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Reply on Earthsight-Auriga report about deforestation in Indonesia

Dear Mr. Lawson, dear Mr. Manurung,

We received your letter dated July 21st, 2025 and read it with the upmost attention. I want to make very clear that your concerns about deforestation are mutual concerns. We are a young company in full development and we are very conscious about the impact of our market on the environment. We aim to conduct our business in a transparent, responsible manner taking into account all related sustainability matters.

First of all, thank you for contacting us in case of your report about deforestation in the Kalimantan area (Indonesia) . This is also for us a very high priority topic.

I find that your report shows two main concerns:

1. The involvement of log supply by Indosubur Sukses Makmur in our production batches
2. The Seiton FSC/PEFC policy

I would like to address both of your concerns.

1. **The involvement of log supply by Indosubur Sukses Makmur in our production batches.**

I would like to refer you to the clarification you already received from our supplier PT Korindo Ariabima Sari.

Our production partner (PT Korindo Ariabima Sari) guaranteed us officially that the logs coming from ISM were never used for production of products with Europe as destination. Next to that fact, starting from October 2022, KAS entered into a timber purchase agreement with another company. Important to know is that our collaboration with the production partner mentioned above started in September 2024. This is the reason why ISM never came to our attention.

2. The Seiton FSC/PEFC policy.

We can be very open and clear in this topic. Although Seiton BV holds the necessary certifications, we never sold goods that are FSC or PEFC claimed. It is correct that we are certified for both labels, but it was a conscious choice of our company to not declare FSC/PEFC till today as we only wish to provide product for which we can 100% guarantees on the statements made. For the moment, we don't produce FSC-certified goods. We have no plans to do so in the near future? We started PEFC-production 2 or 3 months ago, which is also recently mentioned on our website, but till today we did not sold 1 product under PEFC-label. Our purpose is to shift 100% to PEFC in future and we are currently working hard to be able to achieve this.

In regard to your additional questions, we would like to clarify the following:

- 0% of our production and of the sold Solid John craft and Solid John Roadrunner was PEFC certified up till now. We are introducing this certification as we speak. We are working hard to be able to bring this percentage to 100% as soon as possible
- To be able to have local involvement we have an employee on our payroll that is based in Indonesia and who follows our (potential) supplier(s)
- We are in the midst of further optimizing our Timber raw material sourcing policy, taking in regard all national and international laws and regulations, especially the EUDR. One of our measures is to implement an even more severe code of conduct of our suppliers and document if all requirements are met. Your findings emphasized the necessity and confirmed our mission in taking our responsibilities to the next level.

In conclusion we take your concerns about deforestation very seriously. So in our company, you find a keen partner in making our business and sector more durable. If and when you choose to set up additional programs concerning deforestation in Indonesia, we would very much like to participate as a partner in such a project.

I wish you all the best in your mission and I'm always available for further discussions or advice.

Yours sincerely,

Lowie D'hulst
CEO SEITON BV

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Second reply on Earthsight-Auriga report about deforestation in Indonesia

Dear Mr. Lawson, dear Mr. Manurung,

Thank you for giving us the time to investigate your questions.

First off all, I want to repeat my gratitude for investigating the situation. Like mentioned before, I see this matter really as a mutual concern.

Please read below the answer on your 4 questions:

1. PT KAS acknowledges that, under the purchase agreement which started in 2022, there were some ISM logs detected. This matter has been registered as a grievance case and resulted in a suspended collaboration with SAM. In an official statement from KAS to us, they reacted:

“As previously explained, we clearly informed SAM of our sourcing policy and secured their commitment that only logs from selective logging operations would be supplied. Based on this assurance, the purchase agreement was made”

2. We implemented a new code of conduct in the collaboration with our suppliers, this code is asking for specific engagement around:
 - a. Preserving natural resources and avoiding deforestation.
 - b. Preventing any negative impact on biodiversity and natural habitats.
 - c. Reducing and controlling waste and emissions to soil, water, and air.
 - d. Optimizing the use of natural resources, including energy and water.

Signing this code of conduct is an essential element in our collaborations with factories and will be monitored by our local team. With this new code, we really want to have an extra tool to avoid unethical log supply in our business. On top of that, we hope that our code inspires our production partner to stay critical and alert. Not only for the collaboration they have with us but also in other partnerships.

3. Our PEFC situation is very simple to explain. Since this year, we are PEFC certified and we work with PEFC certified logs. I took the decision not to sell any goods as “PEFC” to our clients till we reach the point of 100% PEFC log supply. The reason why the PEFC logo was added on our website 2-3 months ago is because we are heading to the 100% PEFC point. So we are preparing ourself to claim PEFC, we never worked with the system of “physical separation” because in my personal opinion, this is not transparent enough for the market.
4. To answer your question about Basirih, we always worked under the FLEGT-SVLK certification. Due to their internal production problems, we stopped the collaboration with Basirih in 2024. You will only see some small final deliveries in the first months of 2025.

I hope that those answers put some extra light on the situation. Do we have the possibility to read your article before publication? I would appreciate it to correct or add something to bring maximal clarification for your readers.

Please feel free to contact me for any further information or discussion.

Yours sincerely,

Lowie D’hulst
CEO SEITON BV