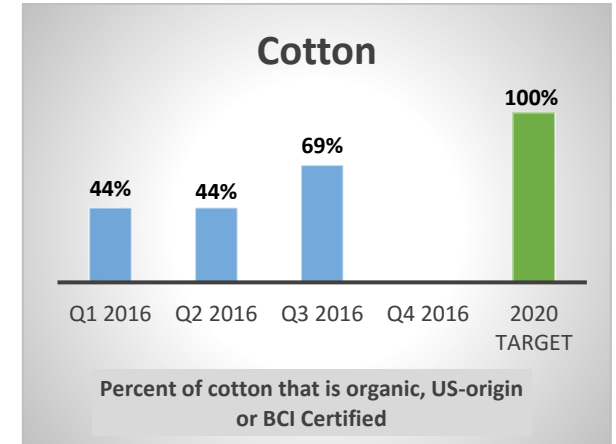
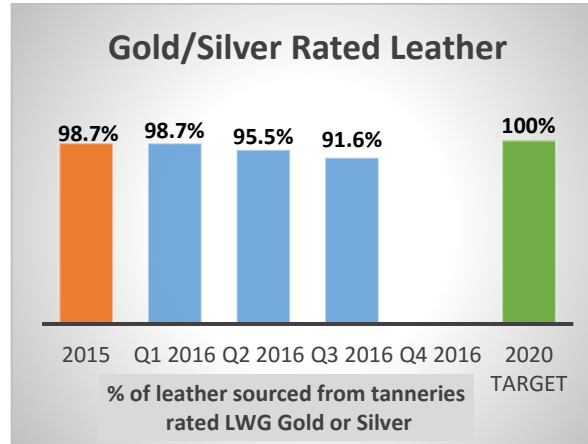
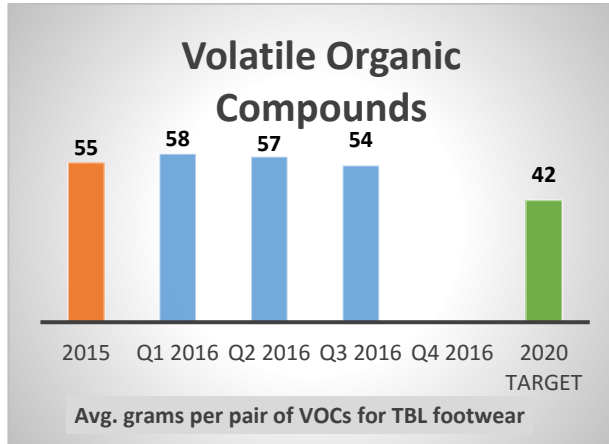


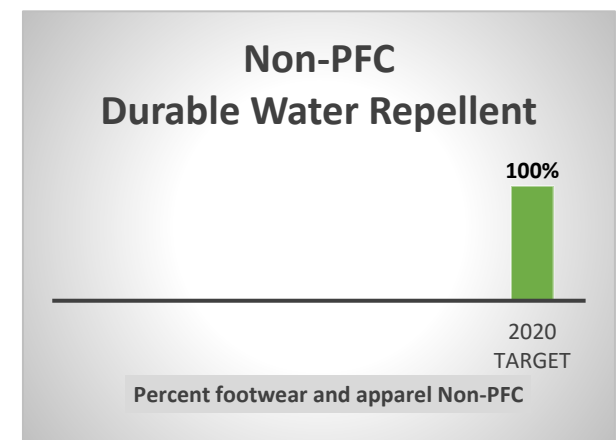
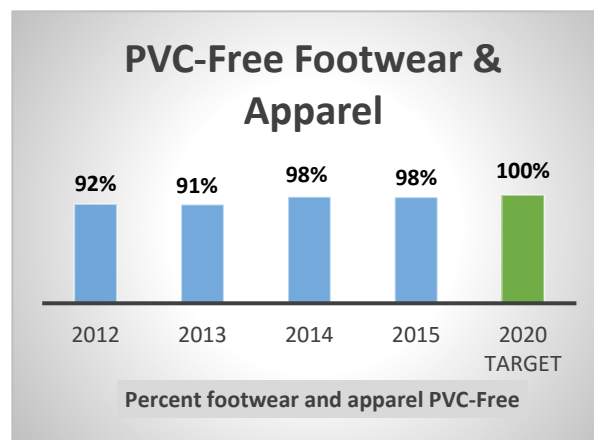
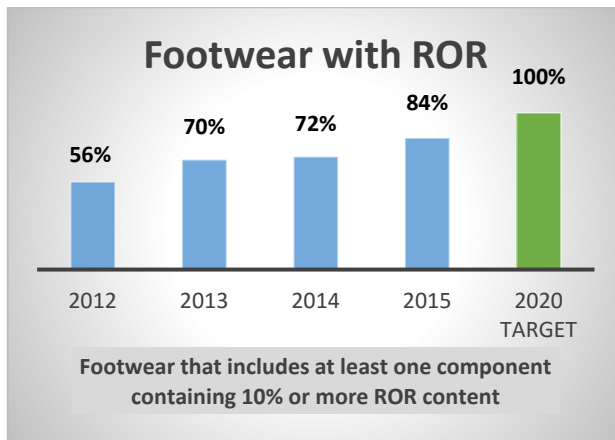


PRODUCT – Materials

Quarterly Reported Metrics – Q3 2016 Results



Annually Reported Metrics – 2015 Results



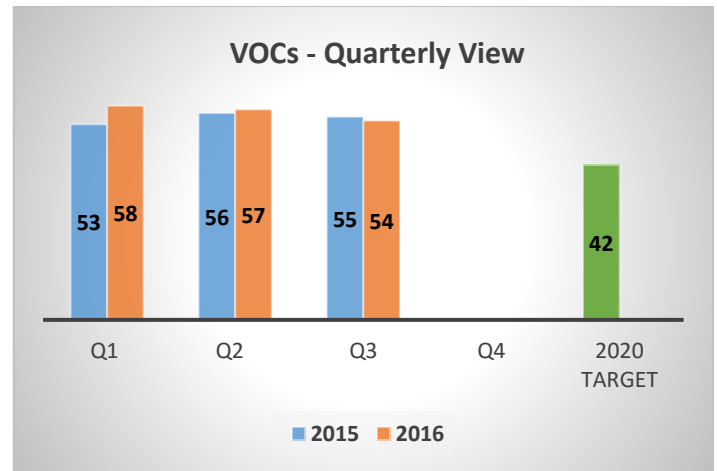
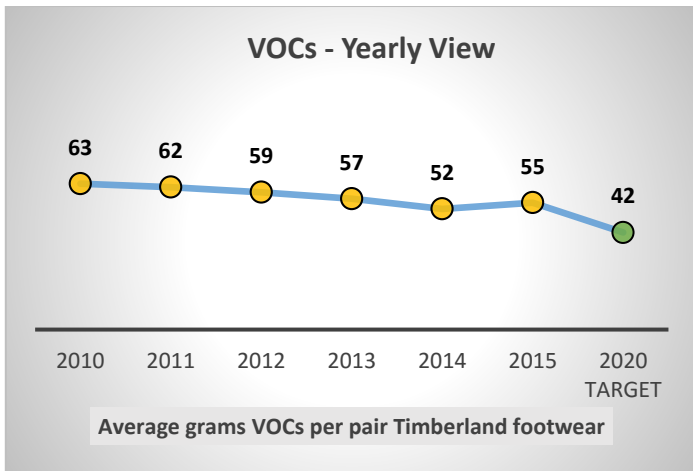
ROR = Recycled, Organic & Renewable material

New metric for 2016

For further details, analysis, and historic data, refer to respective appendices.

VOLATILE ORGANIC COMPOUNDS

Timberland is committed to using adhesives in our stockfit and assembly shoe manufacturing process that cause less harm to the environment. Traditionally, footwear manufacturers use solvent based chemicals for gluing, cleaning or painting shoe components. Solvent-based adhesives release volatile organic compounds ("VOCs"), which can create human and environmental health hazards. VOCs are chemical compounds that evaporate easily in normal conditions. Measuring grams of VOCs allows Timberland to account for the overall quantity of VOCs used in the production of our footwear. Disclosing chemical consumption in this manner also allows us to target specific, high VOC-content materials for reduction, substitution or elimination, thereby promoting lower environmental impact and improved working conditions in factories. To facilitate ongoing reduction efforts, engineering reviews are conducted to promote the use of water-based adhesive in the construction and manufacturing of product, while also maintaining the quality and physical integrity of the shoe.

