

# WTK Holdings Bhd

Timber and pulp assessment

Total score:

15.9%

Latest update: July 2019

Next scheduled: July 2020

## About this company:

Founded in 1940 and headquartered in Malaysia, WTK Group owns forestry operations in Malaysia, Indonesia and Papua New Guinea. It is involved in timber production, processing, manufacturing, trading and distribution. WTK Group also operates in a range of other business sectors including tourism, hotels and shipping, though its palm oil operations are not yet assessed on SPOTT.

Landbank 860,000 hectares

Market cap: 61,528,604 USD

Thomson Reuters ticker: WTKH.KL

Bloomberg ticker: WTKH:MK

ISIN: MYL424300001

Activities: Timber production, timber processing and manufacturing, trading and distribution

Locations: Malaysia (Sarawak)

Headquarters: Malaysia

Website: <http://wtkholdings.com>  
[Latest annual report \(2017\)](#)

Total:

20.5 / 129

15.9%



## > Sustainability policy and leadership

3 / 11 27.3%

1 media report

1. Sustainable forestry policy or commitment for all its operations?	✓	1 / 1	<a href="#">Source</a>
2. Sustainability policy or commitment applies to all sourcing?	✗	0 / 1	<a href="#">Source</a>
3. High-level position of responsibility for sustainability? The company states it has "designated representatives to supervise and manage the sustainability matters with regards to the timber and plantation activities."	P	0.5 / 1	<a href="#">Source</a>
4. One or more board members have responsibility for sustainability?	✗	0 / 1	<a href="#">Source</a>
5. Percentage or number of women board members? 2 (25%) - The company does not explicitly report the percentage of women board members, but provides information about two female board members in its annual report. It is unclear whether information provided accounts for all board members	P	0.5 / 1	<a href="#">Source</a>
6. Percentage or number of women in senior management team?	✗	0 / 1	<a href="#">Source</a>

7. Sustainability report published within last two years?	✓	1 / 1	<a href="#">Source</a>
8. Member of multiple industry schemes or other external initiatives to improve forest management or transparency?	✗	0 / 1	<a href="#">Source</a>
9. Activities with government, NGOs or academic institutions to improve the sustainability of forest products?	✗	0 / 1	<a href="#">Source</a>
10. Climate risks assessment available?	✗	0 / 1	<a href="#">Source</a>
11. Natural capital assessment available?	✗	0 / 1	<a href="#">Source</a>



### > Landbank, mills and traceability

5 / 23 21.7%

⚠ 2 media reports

12. Lists countries and operations? The company states that all its timber production and processing, from natural forest and plantations, occurs in Sarawak (Malaysia)	✓	1 / 1	<a href="#">Source</a>
13. Total area of natural forest designated for wood/wood fibre production (ha)? 850,000 - The company states it has forest concessions of 850,000 hectares in Sarawak, but this is undated	✗	0 / 1	<a href="#">Source</a>
14. Total area of forest plantation (ha)? 10,000	✓	1 / 1	<a href="#">Source</a>
15. Area of plantation/natural forest within outgrower schemes (ha)?	✗	0 / 1	<a href="#">Source</a>
16. Unplanted (areas designated for future development as plantation forest) (ha)? The company provides contradictory information about unplanted areas	P	0.5 / 1	<a href="#">Source</a>
17. Conservation set-aside and/or HCV area (ha)?	✗	0 / 1	<a href="#">Source</a>
18. Area of Intact Forest Landscape (ha)?	✗	0 / 1	<a href="#">Source</a>
19. Number of Forest Management Units (FMUs)? Global Forest Watch data includes 10 wood fibre concessions and nine natural forest concessions, but it is unclear whether this covers all of the company's operations	P	0.5 / 1	<a href="#">Source</a>
20. Maps of forest management units (FMUs)?	P	0.5 / 1	<a href="#">Source</a>

Global Forest Watch data includes 10 wood fibre concessions and nine natural forest concessions, but it is unclear whether this covers all of the company's operations

