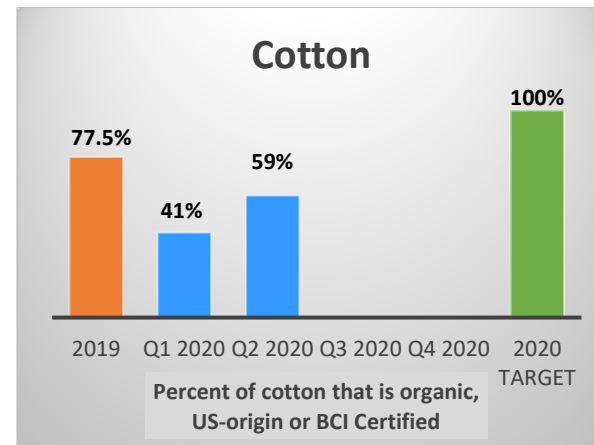
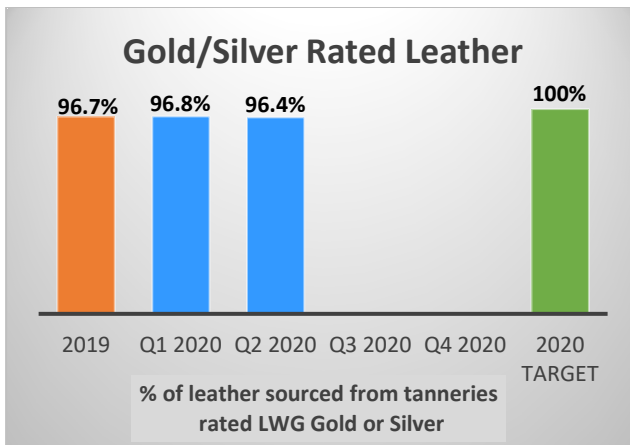
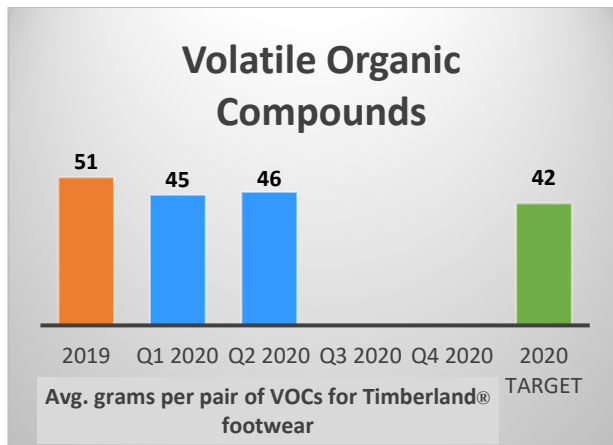


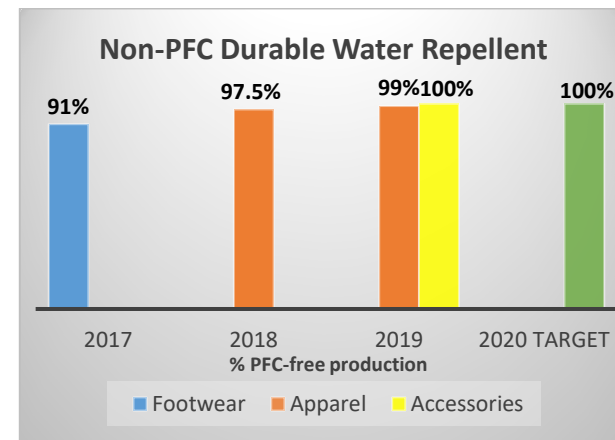
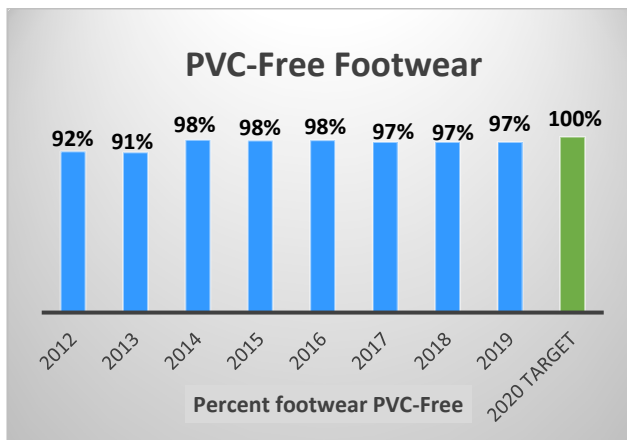
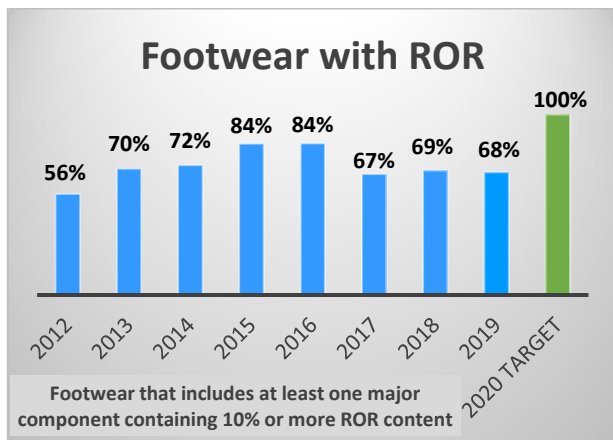


