

PT PP LONDON SUMATRA INDONESIA Tbk
Ariobrimo Sentral
Jl. HR Rasuna Said Blok X-2 Kav. 5
Jakarta 12950
Indonesia
Attention: **Bpk Muhammad Waras**

23 January 2019

RE: PT PP London Sumatra Tbk's ("Lonsum") withdrawal from RSPO Certification Scheme.

Dear sir,

We acknowledge receipt of your letter dated 17th January 2019 (hereinafter, referred to simply as "letter") with the abovementioned reference.

I acknowledge that there has been some delay in our reply. This is mainly due to the fact we had multiple interpretations of your letter and each interpretation had their own sets of consequences. We have tried to seek clarification from you on two occasions. One through an email dated 18 January 2019 and the other through a physical meeting in our Jakarta office on 22 January 2019. To no avail. As such, this letter will reiterate the same points posed to you on the two prior occasions mentioned:

1. If the letter's intention is to withdraw RSPO membership of LONSUM:
LONSUM is not a registered member of the RSPO. It is a subsidiary of a registered RSPO member, PT SALIM IVOMAS PRATAMA. As such, matters related to membership such as renewals, fees, updates, suspensions, termination etc will be dealt directly, between PT SALIM IVOMAS PRATAMA and RSPO. To put it simply, there is no option for RSPO to engage with LONSUM, on the membership status of PT SALIM IVOMAS PRATAMA.
2. If the letter's intention is withdraw RSPO certificates held by LONSUM mills:
LONSUM will remain subject to decisions and instructions made by the RSPO Complaints Panel, even if a request to withdraw RSPO certificates is granted to the mills mentioned in the appendix to your letter. This includes the Complaints Panel subsequent directives following the issuance of it's Letter of Warning dated 15 January 2019.

It is our understanding that your initial letter to us, is already in the public domain and as such, we will provide similar transparency to our stakeholders. We hope to receive a response from your good-self by the close of business (5pm, Jakarta time), on 24th January 2019, given that we have explained the situation to you on more than one occasion.

A lack of response (which includes a response that does not provide clarity on the 2 points mentioned) may result in the RSPO ignoring your letter dated 17 January 2019 and we will proceed with the status quo of our formal relationship.

Best regards

for Roundtable on Sustainable Palm Oil,



Datuk Darrel Webber