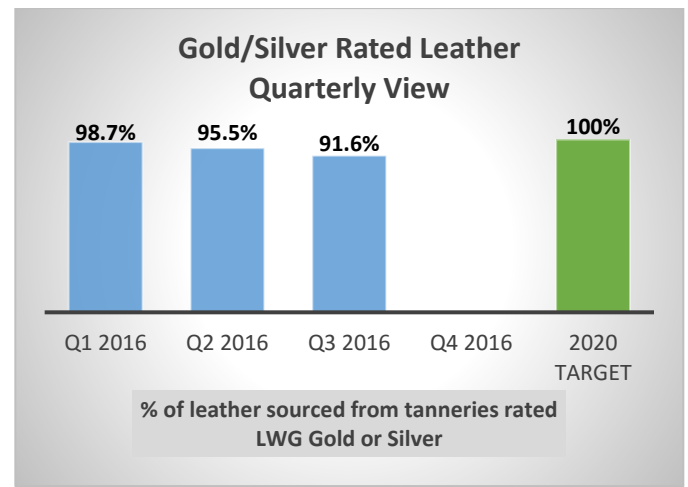
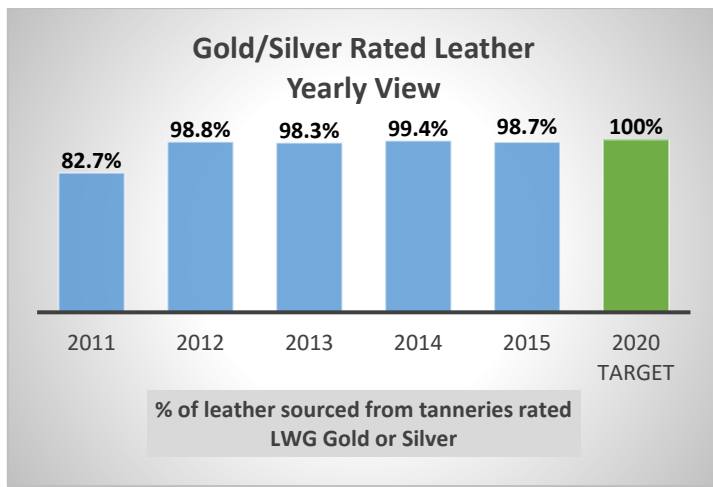


Q3 2016 Result: Our average use of VOCs per pair was 54 grams during Q3, which is a slight improvement over our Q3 2015 result (55 grams/pair). We achieved a reduction in VOCs through increased efficiency of VOC usage. This decrease can be partly attributed to strategies implemented in our manufacturing facility in the Dominican Republic. These strategies include employee training, better containment of VOC adhesives to prevent evaporation, upgrading VOC application equipment, more targeted application, and increased material pre-treatment processes to minimize the VOC adhesives needed. There is still work to be done across the board to further improve their chemical management practices as well as identifying alternatives for using lower VOC adhesion methods that maintain the necessary performance attributes for our product lines. We remain committed to our goal of averaging 42 grams of VOCs per pair by 2020.

LEATHER – GOLD/SILVER RATED TANNERIES

Leather processing is a chemical, water, and energy intensive process. To ensure the leather we purchase is processed using environmental best practices, all of our footwear leather suppliers undergo an environmental audit under protocols established by the cross-brand [Leather Working Group \("LWG"\)](#). LWG certification is awarded to tanneries that demonstrate environmental best practices and performance in all areas of leather production, from chemical and water management to energy use and greenhouse gas emissions, to waste management and hide traceability. Tanneries are scored on a scale of Failure, Compliant, Bronze, Silver, or Gold. In 2008, Timberland made a public commitment to only source leather for our footwear products from tanneries that have an LWG rating of Silver or Gold. In 2015, we expanded this commitment to include the leather we source for our apparel products and accessories.

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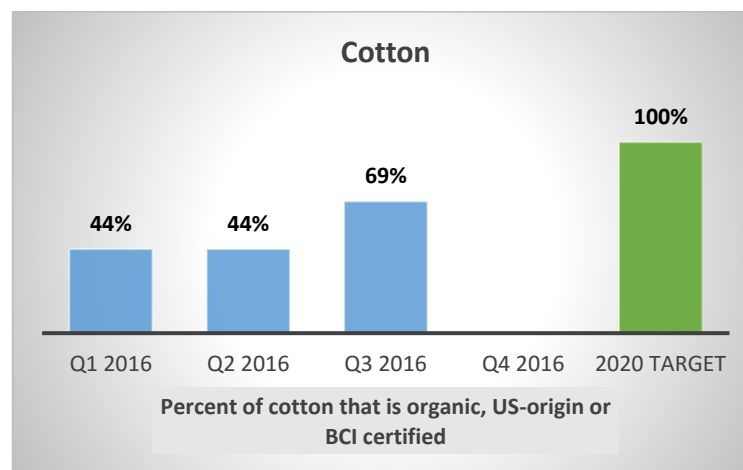


Q3 2016 Result: At the end of Q3, 91.6% of our overall leather volume for Timberland footwear, apparel and accessories* was produced at tanneries that have a Gold or Silver LWG rating. One of our larger tanneries (that supplied 7% of our leather this quarter) did not pass their re-audit in May, which led to our decrease in gold or silver rated leather. Their corrective action plan is complete and they are due for re-audit during Q4.

*We do not currently have data for our licensed accessories, and will update this metric when information is available. Current data only includes accessories that we source directly from our factories.

COTTON

Chemicals used to grow cotton can be detrimental to the health of farmers, and seep into run-off water poisoning lakes, rivers and waterways. Conventionally grown cotton uses more insecticides and requires significantly more water than organically grown cotton. As such, Timberland has had a longstanding goal of increasing our use of organic cotton year over year. Organic cotton remains our preference; however, when organic cotton is not feasible, we commit to eliminating our use of conventionally grown cotton. Our new 2020 target is for 100% of the cotton used in our apparel products to be from sources utilizing industry-leading environmental best practices. We define such sources as being organic, US-origin or [Better Cotton Initiative](#) ("BCI") certified sources.

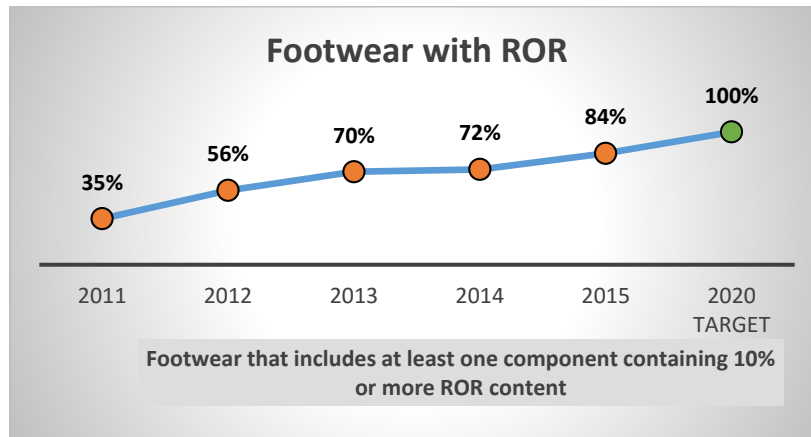


Q3 2016 Result: In Q3, 69% of the cotton used in Timberland apparel was either organic, US-origin or BCI certified, which is a large improvement over our Q2 result. From season to season, different mixes of apparel styles are produced for distribution. During Q3, there was less overall cotton used, however the majority of cotton used was either organic, US-origin, or BCI certified. Our International Design Center used 65% organic or BCI cotton, and our Central and South America region used 92% US-origin cotton. Projected forecasts for the remainder of the year indicate further replacement of conventionally grown cotton.

FOOTWEAR WITH RECYCLED, ORGANIC OR RENEWABLE MATERIALS

Since 2008, Timberland has had product development strategies for increasing the use of recycled, organic, and renewable ("ROR") materials in our footwear and set yearly targets to increase the use of these environmentally-preferred materials year over year. Renewable material is defined by Timberland as coming from a fast-growing, plant-based material grown with efficient use of non-renewable resources – examples of this would be hemp and bamboo. Our largest use of ROR in footwear is with recycled polyester ("PET") and recycled rubber.

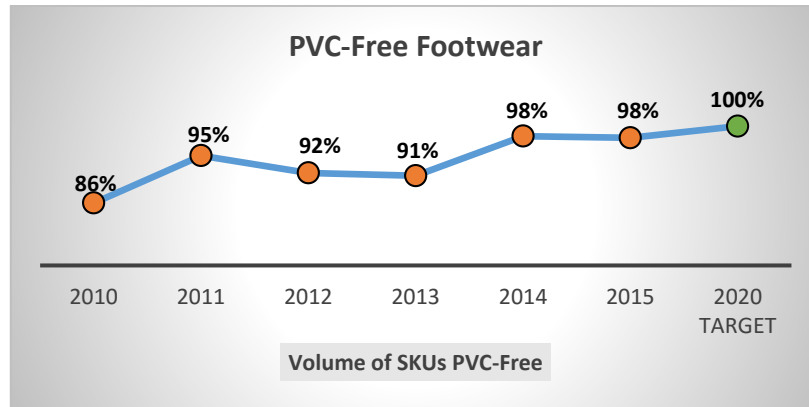
The chart below reflects the percent of Timberland footwear that are constructed with at least one component made from organic, renewable or recycled materials (with a minimum threshold of 10% recycled content within a component). We are pleased with our progress over the years to increase our use of recycled, organic and renewable materials. While some challenges currently exist in utilizing ROR materials over conventional materials, we are confident that by 2020 every Timberland boot, shoe and sandal will incorporate ROR materials.



