements of the Companies Act.	Corporate Governance Report (page 36)

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 2.22: The evaluation of the board, its committees and the individual directors should be performed every year.	An annual evaluation is undertaken by the directors which includes an assessment of each director and the relevant board committees. The chairman of the board discusses the results of the reviews with each director and committee. The results of the evaluation is used to identify training needs for directors and action plans are put in place to address such needs.	Corporate Governance Report (page 37)
Principle 2.23: The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	The following committees are in place: - audit and risk - remuneration and nominations - social and ethics Formal terms of reference are in place and reviewed annually, setting out the roles, powers and responsibilities of each committee. The committee chairpersons report back to the board after each meeting. The audit and risk committee comprises three independent non-executive directors as required in terms of the Companies Act. The terms of reference of the audit and risk committee provides for all the statutory functions of the committee.	Corporate Governance Report (page 37)
Principle 2.24: A governance framework should be agreed between the group and its subsidiary boards.	All subsidaries apply the policies and procedures of the holding company.	Referenced in roles and responsibilities of each sub-committee
Principle 2.25: Companies should remunerate directors and executives fairly and responsibly.	A remuneration and nominations committee is in place and assists the board in ensuring the group's remuneration policy is aligned with the strategy and goals. The committee also reviews and approves remuneration of executive directors and senior management, proposes non-executive fees, reviews participation in and detail of share-based and other long-term incentive schemes.	Remuneration Report (pages 41 to 45) Corporate Governance Report (page 37)
Principle 2.26: Companies should disclose the remuneration of each individual director and certain senior executives.	The disclosure of director remuneration meets the requirements of the Companies Act.	Remuneration Report (pages 44 to 45)
Principle 2.27: Shareholders should approve the company's remuneration policy.	The group's remuneration policy is proposed to shareholders for a non-binding advisory vote at the annual general meeting (AGM) each year.	Chairman's Report (page 15) Corporate Governance Report (page 35) Remuneration Report (page 42)

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King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Chapter 3: Audit Committee		
Principle 3.1: The board should ensure that the company has an effective and independent audit committee.	The group has an audit and risk committee comprising at least three independent, non-executive directors who were nominated by the remuneration and nominations committee and elected at the AGM by the shareholders. The audit and risk committee has clear terms of reference, approved by the board, which informs the audit and risk committee of its agenda and work plan. The committee met four times this year. The audit and risk committee also meets at least once a year with the external and internal auditors without management being present.	Chairman's Report (page 15) Corporate Governance Report (page 37) Audit and Risk Committee Report (pages 50 to 52)
Principle 3.2: Audit committee members should be suitably skilled and experienced independent non-executive directors.	The audit and risk committee is regularly evaluated by the remuneration and nominations committee and the board, and collectively has a good understanding of the integrated reporting, internal financial controls, the external and internal audit process, corporate law, risk management, sustainability issues, information technology governance and the governance processes within the group. Subsequent to year-end, the chairman of the board will stand down as a member of the committee and may in future attend the meeting by invitation.	Board of Directors (pages 12 to 13) Corporate Governance Report (pages 35 and 37) Audit and Risk Committee Report (page 51)
Principle 3.3: The audit committee should be chaired by an independent non-executive director.	The audit and risk committee is chaired by an independent non-executive director, namely John Bester.	Corporate Governance Report (pages 35 to 37) Audit and Risk Committee Report (page 51)
Principle 3.4: The audit committee should oversee integrated reporting.	The group produces an Integrated Annual Report that conveys adequate information about the social, economic and environmental impact of the group on the environment in which it operates. The audit and risk committee oversees the integrity of the integrated report. The review of the audit and risk committee includes not only the primary financial information, but also includes all relevant narrative information to present a balanced view of the group's performance. The committee understands how the board and the external auditor evaluate materiality for integrated reporting purposes. The audit and risk committee is informed of any disagreements on auditing or accounting matters between management and the external auditors.	Audit and Risk Committee Report (page 50)
Principle 3.5: The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	The audit and risk committee reviews the combined assurance framework annually to be satisfied that significant risks are addressed within the group. The framework considers assurances provided by internal audit, external audit and specialist agencies.	Audit and Risk Committee Report (pages 50 to 52)