PRODUCT – Materials

Quarterly Reported Metrics – Q2 2020 Results



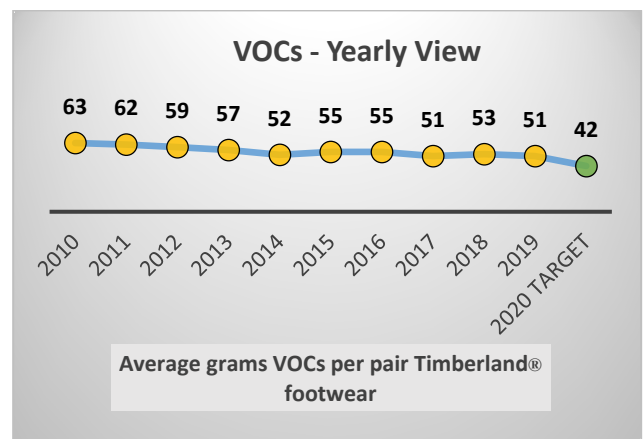
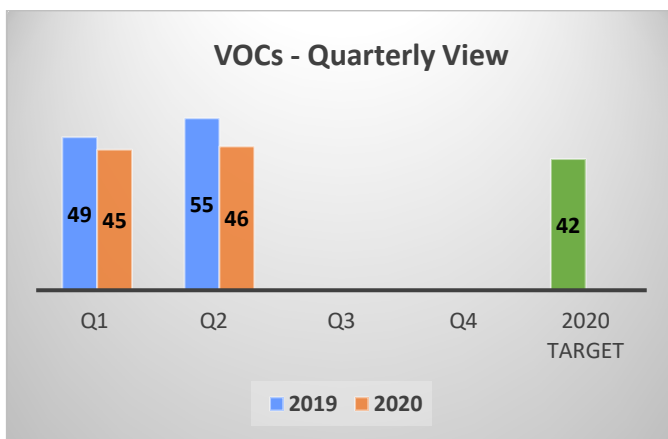
Annually Reported Metrics – 2019 Results



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 lowering environmental impact and improving working conditions in factories. To facilitate ongoing reduction efforts and maintain the quality and physical integrity of the shoe, engineering reviews are conducted to promote the use of water-based adhesive in the construction and manufacturing of product.



Q2 2020 Result: Our average use of VOCs per pair was 46 grams during Q2, a significant improvement over our Q2 2019 result (55 grams/pair). Production was moved away from two factories that historically had high-VOC usage which resulted in this quarter's reduction.