2015 Result: ROR materials were utilized in 83.9% of all Timberland footwear shipped, which is a significant increase over our 2014 result (71.8%). This increase can be partly attributed to a change in Timberland's software systems used to track ROR content in our footwear production. In 2015, we incorporated 1 million pounds of recycled PET into our footwear – the equivalent of 47 million plastic water bottles. Since 2009, we have incorporated the equivalent of 233 million plastic water bottles. Our use of recycled rubber increased as well, using 379 metric tons in 2015. Since 2008, we have incorporated 1,407 metric tons of recycled rubber.

PVC-FREE FOOTWEAR

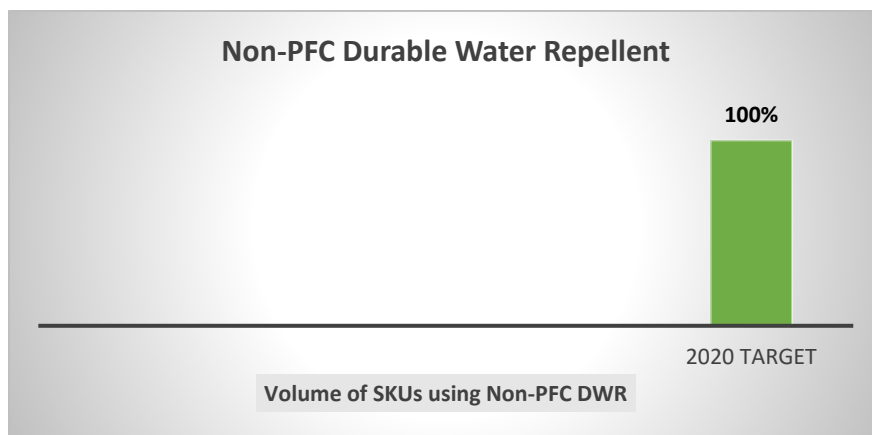
Polyvinyl chloride (PVC) is a polymer used in a wide variety of applications such as construction, plumbing, and cable insulation, and it is also used in the footwear industry. Unfortunately, the use of PVC has some negative aspects associated with its creation and its end of life. Given the human and environmental risks associated with the creation and disposal of PVC, Timberland is committed to phasing out the use of PVC in its products. We are committed to finding and utilizing PVC alternatives where feasible in order to decrease our use. Our goal is to be 100% PVC-free.



2015 Result: Overall, 2.1% of total pairs shipped in 2015 contained PVC, vs. 1.8% in 2014. Though we stayed relatively flat compared to last year, we continue working on PVC-Free material substitution in our PRO line, and to review materials and manufacturing equipment updates to allow for further PVC reduction to occur.

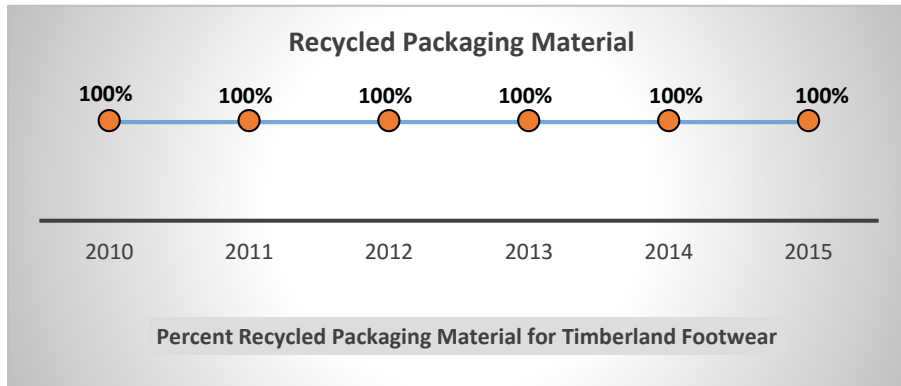
NON-PFC DURABLE WATER REPELLENT

Timberland products are built to protect our consumers from the elements of nature, and waterproofing is of prime importance to outdoor enthusiasts. Durable Water Repellent (“DWR”) is a coating added to fabrics at the factory to make them water-resistant. PFCs (per-fluorinated compounds) are a class of chemical substances found in many DWRs that are potentially hazardous to humans – at the factory level where the waterproofing is applied, as well as to the end user. Timberland is committed to the elimination of all PFCs in our waterproof footwear and apparel. Our end goal is for 100% of our DWRs to be non-PFC. This is a new metric for 2016.



RECYCLED PACKAGING

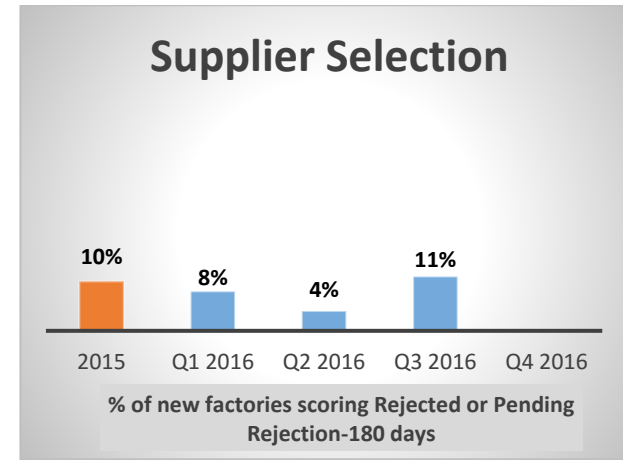
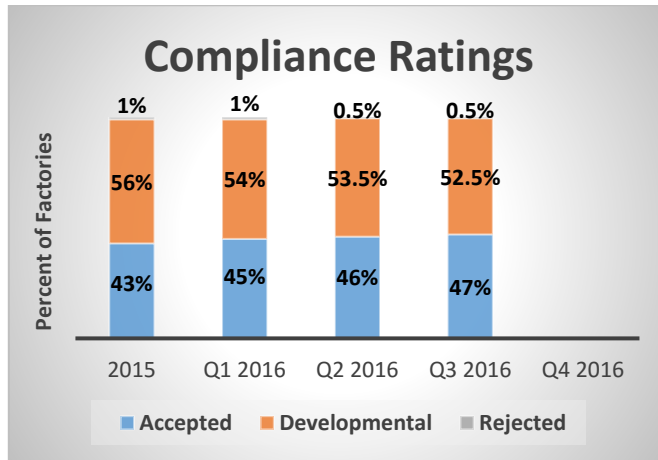
Since 2007, Timberland has been committed to providing responsible packaging for our footwear - beginning first with boxes made from 100% recycled materials (at least 80% post-consumer), using soy-based and sesame-based inks. Starting in 2012 we began using water-based inks.



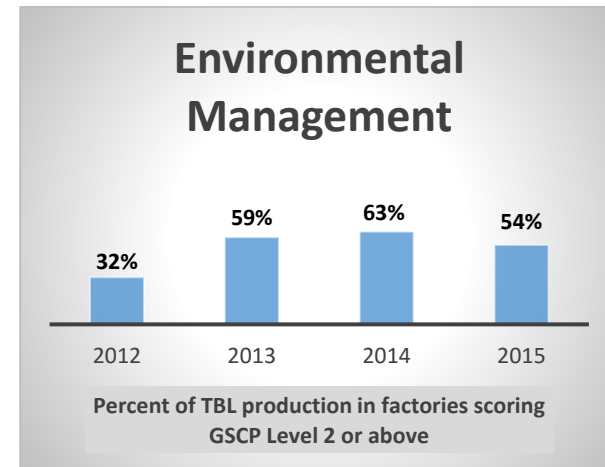
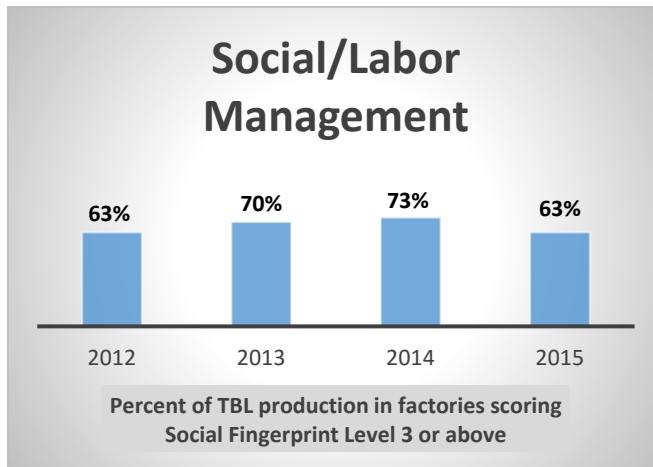