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 3.6: The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function.	The audit and risk committee annually reviews the appropriateness of the expertise and adequacy of the resources on the finance function and the experience of the senior members of management responsible for the financial function.	Audit and Risk Committee Report (page 52)
Principle 3.7: The audit committee should be responsible for overseeing of internal audit.	The group has an internal audit function that is independent and has the necessary resources, budget, standing and authority within the group to discharge its functions. The audit and risk committee is responsible for the appointment, performance management and dismissal of the head of internal audit. The committee approves the internal audit plan and encourages cooperation between all assurance providers. The committee also ensures that the function is adequately resourced to perform its duties. The committee ensures that the internal audit function is subjected to a quality review on a regular basis.	Audit and Risk Committee Report (page 50)
Principle 3.8: The audit committee should be an integral component of the risk management.	The board has assigned responsibility for a risk management processes to the audit and risk committee. Through this risk management function, the audit and risk committee satisfies itself that the following areas have been appropriately addressed: - financial reporting risk - internal financial controls - fraud risk as it relates to financial reporting - IT risks as they relate to financial reporting.	Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 51)
Principle 3.9: The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	The audit and risk committee recommends to the shareholders the appointment, reappointment and removal of the external auditor based on an assessment of the firm and the individual's qualifications, experience, resources, effectiveness and independence. These attributes are assessed on an annual basis.	Audit and Risk Committee Report (pages 51 and 52)
Principle 3.10: The audit committee should report to the board and shareholders on how it has discharged its duties.	The audit and risk committee reports to shareholders on how it has discharged its duties at the AGM and a written report is included in the Integrated Annual Report and Annual Financial Statements.	Corporate Governance Report (pages 38 to 40) Audit and Risk Committee Report (pages 50 to 52)

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King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Chapter 4: The governance of risk		
Principle 4.1: The board should be responsible for the governance of risk.	The board takes responsibility for the governance of risk within the group. A risk-management policy was approved by the board and has been implemented by management. The audit and risk committee regularly reviews the group risk assessment and satisfies itself that the responses and mitigations are adequate.	Material Sustainability Issues and Risks (pages 9 to 11) Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 4.2: The board should determine the levels of risk tolerance.	The risk attitude of the group is reviewed annually by management and the board of directors. Significant risks are outlined in the Integrated Annual Report along with the relevant mitigations.	Material Sustainability Issues and Risks (pages 9 to 11) Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 4.3: The risk committee or audit committee should assist the board in carrying out its risk responsibilities.	The audit and risk committee is responsible for ensuring the group has implemented an effective policy and plan for risk, and that disclosure is comprehensive, timely and relevant. These activities are included in the committee's terms of reference and work plan.	Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 4.4: The board should delegate to management the responsibility to design, implement and monitor the risk management plan.	The group has a risk policy and the risks are reviewed and assessed annually by management during the strategic planning process. Risks are updated and progress on mitigation plans are reported to the audit and risk committee. Internal audit monitors the progress of the group and business units in managing risks and reports the findings to the audit and risk committee.	Material Sustainability Issues and Risks (pages 9 to 11) Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 4.5: The board should ensure that risk assessment is performed on a continual basis.	Risk management is embedded in the group's annual business planning cycle. A disciplined approach is followed in evaluating risks and developing appropriate mitigation strategies.	Material Sustainability Issues and Risks (page 9) Corporate Governance Report (page 38)
Principle 4.6: The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	The group implemented a risk policy which outlines the process and methodologies for both identifying and monitoring risks.	Corporate Governance Report (page 38)
Principle 4.7: The board should ensure that management considers and implements risk responses.	The group has a risk policy and the risks are assessed annually during the strategic planning process. Progress of the group in managing the risks is reported to the audit and risk committee twice a year.	Material Sustainability Issues and Risks (pages 9 to 11) Corporate Governance Report (page 38)
Principle 4.8: The board should ensure continual risk-monitoring by management.	The group has a risk policy which outlines the process, responsibilities and methodologies for both identifying and monitoring risks. Progress of the group in managing the risks is reported to the audit and risk committee twice a year.	Material Sustainability Issues and Risks (pages 9 to 11) Corporate Governance Report (page 38)