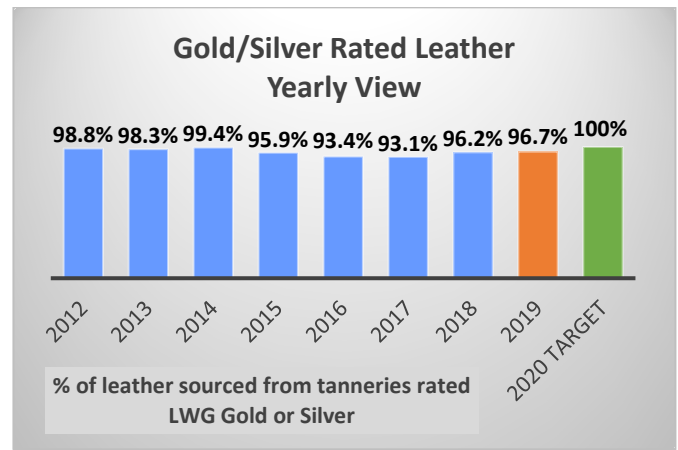
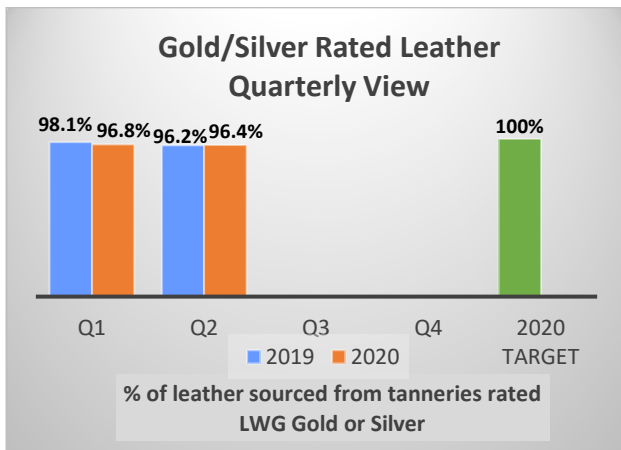
We remain committed to our goal of averaging 42 grams of VOCs per pair.

Building on the work that Timberland has done to date to use alternatives, execute best practices for application, and minimize air exposure, our parent company's Responsible Sourcing team is looking to expand the scope of its responsible chemistry program (ChemIQ) to include solvent-based adhesives – working with suppliers and adhesive vendors to prioritize substitutions for adhesives with high VOC content.

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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 our leather suppliers for footwear and apparel undergo an environmental audit under protocols established by the [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, water and waste management to energy use and hide traceability. Tannery environmental audit performance is scored on a scale of Audited, Bronze, Silver, or Gold, with separate percentage scores awarded for the degree of hide traceability. 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.



Q2 2020 Result: During Q2, 96.4% of our overall leather volume used for Timberland® footwear, apparel, accessories and licensed products was produced at tanneries that have a Gold or Silver LWG rating, compared to 96.2% during the same period in 2019. When looking at leather used during Q2 for Timberland® footwear only, 99.8% came from tanneries rated Gold or Silver.

Our Q1 result has been restated as any tanneries that are currently Gold or Silver rated that can't be re-audited due to Covid-19 have had their expiration date extended by 1 year. Thus, any leather shipped past the previous expiration date is still considered Gold or Silver rated.

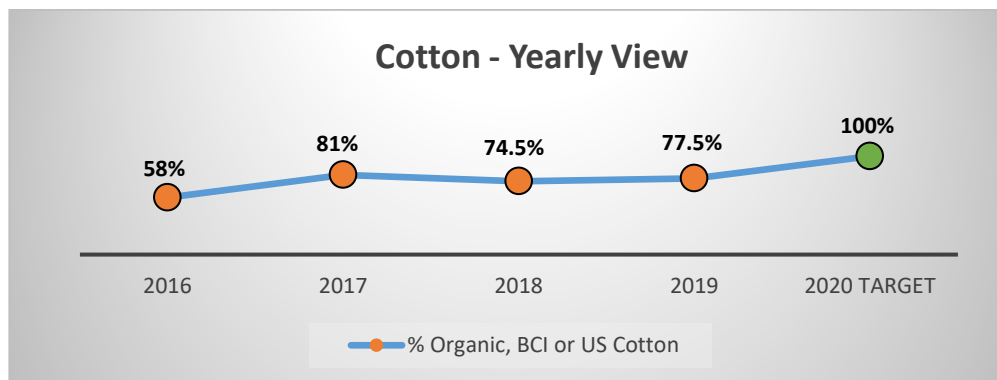
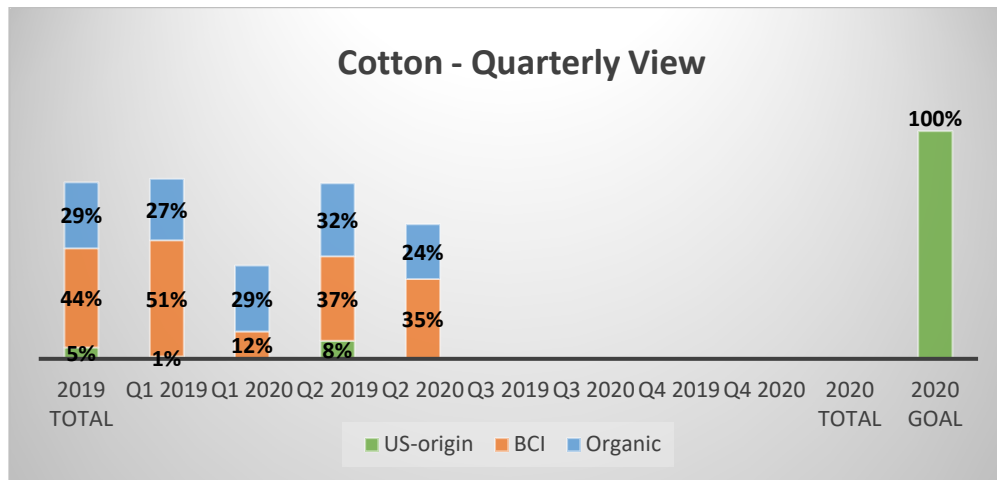
Licensed goods and accessories tanneries' use of non-LWG rated tanneries continues to have an impact in our overall results. Smaller quantities and price-point demands make this challenging, however, our licensees understand the importance of increasing the use of more responsible materials in their products and are doing their best to achieve our requirements.