PRODUCT – Manufacturing

Quarterly Reported Metrics – Q3 2016 Results



Annually Reported Metrics – 2015 Results



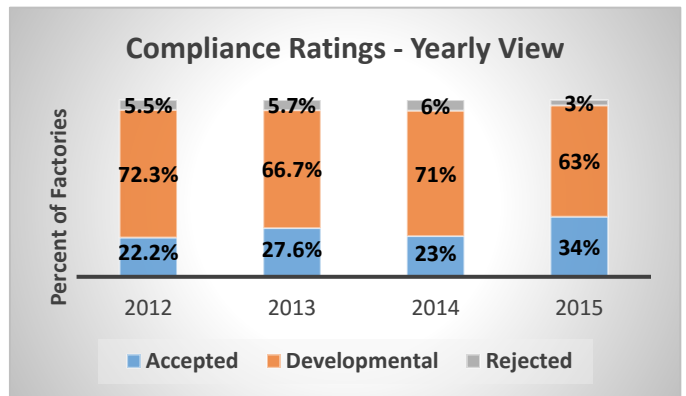
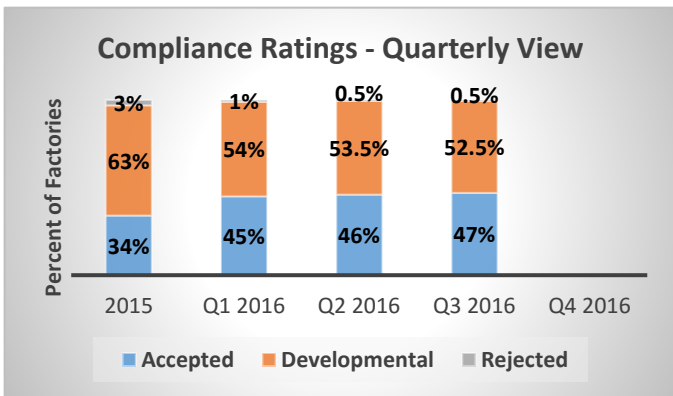
For further details, analysis, and historic data, refer to respective appendices

FACTORY CONDITIONS – COMPLIANCE RATINGS

Timberland’s longstanding commitment to ensuring fair, safe and non-discriminatory workplaces for the 250,000+ workers making Timberland product around the world dates back to 1994, with the establishment of our Code of Conduct for suppliers. After being acquired by VF Corporation ("VF") in 2011, our Code of Conduct was replaced by VF's Terms of Engagement and Global Compliance Principles. VF’s policy is to monitor every facility that is involved in the manufacture of VF-branded product. This includes all cutting facilities, sewing plants, screen printers, embroiderers, laundries, and packaging locations. At the end of each VF audit, the factory receives one of the following ratings:

- **Accepted** – factory has no serious safety, health, or labor issues and is certified to produce VF products for 18 months, at which time a re-audit is necessary to maintain an 'Accepted' rating.
- **Developmental** – factory has some minor safety, health, or labor issues. The factory is authorized to produce for VF while the issues identified are corrected in a timely manner and a follow-up audit is scheduled within 6 – 9 months. If the problems are corrected as required, then the status of the factory will be elevated to 'Accepted.' If not, the factory is downgraded to '**Pending Rejection-180 days**' ("PR-180 days"), at which time they have a final 6 months to satisfactorily resolve the outstanding issues or be downgraded to '**Rejected**'.
- **Rejected** – factory has major safety, health or labor issues. Examples would include excessive working hours, incorrect overtime compensation or locked emergency exits. In this situation the factory is not authorized to produce VF products. If a factory is Rejected twice consecutively, they are banned from producing for VF for 12 months.

For more detailed information, please see [VF's audit policy](#).



Q3 2016 Result: At the end of Q3 2016, there were 349 factories* actively producing for Timberland. Forty seven percent (47%) were rated Accepted, 52.5% were rated Developmental, and .5% were rated Rejected. During Q3, VF Compliance conducted 84 audits of Timberland factories. Of these 84 factories, 23 (27%) were rated Accepted, 48 (57%) were rated Developmental, 11 (21.5%) were rated Pending Rejection, and 2 (2.5%) were rated Rejected. The factories rated Pending Rejection are working on their corrective action plans and will be re-audited within 6 months. The 2 Rejected factories had not begun producing for Timberland as these were their first audits. They are working to remediate all findings so they can be re-audited in 3 months.
**Factories producing for Timberland include our owned and operated facilities as well as our contracted facilities.*

Timberland believes, along with others in our industry, that factory disclosure and collaboration can create common standards and shared solutions – helping to advance global human rights in all of our factories. For this reason, we disclose our factories on a quarterly basis. See the most recent factory list [here](#). Although our supply chain sources may change from time to time, our quarterly factory disclosure represents our best attempt to disclose all of Timberland's active factories as of that date.

Full Year 2015 Result: Overall in 2015, 364 audits were conducted by VF Compliance at 326 Timberland factories. The graph above shows the results of the audits physically conducted in 2015 - this does not represent our overall supply chain ratings because the data does not include the 115 factories that were not audited but approved to produce in 2015. Examples of why audits were not conducted would be factories that were covered by a 2014 audit and dropped in 2015 prior to their audit due date, or factories that are on an 18 month audit frequency.

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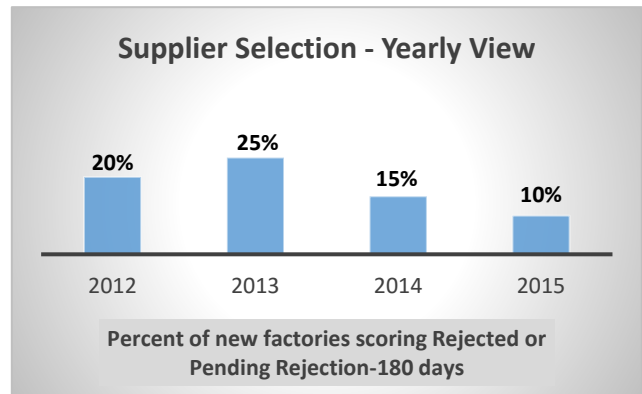
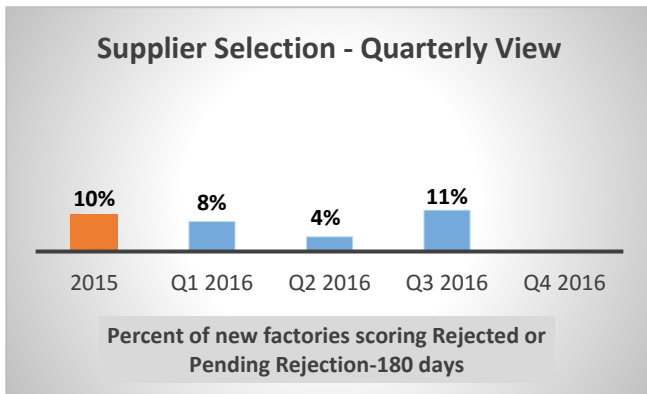


Timberland sourced from a total of 435 factories in 2015. When looking at all factories that produced in 2015, including those not audited in 2015, and those dropped midyear, our overall supply chain risk can be summarized as follows: 38% were Accepted, 60% were Developmental, and 2% were Rejected (orders with Rejected factories were withheld until corrective actions were implemented or production was relocated).

In the 364 audits conducted by VF Compliance in 2015, working hours continues to be the most prevalent human rights issue observed – found in 35% of our factories. That said, there was a 13% reduction of this non-compliance over 2014 audits (40% in 2014 vs. 35% in 2015). The second most commonly observed issue is related to proper wage and benefits. There was a slight increase in minimum wage issues over 2014 (7% in 2015 vs. 5% in 2014), mainly due to increases in the minimum wage of some countries and factories not revising their wages. These suppliers are required to show demonstrated improvement upon re-audit in order to remain a VF-approved vendor. For a full list of all topics included in the VF Compliance audits, please see [VF's audit policy](#).

FACTORY CONDITIONS - SUPPLIER SELECTION

As Timberland’s sourcing managers consider new factories, social compliance performance is an important aspect of their vendor selection pre-screening process. Such pre-screening is accomplished by having factories provide evidence of their social compliance performance by way of recent audits by other brands, external monitoring firms, or social certificates, such as WRAP or SA8000. To facilitate discussions internally with our sourcing teams in regards to their commitment to select social/labor compliant factories, we track the number of new factories that receive Rejected or Pending Rejection-180 Days ratings on their initial VF Compliance Audit.



Q3 2016 Result: During Q3, 18 new factories were selected to produce for Timberland. Of these 18 factories, 6 (33%) were rated Accepted, 10 (56%) were rated Developmental, and 2 (11%) were rated Rejected. The 2 factories that received the Rejected rating are working on their corrective action plans and have requested to be re-audited in 3 months.