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 4.9: The board should receive assurance regarding the effectiveness of the risk management process.	Regular reports are provided to the audit and risk committee and internal audit performs an annual review of the effectiveness of the system of internal controls and risk management.	Corporate Governance Report (page 38) Audit and Risk Committee Report (pages 50 to 52)
Principle 4.10: The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	Detailed disclosure on the group's material risks is provided in the Integrated Annual Report.	Material Sustainability Issues and Risks (pages 9 to 11)
Chapter 5: The governance of information technology (IT)		
Principle 5.1: The board should be responsible for information technology (IT) governance.	The board is responsible for IT governance, understands the strategic importance of IT in achievement of the group's strategic objectives and has IT governance on the board agenda. The IT steering committee reports to the chairman of the audit and risk committee on various matters including compliance with relevant governance frameworks and results of internal audit reviews.	Corporate Governance Report (page 39) Principle 2.8
Principle 5.2: IT should be aligned with the performance and sustainability objectives of the company.	The IT strategy is integrated with the group's strategic and business processes. IT and business plans are integrated, align IT with overall business operations and specify the IT value proposition.	Corporate Governance Report (page 39)
Principle 5.3: The board should delegate to management the responsibility for the implementation of an IT governance framework.	A governance framework has been implemented and includes alignment of IT to support the business strategy and operations, deliver value and manage performance, information security, managing IT risk and compliance, and business continuity management.	Corporate Governance Report (page 39)
Principle 5.4: The board should monitor and evaluate significant IT investments and expenditure.	Return on investment is defined for IT investments and projects and is measured and reported to the board. The group CFO is also a member of the investment committee and reviews the reasonableness of future projects.	Chief Financial Officer's Report (page 23) Corporate Governance Report (page 39)
Principle 5.5: IT should form an integral part of the company's risk management.	Risk management is embedded in the group's annual business planning cycle. A disciplined approach is followed in evaluating risks and developing appropriate mitigation strategies, which includes risks specific to IT.	Corporate Governance Report (page 39)
Principle 5.6: The board should ensure that information assets are managed effectively.	An information management strategy is in place which monitors the management of assets. This includes the management of information security.	Corporate Governance Report (page 39)

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King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 5.7: A risk committee and audit committee should assist the board in carrying out its IT responsibilities.	The IT steering committee reports to the chairman of the audit and risk committee on various matters including compliance with relevant governance frameworks and the results of internal audit reviews.	Corporate Governance Report (page 39)
Chapter 6: Compliance with laws, codes, rules and standards		
Principle 6.1: The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Legislative and regulatory compliance is monitored by the head of group legal and the group compliance officer. An analysis of current and pending legislation is presented at each meeting of the board, audit and risk committee, and the social and ethics committee.	Corporate Governance Report (page 39)
Principle 6.2: The board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards of the company and its business.	Processes are in place to ensure that the board is continually informed of relevant laws, rules, codes and standards including any changes made. This forms part of the board induction and on-going training programme.	Corporate Governance Report (page 36)
Principle 6.3: Compliance risk should form an integral part of the company's risk management process.	Compliance risk forms an integral part of the company's risk management process. Legislative and regulatory compliance is monitored by the head of group legal and the group compliance officer. An analysis of current and pending legislation is presented at each meeting of the board, audit and risk committee, and the social and ethics committee.	Corporate Governance Report (pages 38 to 39)
Principle 6.4: The board should delegate to management the implementation of an effective compliance framework and processes.	Legislative and regulatory compliance is monitored by the head of group legal and the group compliance officer. An analysis of current and pending legislation is presented at each meeting of the board, audit and risk committee, and the social and ethics committee.	Corporate Governance Report (page 39)
Chapter 7: Internal Audit		
Principle 7.1: The board should ensure that there is an effective risk based internal audit.	The role of internal audit is outlined in the terms of reference of the audit and risk committee as well as the internal audit charter. The annual audit plan is approved by the committee and addresses all the areas as recommended by King III.	Corporate Governance Report (page 38) Audit and Risk Committee Report (page 51)
Principle 7.2: Internal audit should follow a risk based approach to its plan.	Internal audit is independent from management and follows a risk based audit plan by incorporation of the strategy and risks of the group. Internal audit reporting meets the need and requirements of management and the audit and risk committee.	Corporate Governance Report (page 38)

