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Company Announcements Platform
Australian Securities Exchange

Gunns Customers achieve certification under FSC controlled wood program

Japanese woodchip price negotiations finalised

Gunns' major Japanese customers; NPI, Oji, Chuetsu and Itochu (Marusumi) have been granted FSC Controlled Wood status for woodchip grades supplied to them from specified areas from Gunns in Tasmania. This is a great outcome for the business, our stakeholders and the environment.

Gunns has also finalised negotiations for pricing its hardwood woodchip supply to the Japanese market. The price for eucalyptus, mixed-grade woodchips for the 2010 calendar year has been set at \$189.50 per bone-dry metric ton (BDMT). This is a decrease of \$1.00 per BDMT from the 2009 price.

Gunns Chief Executive Officer, Greg L'Estrange said, "it is encouraging to see our Japanese customers attain FSC Controlled Wood Status for woodchips supplied by Gunns."

"Certification provides certainty to consumers about the source of their wood products. Being independently audited by certifying bodies on a continuous basis demonstrates commitment to the responsible, sustainable management of forestry operations and the environment. It invites independent scrutiny of all aspects of the business in a completely open and transparent way."

“We recognise the need to undertake our business within an operational framework that demonstrates social responsibility to the community and its customers,” he said. “As part of our commitment to managing our business in a socially responsible and sustainable way, we have commenced the process to gain accreditation under the Forest Stewardship Council Certification (FSC).”

“Gunns’ ultimate aim is to achieve the globally recognised FSC Forest Management Certificate. Currently Gunns is certified to ISO 14001, and the Australian Forestry Standard (AFS) which is recognised by the international certifying body Program for the Endorsement of Forest Certification (PEFC).”

Gunns intends to maintain dual certification to ensure the broadest possible acceptance of its products in the marketplace.

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