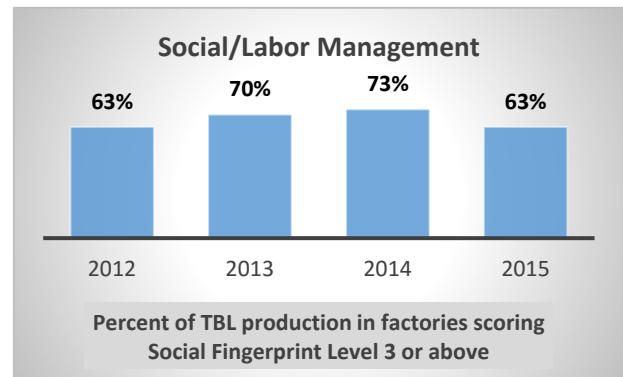
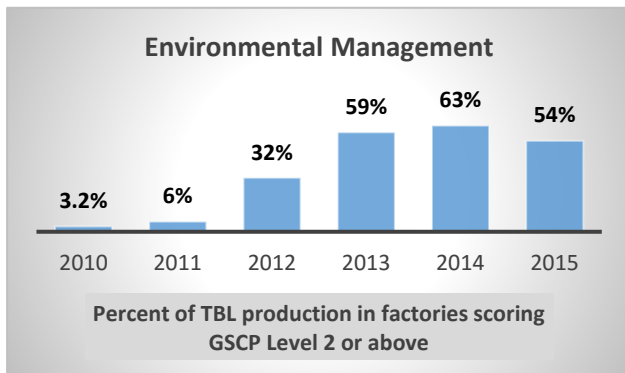
Full Year 2015 Result: Of the 105 new factories selected in 2015, 31 (30%) were rated Accepted, 63 (60%) were rated Developmental, and 11 (10%) were rated either Pending Rejection-180 days or Rejected. Timberland’s business units did not pursue 10 of these 11 factories. The remaining factory (audited in Q4) is working on corrective actions in order to be re-audited in early 2016.

ENVIRONMENTAL & SOCIAL/LABOR MANAGEMENT SYSTEMS

Starting in 2010, Timberland adopted the environmental framework and scoring methodology of the [Global Social Compliance Program \(GSCP\)](#). GSCP measures how proactive a factory is with regard to reducing each of its environmental impact areas. Timberland's target of Level 2 means that factories have well-established environmental management systems and targets to reduce environmental impacts. Our goal is to achieve environmental performance improvements in our supply chain and reduce environmental hazards for the local community and worker population.

Starting in 2012, Timberland adopted the framework and scoring methodology of [Social Accountability International \("SAI"\)'s Social Fingerprint® program](#). Social Fingerprint® is an assessment tool designed to help companies measure and improve social performance of supply chain vendors. The framework focuses on management systems development and implementation in 9 categories that SAI deems instrumental in developing a solid and effective social/labor management system. Within each category, a factory is ranked from Level 1 to Level 5 (Level 5 = leading practice). Our target was set at Level 3, which indicates factories have an effective social/labor management system integrated into their operations.

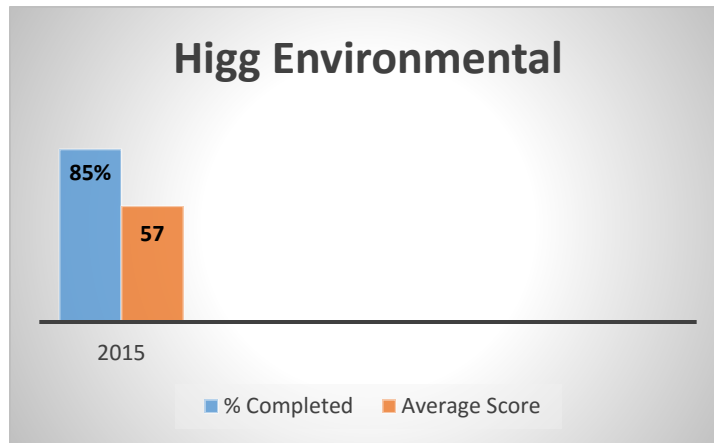
Note to stakeholders: Social Fingerprint® and GSCP scores are derived from factories' self-reported data to Timberland's [Supplier Sustainability Team \(SST\)](#). The self-reported data was validated by the SST when onsite providing remediation and capacity building assistance. Data reported here only includes scores that have been validated by the SST, and reflects percent of Timberland production from active Tier 1 factories from all Timberland business units at the end of the reporting period based on business units' forecasted annual production.



2015 Result: At the end of 2015, 22 Tier 1 factories representing 54% of Timberland's global annual footwear and apparel production had scored GSCP Level 2 or higher in all applicable categories; and 31 Tier 1 factories representing 63% of Timberland's annual global footwear and apparel production had scored Level 3 or better on SAI's Social Fingerprint. The work of the SST to guide factories on effective social and environmental management systems has been transitioned to our parent company's (VF Corporation's) Sustainable Operations Team, which leverages the [Sustainable Apparel Coalition's Higg Index](#) as a broader means of assessing the social and environmental impacts of our products and supply chain. The Higg Index is a suite of self-assessment tools designed to empower brands, retailers, and facilities of all sizes, at every stage of their sustainability journey, to measure their environmental and social and labor impacts and identify areas for improvement.

HIGG FACILITY ENVIRONMENTAL MODULE

In 2015, VF's Sustainable Operations Team introduced our strategic suppliers to the Higg Facility Environmental Module. The first step is for the factory to complete an online self-assessment, answering questions on 7 different components: Environmental Management Systems, Energy Use and Greenhouse Gas Emissions, Water Use, Wastewater/Effluent, Emissions to Air, Waste Management, and Chemical Use and Management. Factories receive a score of 1 to 100. The next step is to have the VF Sustainable Operations Team (or other SAC-approved verifier) verify the factories' scores, by either on-site or off-site evaluation. Scores are anonymized and aggregated, allowing facilities to benchmark their results against the industry. See below for 2015 results of Timberland factories that have participated thus far. Going forward we will report these results annually with Q1 reporting.



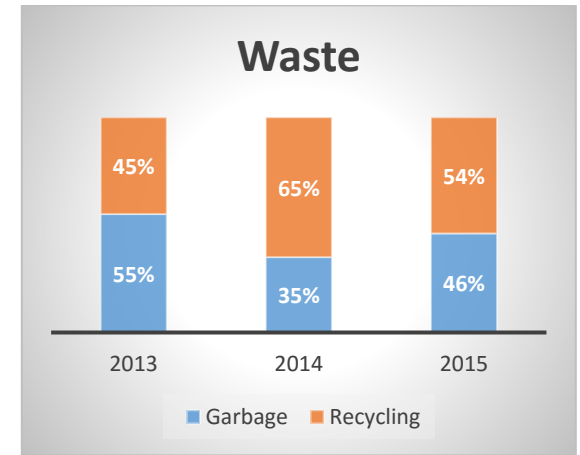
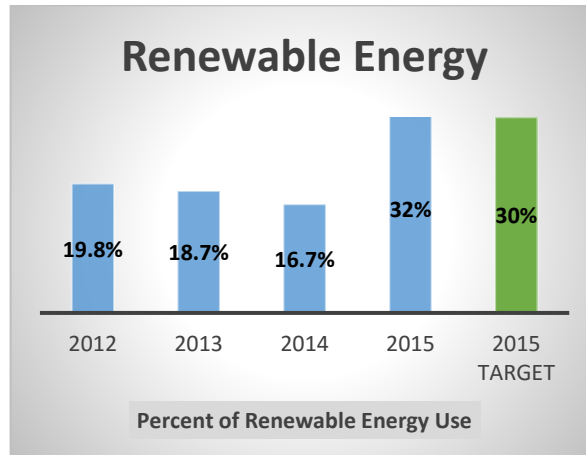
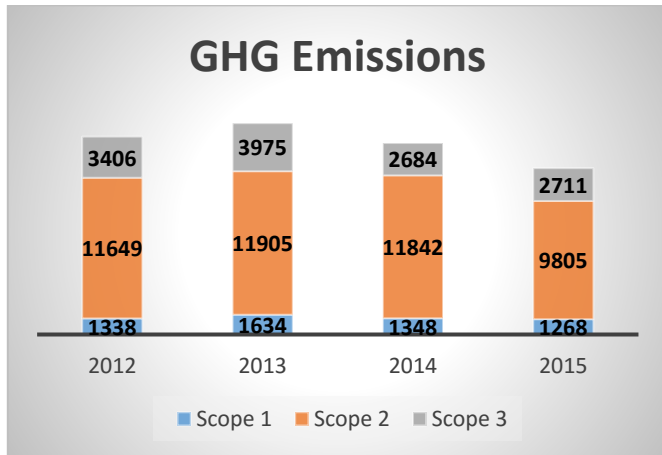
The Higg Facility Social and Labor Module is still in the Beta testing phase. Once completed, we will roll out to our largest manufacturers.

This is our baseline year for the Higg Facility Environmental Module implementation, and we have not yet set targets. We will report on updates as they become available.