We remain committed to our goal to limit production at non-certified tanneries until they achieve Gold or Silver status.

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COTTON

Chemicals used to grow cotton can be detrimental to the health of farmers, and seep into run-off water contaminating lakes, rivers, and waterways. Conventionally grown cotton uses more insecticides and requires significantly more water than organically grown cotton. As such, Timberland has a longstanding goal to increase our use of organic cotton year over year. Organic cotton remains our preference; however, when organic cotton is not feasible, we strive to eliminate our use of conventionally grown cotton. Our new 2020 target is for 100% of the cotton used in our apparel, accessories and licensed goods to be sourced more sustainably than conventional cotton. This includes cotton that is Certified Organic, Recycled or Fairtrade; of US-origin; or sourced as Better Cotton through the [Better Cotton Initiative](#) (“BCI”). Better Cotton can be mixed with other cotton before it reaches the factory, which means that Better Cotton can end up in our products as well as those of our competitors. What a brand can ensure is that the amount of Better Cotton purchased by a factory corresponds to the amount needed for the production of its products. This applies to all brands and textile buyers. By ordering Better Cotton, we support more sustainable cotton production, regardless of where the cotton ultimately ends up (in our own products or in our competitors’). This system, called Mass Balance, enables a faster upscaling of a more sustainable cotton supply than would otherwise have been possible.



Q2 2020 Result: Based on the data received, 28.6 metric tons of cotton were used for Timberland® apparel and accessories, 59% of which was either organic (24%) or sourced through BCI (35%). Due to COVID-19, several mills were not fully operational at the time of this report, and thus unable to provide Q1 and Q2 data to our direct-sourced apparel team. We will update with our Q3 report.

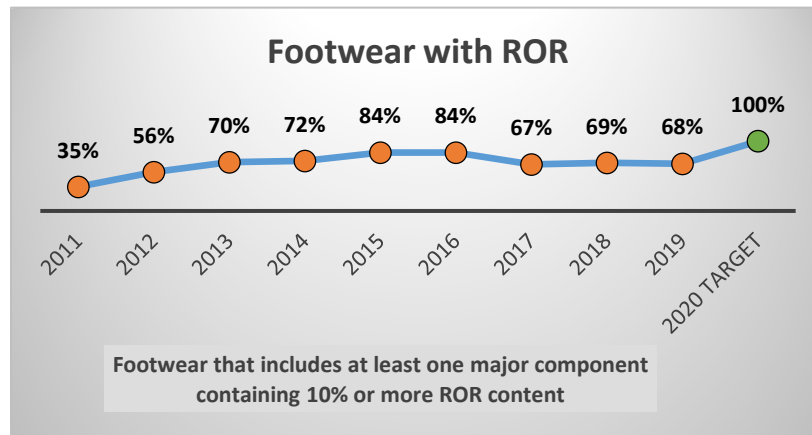
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FOOTWEAR WITH RECYCLED, ORGANIC OR RENEWABLE MATERIALS

Since 2008, Timberland has implemented product development strategies to increase the use of recycled, organic, and renewable ("ROR") materials in our footwear, and set yearly targets to steadily increase the use of these environmentally-preferred materials. Renewable materials are defined by Timberland as plant-based materials which replace the use of fossil fuels in our products (e.g. castor bean oils used in outsole compounds). 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 is constructed with at least one major component made from organic, renewable or recycled materials (with a minimum threshold of 10% ROR 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.

