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Information on ANZ and Gunns Limited

ANZ acknowledges the concerns that some stakeholders have raised in relation to our relationship with Tasmanian timber company Gunns Limited and in particular, our potential role in the financing of the proposed Bell Bay Pulp Mill in Tasmania. Gunns has been an ANZ client since 1995.

1. ANZ has not yet considered or approved funding for the Bell Bay Pulp Mill

Gunns Limited is in the process of obtaining the necessary government approvals for the Pulp Mill. ANZ will only decide on any potential involvement in project once the government review processes are complete.

The Tasmanian Parliament has recently passed legislation outlining the process the Tasmanian Government plans to conduct in its assessment of the social and environmental impact of the Pulp Mill and a final decision from the Tasmanian Government is expected by August 2007.

The Federal Government will conduct its own social and environmental assessment of the Pulp Mill under separate legislation. The Federal Minister for the Environment and Water Resources will make a final decision on whether the project complies with that legislation after that assessment.

2. ANZ will apply the Equator Principles

ANZ adopted the [Equator Principles](#) in December 2006. This means ANZ will only finance projects within the Principles' scope developed according to sound social and environmental standards.

Should Gunns receive the required government approvals to develop the mill and ANZ is requested by Gunns to consider financing the project, ANZ will seek to ensure all social and environmental risks have been identified and addressed in accordance with the Equator Principles.

As a potential financier of the project, ANZ will need to assess the key social and environmental risks of the project, having regard to the work that has already been done by government assessments, and identify any actions needed to mitigate these risks.

As part of this process, we will verify whether previous social and environmental assessment processes align with the Equator Principles and whether we need conduct further assessments of the Pulp Mill.

ANZ is required by the Equator Principles to ensure these steps are carried out before any decision is made to finance a project.

3. In addition to the Equator Principles, any project ANZ is involved in must comply with ANZ's own internal social and environmental policies.

ANZ is the first Australian bank to prepare a [Forests Policy](#) and we are currently conducting a thorough consultation process on the draft Policy with environmental NGOs, governments, industry associations, clients and individual stakeholders.

Once finalised, the Policy will guide ANZ's decision-making on transactions that have the potential to impact on the sustainability of native forests and forest biodiversity.

The Policy will be finalised by the end of May 2007 and will thereafter be applied to any decisions made by ANZ in relation to the Bell Bay Pulp Mill.

Updated: April 2007