<b>21. Forest management plans available for all FMUs?</b>	✘	0 / 1 <a href="#">Source</a>
<b>22. Monitoring of forest management plan implementation?</b>	✘	0 / 1 <a href="#">Source</a>
<b>23. Company has provided valid legal documents to Open Timber Portal on use rights (at the time of SPOTT assessments)?</b>		
This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal		
<b>24. Company has provided valid legal documents to Open Timber Portal on forest management (at the time of SPOTT assessments)?</b>		
This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal		
<b>25. Company has provided valid legal documents to Open Timber Portal on timber harvesting (at the time of SPOTT assessments)?</b>		
This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal		
<b>26. Number of company owned pulp and paper mills?</b>	✘	0 / 1 <a href="#">Source</a>
<b>27. Maps or addresses of company owned pulp and paper mills?</b>	✘	0 / 1 <a href="#">Source</a>
<b>28. Number of company owned sawmills?</b>	✓	1 / 1 <a href="#">Source</a>
4 - The company included four sawmills within its list of properties in 2017		
<b>29. Maps or addresses of company owned sawmills?</b>	P	0.5 / 1 <a href="#">Source</a>
The company gives some details of sawmill locations, but these are insufficient to generate locations on Google maps		
<b>30. Number of supplier mills?</b>	✘	0 / 1 <a href="#">Source</a>
<b>31. Maps or addresses of supplier mills?</b>	✘	0 / 1 <a href="#">Source</a>
<b>32. Procedures to trace raw materials to country of harvest?</b>	✘	0 / 1 <a href="#">Source</a>
<b>33. Procedures to trace raw materials to FMU level?</b>	✘	0 / 1 <a href="#">Source</a>
<b>34. Percentage of supply traceable to country level (above 80%)?</b>	✘	0 / 2 <a href="#">Source</a>

35. Percentage of supply traceable to FMU level (above 75%)?

✘ 0 / 2 [Source](#)



> Deforestation and biodiversity

0.5 / 12 4.2%

⚠ 8 media reports

36. Commitment to zero conversion of natural forest?

✘ 0 / 1 [Source](#)

37. Zero conversion commitment applies to all sourcing?

✘ 0 / 1 [Source](#)

38. Commitment to minimise the impact of logging roads?

The company states it engages in helicopter harvesting which reduces the need for skid trails

P 0.5 / 1 [Source](#)

39. Commitment to protect forest areas from illegal activities?

✘ 0 / 1 [Source](#)

40. Evidence of monitoring deforestation?

✘ 0 / 1 [Source](#)

41. Amount of deforestation recorded?

✘ 0 / 1 [Source](#)

42. Commitment to biodiversity conservation?

✘ 0 / 1 [Source](#)

43. Examples of species and/or habitat conservation management?

✘ 0 / 1 [Source](#)

44. Implementing a landscape-level approach to biodiversity conservation?

✘ 0 / 1 [Source](#)

45. Identified species of conservation concern referencing international or national system of species classification?

✘ 0 / 1 [Source](#)

46. Commitment to sustainably manage the use of non-timber forest products (NTFPs)?

✘ 0 / 1 [Source](#)

47. Commitment not to use genetically modified organisms?

✘ 0 / 1 [Source](#)



> HCV, HCS and impact assessments

2 / 8 25%

48. Commitment to conduct High Conservation Value (HCV) assessments?

✓ 1 / 1 [Source](#)

49. HCV commitment applies to all sourcing?

	X	0 / 1	Source
<b>50. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS)?</b>			
This indicator is disabled until sufficient number of HCV ALS licensed assessors are available for the location where the company operates			
<b>51. High Conservation Value (HCV) assessments available?</b>	X	0 / 1	Source
<b>52. High Conservation Value (HCV) management and monitoring plans available?</b>	X	0 / 1	Source
<b>53. Commitment to the High Carbon Stock (HCS) Approach?</b>	X	0 / 1	Source
<b>54. High Carbon Stock (HCS) assessments available?</b>	X	0 / 1	Source
<b>55. Commitment to conduct social and environmental impact assessments (SEIAs)?</b>	✓	1 / 1	Source
<b>56. Social and environmental impact assessments (SEIAs) available?</b>	X	0 / 1	Source
<b>57. Company has provided valid legal documents to Open Timber Portal on impact assessments (at the time of SPOTT assessments)?</b>			
This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal			



> Soils, fire and GHGs

15 / 14 100%

⚠ 1 media report

<b>58. Commitment to best management practices for soils and/or peat?</b>	X	0 / 1	Source
<b>59. Commitment to reduced impact logging?</b>	P	0.5 / 1	Source
The company states that it uses heli-logging techniques, and in 2013 stated that it uses "reduced Impact Logging Method such as logfishers, swing yarders and excavators for its timber operations", but does not commit to reduced impact logging best practice across all operations			
<b>60. Commitment to no planting on peat of any depth?</b>	X	0 / 1	Source
<b>61. Commitment on peatland planting applies to all sourcing?</b>	X	0 / 1	Source
<b>62. Landbank or planted area on peat (ha)?</b>	X	0 / 1	Source
<b>63. Evidence of best management practices for soils and/or peat?</b>			