King III Principle	Comments on application in 2012	Reference in 2012 Integrated Report
Principle 7.3: Internal audit should provide a written assessment of the effectiveness of the company's system of internal control and risk management.	Internal audit forms an integral part of the combined assurance model as the internal assurance provider providing an annual assessment to the audit and risk committee on the effectiveness of internal controls and risk management.	Corporate Governance Report (page 38) Audit and Risk Committee Report (page 51)
Principle 7.4: The audit committee should be responsible for overseeing internal audit.	The internal audit responsibilities are determined by the audit and risk committee and are outlined in the audit charter. The head of internal audit is appointed by the committee and reports functionally to the committee and administratively to the chief financial officer of the group. The chairman of the committee meets with the head of internal audit on a monthly basis. The head of internal audit attends all audit and risk committee meetings and provides the meetings with a written assessment of the effectiveness of the governance, risk and control environment. The internal audit function, through the audit and risk committee, assures the board that the combined assurance model is effective so as to best optimise cost, avoid duplication and prevent assurance overload and assessment fatigue. The audit and risk committee ensures that the internal audit function is subjected to an independent quality review as and when the audit and risk committee determines appropriate.	Audit and Risk Committee Report (pages 51 and 52)
Principle 7.5: Internal audit should be strategically positioned to achieve it objectives.	The internal audit function is independent and objective and reports functionally to the audit and risk committee. The committee reviews the resources and skills of the function on an annual basis to ensure it is adequate to address risk and assurance requirements.	Audit and Risk Committee Report (pages 51 and 52)
Chapter 8: Governing stakeholder relationships		
Principle 8.1: The board should appreciate that stakeholders' perceptions affect a company's reputation.	The Clicks Group has adopted a board endorsed stakeholder engagement process across the business. Performance indicators have been developed for each primary stakeholder group and these are reported and reviewed at board meetings.	Stakeholder Engagement (pages 32 to 34)
Principle 8.2: The board should delegate to management to proactively deal with stakeholder relationships.	The Clicks Group has adopted a board endorsed stakeholder engagement process across the business. Performance indicators have been developed for each primary stakeholder group and these are reported and reviewed at board meetings.	Stakeholder Engagement (pages 32 to 34)
Principle 8.3: The board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company.	The Clicks Group has adopted a board endorsed stakeholder engagement process across the business. Performance indicators have been developed for each primary stakeholder group and these are reported and reviewed at board meetings.	Stakeholder Engagement (pages 32 to 34)

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Principle 8.4: Companies should ensure the equitable treatment of shareholders.	There is equitable treatment of all holders of the same class of shares issued, including minorities and between holders of different classes of shares in the company.	Stakeholder Engagement (pages 32 to 34) Summary Audited Financial Statements (page 58)
Principle 8.5: Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	The group provides complete, timely, relevant, accurate, honest and accessible information to its stakeholders whilst having regard to legal and strategic considerations. The degree of corporate transparency and communication is considered with reference to the company stakeholder policies, relevant legal requirements and the maintenance of the group's competitive advantage. No requests for information were withheld by the group in terms of the Promotion of Access to Information Act, 2000.	Stakeholder Engagement (page 32) Corporate Governance Report (page 39)
Principle 8.6: The board should ensure disputes are resolved as effectively, efficiently and expeditiously as possible.	Dispute resolution clauses are included in contracts to deal with external disputes. Internal dispute processes include the HR grievance process and tip-offs anonymous.	Stakeholder Engagement (pages 32 to 34)
Chapter 9: Integrated reporting and disclosure		
Principle 9.1: The board should ensure the integrity of the company's integrated report.	The board, assisted by the audit and risk committee, assumes responsibility for the Integrated Annual Report and ensures that the report fairly represents the performance of the group.	Integrated Annual Report (page 1) Audit and Risk Committee Report (pages 50 to 52)
Principle 9.2: Sustainability reporting and disclosure should be integrated with the company's financial reporting.	The Integrated Annual Report includes the group's summary of financial statements and commentary that allows the reader to contextualise the financial results by providing sufficient information on the key issues effecting the group, it's stakeholders and the community it operates in. The group qualified for inclusion in the JSE Social Responsible investment (SRI) index, achieving over 90% of the governance and sustainability indicators.	Sustainability reporting and disclosure have been integrated with the group's financial reporting. Further information is also available on the group's website.
Principle 9.3: Sustainability reporting and disclosure should be independently assured.	The audit and risk committee considered obtaining independent assurance of the sustainability information. Certain indicators have been selected for verification by accredited specialists, namely broad-based black economic empowerment and carbon emissions. Internal audit has assured selected sustainability indicators.	Corporate Governance Report (page 35)