

**CORPORATE EXPRESS AUSTRALIA LIMITED**  
**Summary of Board Responsibility and the Board's Specific**  
**Delegation of Management Authority**

**A. Board Responsibility**

The Board of Corporate Express Australia Limited has the following responsibilities:

1. Reviewing and approving the strategic direction of the company;
2. Selection, monitoring and evaluation of the Chief Executive officer and overseeing and monitoring the performance and appointment of other senior management;
3. Selecting future directors and assessing the board and individual director's performance;
4. Monitoring the company's financial and business performance and financial reporting;
5. Overseeing risk management policies, practice and performance;
6. Implementing high level policy framework and ratifying specific policies within that framework;
7. Overseeing compliance and governance policies and practices and ensuring the company's business is conducted legally, ethically and responsibly.

**B. Management Responsibility**

Since 1995 the Company's management has operated under a Delegation of Management Authority, which details specific limitations on the type of matters which may be dealt with by management, and those matters which are reserved for the Board.

Summarised below are the key principles of the Delegation of Management Authority:

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| Transactions other than in the ordinary course of business | Board approval required where the amount involved over the delegated threshold.           |
| Acquisitions and Disposals of capital assets               | Board approval required where the consideration involved is over the delegated threshold. |
| Appointment and removal of                                 | Board approval required   |

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| officers and senior managers  |   |
| Appointment of consultants where the consideration is over the delegated threshold.   | Board approval required   |
| Major Litigation  | Board approval/ notification required   |
| Indemnities given by the company other than in the ordinary course of business  | Board approval required   |
| Fundamental organisational changes  | Board approval required   |
| Entry into a new business or discontinuance of an existing business   | Board approval required   |
| Establishing treasury and investment policies within which management must act  | Reserved to the Board   |
| Related party transactions  | Board approval required   |
| Other Transactions with employees or affiliates which (i) are other than in the ordinary course of business (e.g. reimbursement of approved expenses), (ii) give rise to an actual or apparent conflict of interest, or (iii) include terms or conditions which could not reasonably be expected in a similar transaction among unrelated parties | Prior Board approval is required in all cases over the delegated threshold.   |
| Issuance of debt securities   | Board approval required   |
| Incurring new debt  | Prior Board approval is required in all cases over the delegated threshold  |
| Mortgaging, pledging or otherwise encumbering assets of the Corporation or its subsidiaries   | Prior Board approval is required in all cases other than the mortgage, pledge or encumbrance of specific assets by way of lease, hire purchase or other purchase money financing in connection with a transaction within the limits of authority already established. |
| Issuance of equity securities   | Board approval required. Limitations have been set in   |

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|   | relation to issues under employee share and option plans.   |
| Repurchase or other acquisition of shares of the Corporation  | Prior Board approval is required in all cases   |
| Recommendation, declaration and payment of dividends  | Prior Board approval is required in all cases   |
| Selection of independent auditors   | Reserved to the Board   |
| Issuance of interim and annual reports and financial statements   | Board approval is required prior to filing and/or release to the public   |
| Establishment or modification of significant accounting policies  | Requires Board approval   |
| Approval of annual operating and capital budgets  | Reserved to the Board   |
| Adoption, modification or abandonment of material strategic initiatives   | Reserved to the Board   |
| Fundamental changes in existing operating methodologies, market segments or geographic markets  | Reserved to the Board   |
| Acquisition (including joint venture and/or partnership arrangements) of related businesses by stock or asset purchase or merger of the target company into the Corporation or any subsidiary | Prior Board approval is required in all cases where the total acquisition costs exceed the delegated threshold. |
| Acquisition (including joint venture and/or partnership arrangements) of an unrelated business or group of assets   | Prior Board approval is required in all cases   |
| Acquisitions outside Australia  | Prior Board approval is required in all cases   |
| Disposition of a business unit or all or substantially all of the assets of a business unit as a going concern  | Prior Board approval is required.   |
| Significant media announcements   | Board approval required   |