	✘	0 / 1	Source
64. Commitment to zero burning?	✓	1 / 1	Source
65. Commitment to zero burning applies to all sourcing?	✘	0 / 1	Source
66. Evidence of management and monitoring fires?	✘	0 / 1	Source
67. Details/number of hotspots/fires in FMUs controlled by the company?	✘	0 / 1	Source
68. Time-bound commitment to reduce GHG emissions intensity?	✘	0 / 1	Source
69. Progress towards reducing GHG emission intensity?	✘	0 / 1	Source
70. Report GHG emissions from land use change?	✘	0 / 1	Source
71. Methodology used to calculate GHG emissions?	✘	0 / 1	Source



### > Water, chemical and waste management

05 / 13 38%

⚠ 2 media reports

72. Time-bound commitment to improve water quality (BOD and COD)?	✘	0 / 1	Source
73. Progress towards commitment on water quality (BOD and COD)?	✘	0 / 1	Source
74. Commitment to protection of natural waterways through buffer zones? The company states it establishes buffers zones but it is not clear whether this applies across all operations	P	0.5 / 1	Source
75. Evidence of treatment of pulp and paper mill effluent?	✘	0 / 1	Source
76. Evidence of sawmill run-off containment and wastewater treatment?	✘	0 / 1	Source
77. Time-bound commitment to improve water use intensity?	✘	0 / 1	Source
78. Progress towards commitment on water use intensity?	✘	0 / 1	Source

79. Commitment to eliminate chlorine and chlorine compounds for bleaching?	✗	0 / 1	Source
80. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers?	✗	0 / 1	Source
81. No use of World Health Organisation (WHO) Class 1A and 1B pesticides?	✗	0 / 1	Source
82. No use of chemicals listed under the Stockholm Convention and Rotterdam Convention?	✗	0 / 1	Source
83. Integrated Pest Management (IPM) approach?	✗	0 / 1	Source
84. Chemical usage per ha or list of chemicals used?	✗	0 / 1	Source



### > Community, land and labour rights

45 / 22 20.5%

⚠ 5 media reports

85. Commitment to human rights, referencing the UN Declaration on Human Rights or UN Guiding Principles on Business and Human Rights? The company states it supports and respects human rights, but does not reference the UN Declaration	P	0.5 / 1	Source
86. Commitment to human rights applies to all sourcing?	✗	0 / 1	Source
87. Commitment to respect indigenous and local communities' rights? The company states that it identifies and respects all respective native/communal rights within timber operation areas, but does not refer to the UN Declaration on the Rights of Indigenous Peoples or ILO Indigenous and Tribal Peoples Convention (no. 169)	P	0.5 / 1	Source
88. Commitment to respect legal and customary property rights?	✗	0 / 1	Source
89. Commitment to free, prior and informed consent (FPIC)?	✗	0 / 1	Source
90. FPIC commitment applies to independent suppliers?	✗	0 / 1	Source
91. Details of free, prior and informed consent (FPIC) process available?	✗	0 / 1	Source
92. Examples of local stakeholder engagement to prevent conflicts?	✗	0 / 1	Source
93. Details of process for addressing land conflicts available?	P	0.5 / 1	Source