OUTDOORS – RESOURCE EFFICIENCY

Annually Reported Metrics - 2015 Results



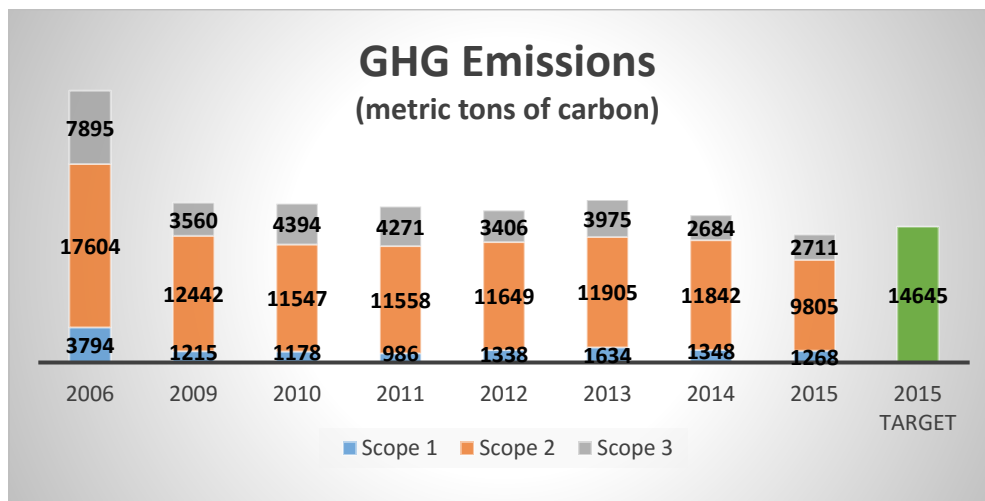
OUTDOORS – TREE PLANTING

Annually Reported Metrics - 2015 Results



For further details, analysis, and historic data, refer to respective appendices.

GHG EMISSIONS



Timberland's carbon footprint measurement represents owned and/or operated facilities and employee air travel only. Measured over a 2006 baseline, as we opened new stores and expanded our international presence, it was to be expected that emissions would grow. For this reason, our 2010 target of 50% absolute emissions reduction was pushed out to 2015 to account for forecasted business growth. That said, this target remained ambitious for our business. A 50% reduction by 2015 is more aggressive than leading practice as defined by [Ceres Roadmap for Sustainability](#), which calls businesses to set such targets for 2020.

2015 Result: In 2015, we had a 13% reduction in GHG emissions compared to 2014 (13,784 vs. 15,874 metric tons), which is a 53% reduction over our 2006 baseline. This decrease can be attributed to our Stratham, NH headquarters and several European sites converting to renewable energy sources of electricity, and a 6% decrease in emissions related to employee air travel. We are pleased with our accomplishment to exceed our absolute target of 50% reduction in GHG emissions over our 2006 baseline. Going forward, we will be aligning targets with VF Corporation's goals around energy reduction and renewable energy. As such, our 2020 targets are to see a 10% reduction in energy use (2% reduction year over year) and have 50% of our energy procured or offset by renewable sources.

Read more about our [energy reduction efforts](#) on our responsibility website. To learn more about VF Corporation's efforts to reduce GHG emissions, click [here](#).

Notes regarding the GHG data reported here:

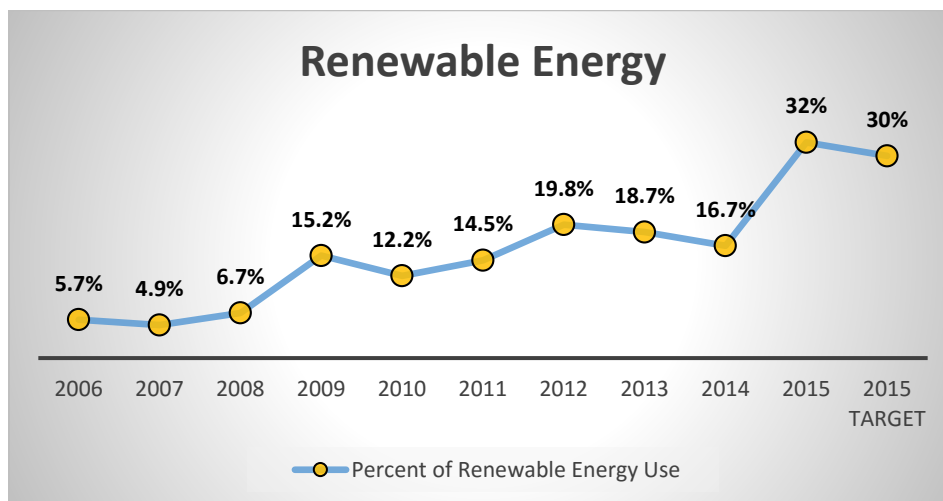
1. The emissions generated from our owned and/or operated facilities and employee travel accounts for roughly 4% of Timberland's overall carbon footprint, when including emissions embedded in raw materials, production manufacturing, and product transportation. Energy reduction efforts with our supply chain partners are managed and tracked via our implementation of environmental management systems tools such as the Higg Index. For more on these efforts, refer to our Product-Manufacturing reports.
2. In 2012, we updated our carbon footprint calculations to be consistent with our parent company (VF)'s carbon accounting methodology, and applied this protocol to our historical information. All annual data has been updated, which allows Timberland's GHG reporting to be consistent with VF's GHG reporting. Changes in our calculations included using more detailed emissions factors for onsite fuels (Scope 1) and energy use in the US (Scope 2, now based on eGrid). We also applied more rigorous calculations for air travel (Scope 3) to ensure that short, medium, and long haul flights have more detailed emissions factors associated with them (previously, Timberland used a standard emissions factor for all air travel). In 2014, VF removed Shop in Shop stores from its calculations as the selection and control of energy use in these stores is beyond the company's control and difficult to track accurately.

3. At the end of each year we conduct a final review and replace estimations and/or outdated data with year-end corrections. Any change in previously disclosed annual data is the result of this clean-up. Data presented here represents the final and most accurate accounting of our GHG emissions for 2006-2015.

Scope Definitions (according to the [WRI/WBCSD GHG Protocol](#)):

- Scope 1: Emissions produced from the burning of fossil fuels on Timberland property (e.g. heating buildings by burning oil or natural gas).
 - Scope 2: Emissions associated with the electricity that Timberland purchases from other companies. Examples include electricity purchases in our retail locations.
 - Scope 3: Emissions that are a consequence of the company's business, but occur from sources not owned or controlled by Timberland.
- Timberland Scope 3 emissions included in our GHG inventory only include commercial air travel.

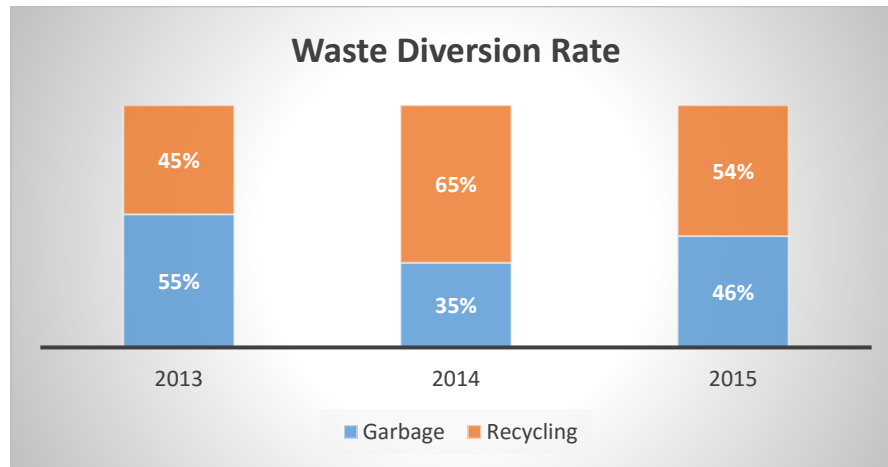
RENEWABLE ENERGY



This metric measures the percentage of energy we procure from clean renewable energy vs. fossil-fuel based energy. Renewable energy purchases represent on and off-site generation, as well as renewable energy credits. Our 2015 target is considered best practice within the [Ceres 2020 Roadmap](#), which challenges businesses to obtain at least 30% renewable energy by 2020.

2015 Result: In 2015 our use of renewable energy was 32%, which exceeds our 2015 goal of 30%. This increase over prior years can be attributed to our Stratham, NH headquarters and several European sites converting to renewable energy. We are pleased with our accomplishment to exceed our 2015 target for 30% renewable energy. Going forward, we will be aligning our targets with VF Corporation's goal to be sourcing 100% renewable energy for all owned and/or operated facilities by 2025, setting our new target for 2020 to be 50%.

WASTE



Timberland has a longstanding commitment to sustainability and protecting our natural resources. As part of this commitment, we have increasingly pursued recycling and composting efforts at our over 300 owned and/or operated facilities.

