COMMUNITY SERVICE

Quarterly Reported Metrics – Q4 2016 Results

Annually Reported Metrics – 2016 Results

For further details, analysis, and historic data, refer to respective appendices.
At Timberland, service is a part of our DNA. A belief in the power of people to transform their communities is one of our core values. We live this value by offering our thousands of creative, dedicated, hardworking employees a number of ways to become involved, including these core programs:

Path of Service™: This employee volunteer program gives full-time staff an annual benefit of up to 40 paid hours and part-time staff an annual benefit of up to 20 paid hours for community service. Pillar Service Events: To help employees use their service hours, Timberland organizes global two days of service each year: Earth Day in the spring and our own Serv-a-palooza event in the fall. In 2014, Timberland employees celebrated their one millionth hour of community service.

Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year. Hours served reflects the total number of community service hours reported by employees that were served during business hours.

**Q4/Year End 2016 Result:** Timberland employees served 14,560 hours worldwide in Q4 2016, for a total of 52,424 hours served year to date. Carving out time for service is often a challenge, and this year is no exception. Even though hours are down compared to last year, many employees still found new and creative ways to use their Path of Service™ benefit. Some of the ways our employees served in Q4 include: collecting toys for children’s hospitals in the DR, donating excess sample clothing to the homeless in the UK, and assisting at an elderly daycare facility in Hong Kong.

To learn more about how we serve, [click here](#). Interested in putting together a service event of your own? [Download our Service Toolkit](#) to get started!
Hours Utilization Rate ("HUR") measures the percentage of available service hours offered to Timberland employees that employees report using year to date. Full-time employees are offered up to 40 paid hours annually, and part-time employees are offered up to 20. Each year the Community Engagement team and the Global Stewards (Timberland’s volunteer team of CSR ambassadors who drive our service and CSR agenda worldwide, in addition to their regular job responsibilities) strive to increase employee engagement in community service by offering new service opportunities to employees. Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year.

Q4/Year End 2016 Result: Timberland’s YTD Hours Utilization Rate at the end of Q4 was 20%. Our DR manufacturing facility, which holds the largest population of Timberland employees, faced production challenges in 2016, which limited their ability to serve. In other regions, service events focused on holiday giving, and included donating toys to children’s hospitals and other organizations, filling and delivering Thanksgiving baskets, and making blankets for homebound seniors. More traditional service events also took place this quarter, such as tree planting and gardening projects with the elderly.

Benefit Utilization Rate ("BUR") measures the percentage of employees that report serving at least one hour of community service per year. Each year the Community Engagement team and the Global Stewards strive to increase employee engagement in community service by offering new service opportunities to employees. Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year.

Q4/Year End 2016 Result: Timberland’s YTD Benefit Utilization Rate at the end of Q4 was 41%. Our DR manufacturing facility, which holds the largest population of Timberland employees, faced production challenges in 2016, which limited their ability to serve. Despite such challenges, we constantly strive to find creative ways for employees to serve that can be done in small increments of time and are less disruptive to employees’ workdays. Examples of these projects include writing letters to our troops, making small knitted garments, and using recycled leather to make bags.
COMMUNITY SERVICE EVENTS ORGANIZED BY TIMBERLAND GLOBALLY

To support and encourage Timberland employees to use their Path of Service™ benefit, the Global Stewards are tasked with organizing community service events beyond our annual Earth Day events in the spring and our annual Serv-a-palooza events in the fall. Most service events are designed to engage not only our employees, but also our business partners, VF associates, our customers, and others in the community. This metric shows the number of community service events organized by Timberland worldwide per year.

Note to stakeholders: In 2016, we redefined “service event” to mean “projects involving 2 or more Timberland employees engaging in service to the community.” As such, our number of events decreased to conform to this new guideline.

![Global Community Service Events Chart]

**NON-TIMBERLAND VOLUNTEERS**

This metric communicates the extent to which we have increased our impact by engaging volunteers beyond our employee population in hours of service. We strive to engage our business partners, distributors, consumers, and local community members in our events. The purpose of this metric is to show the percentage of Timberland vs. non-Timberland volunteers that participated in Timberland organized service events throughout the year.

![% of Timberland and Non-Timberland Hours Served Chart]