The company states it has a Conflict Resolution Committee which deals with customary land rights claims, via a process of open dialogues and negotiations to resolve matters in an amicable matter, but the steps within this process are not given		
<b>94. Commitment to support the inclusion of women across forestry operations, including addressing barriers faced?</b>	✘	0 / 1 <a href="#">Source</a>
<b>95. Commitment to provide essential community services and facilities?</b> The company refers to collaborating with an organisation on activities such as upgrading rural schools and building access roads, but does not have a commitment	P	0.5 / 1 <a href="#">Source</a>
<b>96. Company has provided valid legal documents to Open Timber Portal on population rights (at the time of SPOTT assessments)?</b> This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal		
<b>97. Commitment to respect all workers' rights?</b>	✘	0 / 1 <a href="#">Source</a>
<b>98. Reference to Fundamental ILO Conventions?</b>	✘	0 / 1 <a href="#">Source</a>
<b>99. Commitment to eliminate gender related discrimination with regards to employment and occupation?</b>	✓	1 / 1 <a href="#">Source</a>
<b>100. Company has provided valid legal documents to Open Timber Portal on labour regulations (at the time of SPOTT assessments)?</b> This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal		
<b>101. Percentage or number of temporary employees?</b>	✘	0 / 1 <a href="#">Source</a>
<b>102. Percentage or number of women employees?</b> 25%	✓	1 / 1 <a href="#">Source</a>
<b>103. Payment of minimum wage?</b>	✘	0 / 1 <a href="#">Source</a>
<b>104. Reporting of salary by gender?</b>	✘	0 / 1 <a href="#">Source</a>
<b>105. Commitment to address occupational health and safety, referencing the ILO Code of Practice on Safety and Health in Forestry Work?</b> The company states that it has a health, safety and environment policy, and that its operations are in compliance with the Occupational Safety and Health Act, 1994, but it does not make reference to ILO Code of Practice	P	0.5 / 1 <a href="#">Source</a>
<b>106. Time lost due to work-based injuries?</b>	✘	0 / 1 <a href="#">Source</a>
<b>107. Number of fatalities as a result of work-based accidents?</b>	✘	0 / 1 <a href="#">Source</a>



108. Provision of personal protective equipment and related training?

✘ 0 / 1 [Source](#)



### > Certification standards

15 / 14 100%

⚠ 4 media reports

✓ 1 / 1 [Source](#)

**109. Time-bound plan for achieving 100% third-party legality verification of FMUs or achieved?**

2,020 - The company states that one of its license areas is Sarawak Timber Legality Verification System certified, and it expects the remaining license areas to be STLVS certified by 2020

P 0.5 / 1 [Source](#)

**110. Time-bound plan to source only wood/wood fibre that is in legal compliance verified by a third party?**

The company states that all materials and components used can be traced to legal sources from licensed suppliers, but does not give details of legality verification systems

✘ 0 / 1 [Source](#)

**111. Percentage area (ha) verified as being in legal compliance by a third party?**

✘ 0 / 1 [Source](#)

**112. Percentage of all wood/wood fibre supply traded/processed verified as being in legal compliance by a third party?**

✘ 0 / 1 [Source](#)

**113. Time-bound plan for achieving 100% FSC FM certification of FMUs or achieved 100% FSC-certification of FMUs?**

✘ 0 / 1 [Source](#)

**114. Commitment to source only wood/wood fibre that meets FSC Controlled Wood requirements?**

✘ 0 / 2 [Source](#)

**115. Percentage area (ha) FSC FM certified?**

✘ 0 / 2 [Source](#)

**116. Percentage of wood/wood fibre supply from outgrower scheme and/or independent suppliers that is FSC FM certified?**

✘ 0 / 2 [Source](#)

**117. Percentage of all wood/wood fibre supply traded/processed that are FSC certified (above 75%)?**

✘ 0 / 2 [Source](#)

**118. Percentage area (ha) PEFC certified (excluding FSC certified area)?**



### > Smallholders and suppliers

0 / 6 0%

✘ 0 / 1 [Source](#)

**119. Programme to support outgrower scheme smallholders?**

✘ 0 / 1 [Source](#)

**120. Percentage of outgrower scheme smallholders involved in programme?**

121. Process used to prioritise, assess and/or engage suppliers on compliance with company's policy and/or legal requirements?	✗	0 / 1	Source
122. The company has a Due Diligence System (DDS)?	✗	0 / 1	Source
123. Suspension or exclusion criteria for suppliers?	✗	0 / 1	Source
124. Percentage of suppliers assessed and/or engaged on compliance with company requirements?	✗	0 / 1	Source



## > Governance and grievances

2 / 6 33.3%

⚠ 3 media reports

125. Commitment to ethical conduct and prohibition of corruption?	✓	1 / 1	Source
126. Company has provided valid legal documents to Open Timber Portal on legal registration (at the time of SPOTT assessments)? This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal			
127. Disclosure of the company's management approach to tax and payments to governments?	✗	0 / 1	Source
128. Company has provided valid legal documents to Open Timber Portal on taxes, fees and royalties (at the time of SPOTT assessments)? This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal			
129. Whistleblowing procedure?	✓	1 / 1	Source
130. Own grievance or complaints system open to all stakeholders?	✗	0 / 1	Source
131. Details of grievances disclosed?	✗	0 / 2	Source