Landfill diversion rates at all facilities owned and operated globally were tracked for the first time in 2013. As the above chart reflects, our efforts to date have been successful in diverting the majority of our waste streams. We continue to seek means of further improving our waste diversion rate and are looking at applying best practices from our parent company's (VF Corporation's) zero waste facilities. *Note: data is self-reported by each facility and is not third-party validated.*

2015 Result: In 2015, our landfill diversion rate dropped from 65% to 54%. This is partly due to improved data collection processes globally. Each year we look to improve the process for gathering global waste and recycling information from our 300+ owned and/or operated facilities.

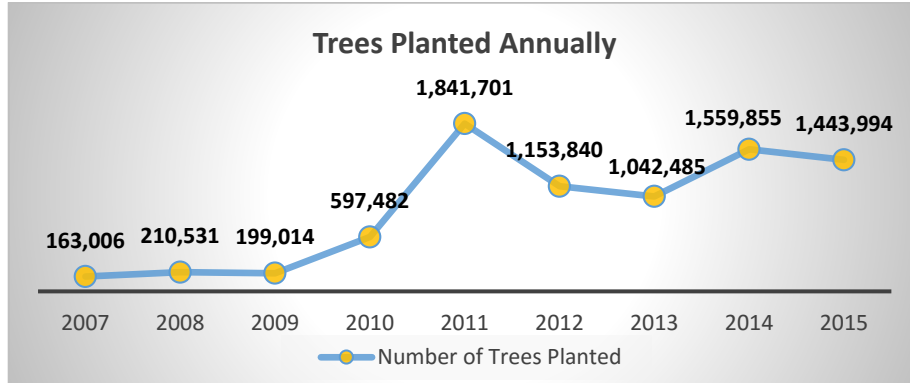
Our manufacturing plant in the Dominican Republic is by far our largest generator of waste, generating over 90 metric tons of landfill waste each year. In 2014, a large volume of accumulated obsolete outsoles was included in the waste diversion figure resulting in a much higher diversion rate for the year. We are currently working with the industrial park association to institute a recycling program within the park, as currently none exists.

Another opportunity that we are currently pursuing to further increase our waste diversion rate is a solution for our retail stores to recycle the polybags that accumulate at each store, as these cannot typically be recycled in municipal recycling programs. We are considering alternative polybags can be recycled and/or a national polybag recycling vendor for our retail stores to send discarded polybags.

To learn more about VF's efforts to reduce landfill waste, click [here](#).

GREENING THE OUTDOORS

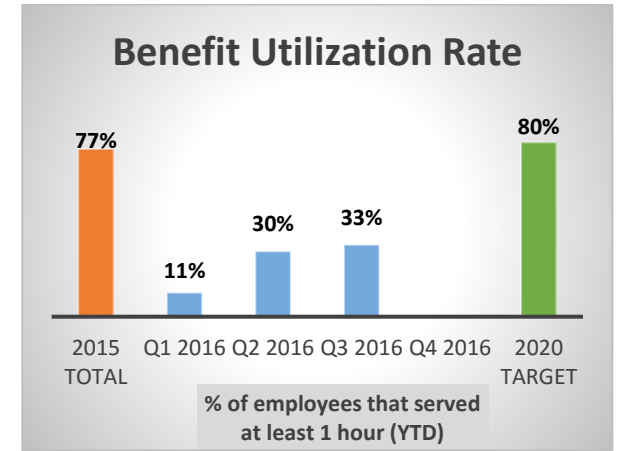
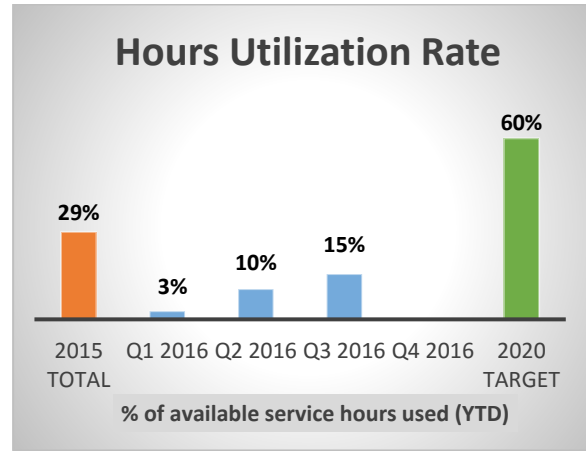
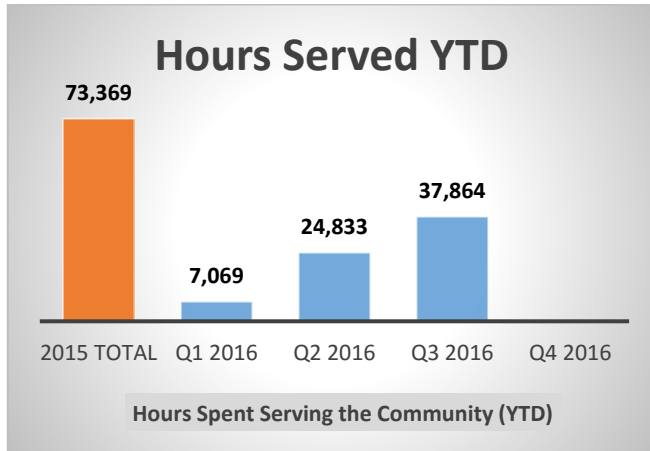
In 2001, Timberland set out to plant 1 million trees in 10 years. We accomplished our goal in 2009 and were inspired to set a new goal of planting 5 million trees in the next 5 years. In 2014, we had accomplished that goal, primarily based on the success of tree planting projects in China, Haiti, and the Dominican Republic. From 2001 through 2015, Timberland planted a total of **8,791,328** trees.



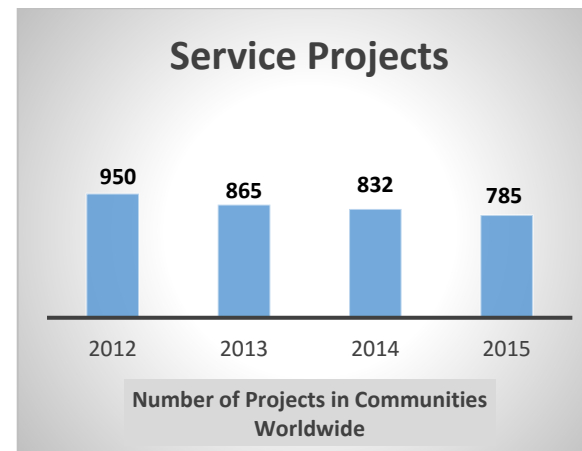
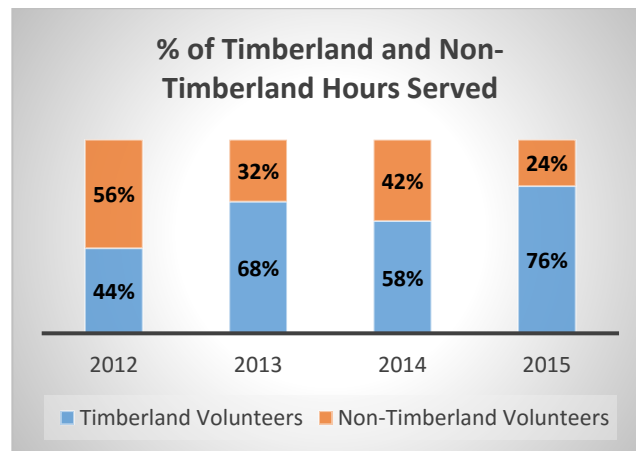
Read more about our tree-planting initiatives in [Haiti](#) and [China](#) on our responsibility website.

By 2020, we aim to well-exceed 10 million trees planted in total. Our efforts to green the outdoors will additionally include more focus on urban greening and engaging our consumers in doing so. You can read more about our global [urban greening efforts](#) on our responsibility website.

Quarterly Reported Metrics – Q3 2016 Results



Annually Reported Metrics – 2015 Results



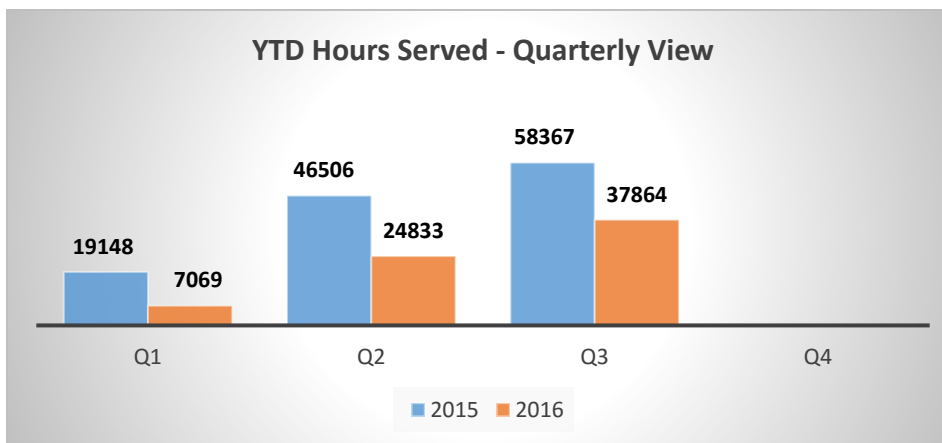
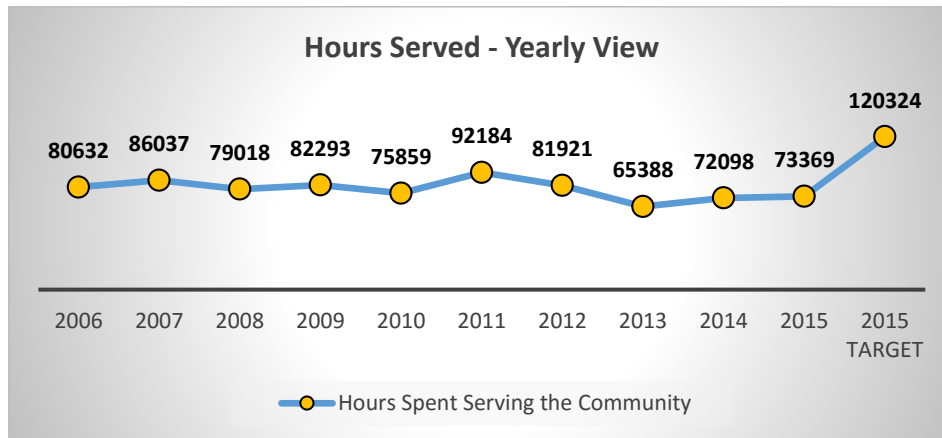
For further details, analysis, and historic data, refer to respective appendices.

HOURS SERVED

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.



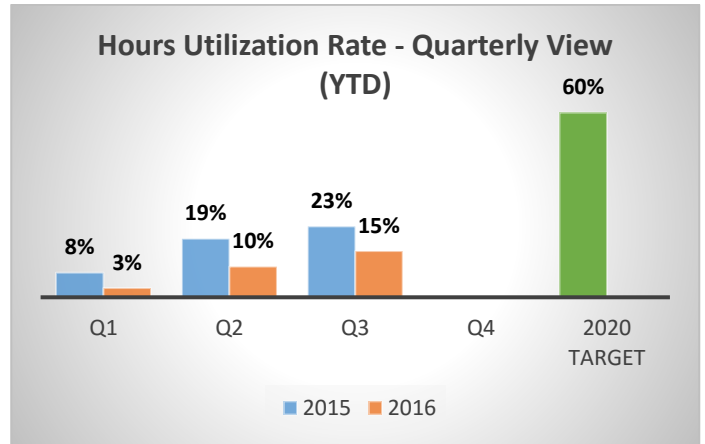
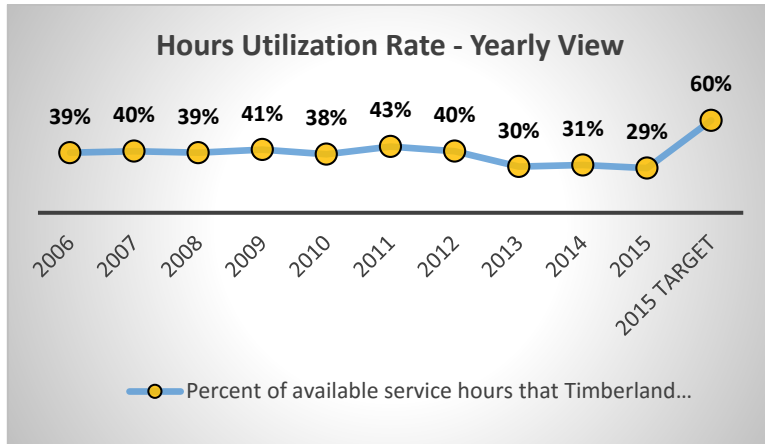
Q3 2016 Result: Timberland employees served 13,031 hours worldwide in Q3 2016, for a total of 37,864 hours served year to date. Our hours are down when compared to last year, primarily due to a surge of service that took place at our manufacturing plant in the Dominican Republic in early 2015. A systems migration, that temporarily affected production lines, enabled more employees to serve last year.

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 find new and creative ways to use their Path of Service™ benefit. Some of the ways our employees served in Q3 include: planting trees in the Dominican Republic, fundraising for the Special Olympics and local food banks by our US Sales Team, and cleaning up a local park in Malaysia.

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

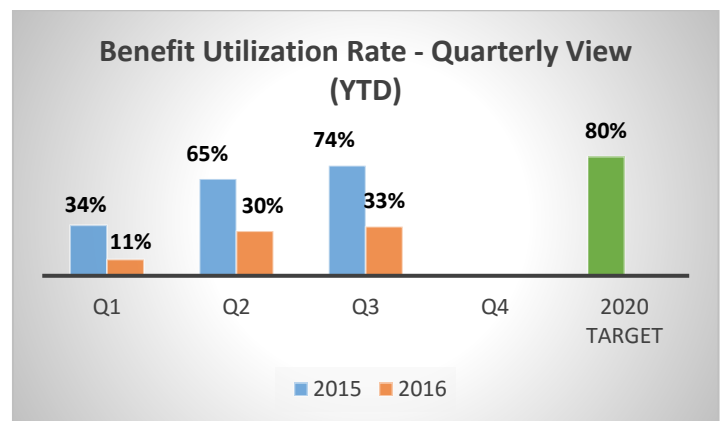
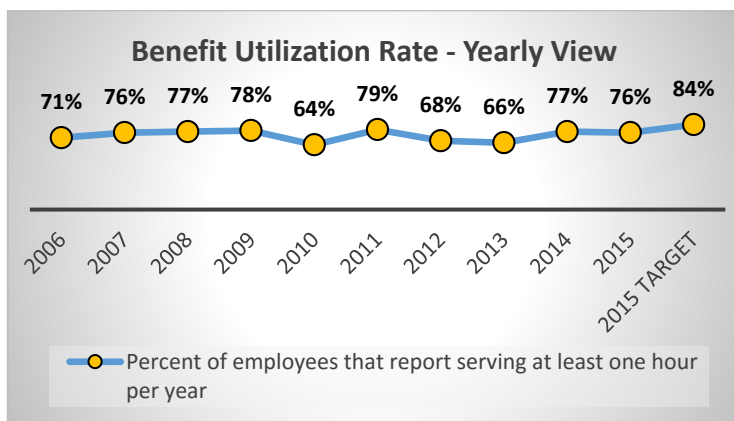
Hours Utilization Rate ("HUR") measures the percentage of available service hours offered to Timberland employees that employees report using year to date. Full-time employees are offered up to 40 paid hours annually, and part-time employees are offered up to 20. Each year the Community Engagement team 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.



Q3 2016 Result: Timberland's YTD Hours Utilization Rate at the end of Q3 was 15%. Though our HUR is down over the same time period last year, all regions still found some time to serve. In most regions Timberland's pillar event, Serv-a-palooza, took place, which gave employees many opportunities to serve. Some of these events include: outfitting over 700 needy children with Timberland boots, helping to renovate a veterans' center, and cooking meals at a homeless shelter.

BENEFIT UTILIZATION RATE

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.

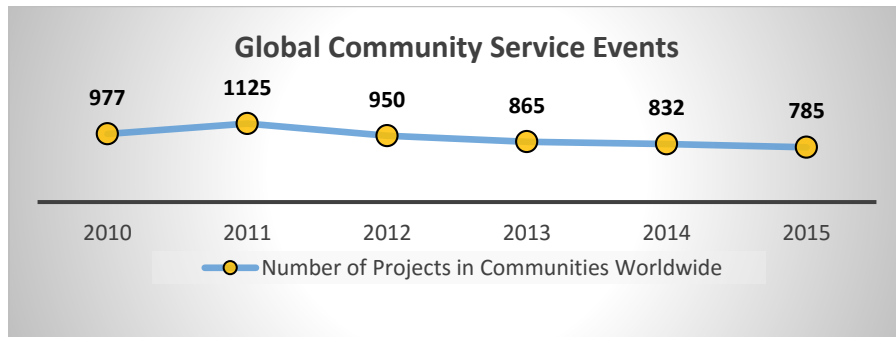


Q3 2016: Timberland's YTD Benefit Utilization Rate at the end of Q3 was 33%. Last year we had a systems change in our DR facility, which caused a shutdown in our production lines, and allowed our manufacturing employees to participate in service. This is an unusual occurrence, and is what led to our high BUR last year. 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 in North America, making small knitted garments in London, and using recycled leather to make bags in our Shanghai office.

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 on a regular basis 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: We had previously reported 1,147 projects for 2014. An error in our project data collection process was discovered and corrected at the end of 2015.



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.