In 2017 we changed our method of reporting our use of ROR materials. From 2011 to 2016 we included all materials, including those used in minor components such as webbings, trims and labels. To drive focus toward using ROR content in more significant components of our footwear, we are no longer including these minor components.



2019 Result: In 2019, 68% of all Timberland® footwear shipped had at least one major component made with 10% or more ROR content, a slight decrease over our 2018 result. Recycled PET continues to be the largest source of ROR materials in our footwear, incorporating over 734,473 pounds – the equivalent of 33.6 million half-liter plastic water bottles. To date, we have incorporated the equivalent of over 380 million plastic bottles into our footwear.

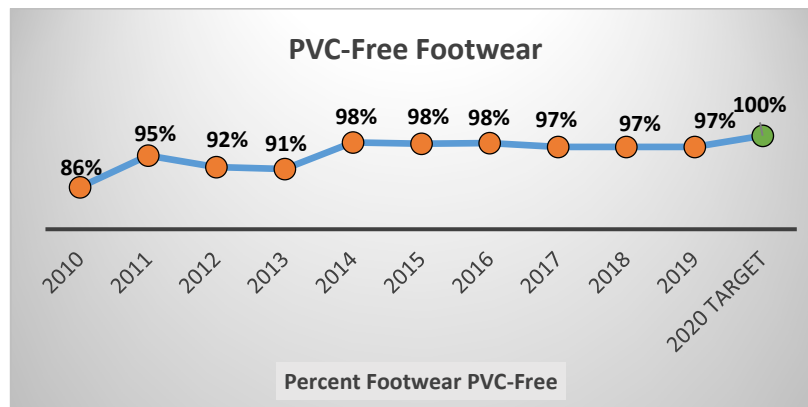
To further advance toward our 2020 goal, we have developed design policies that require ROR content in all new product development, and we are revisiting carry-over styles to engineer in ROR where applicable.

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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 manufacture, use, and disposal of PVC poses environmental and human health hazards. At numerous points in the vinyl lifecycle, hazardous by-products can be formed accidentally and released into the environment. The by-products of the vinyl lifecycle are of concern because many of the components are highly persistent, bioaccumulate, and toxic.¹

¹ Thornton, Joe. *Environmental Impacts of Polyvinyl Chloride (PVC) Building Materials. A Briefing Paper for the U.S. Green Building Council.* Columbia University, *Environmental Impacts of Polyvinyl Chloride (PVC) Building Materials. A Briefing Paper for the U.S. Green Building Council*, www.usgbc.org/drupal/legacy/usgbc/docs/LEED_tsac/PVC/CMPBS%20Original%20Submittal.pdf.

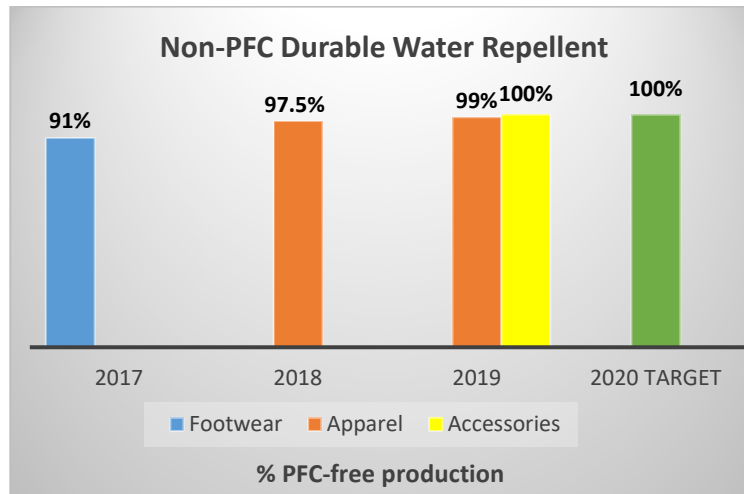


2019 Result: In 2019, 3% of Timberland® footwear shipped contained PVC, which is even with our 2018 result. While not yet at 100% PVC-free, we are proud of the progress we've made over the years to phase out PVC in our footwear. There are stringent performance expectations in certain styles in our Timberland PRO® product line that cannot be met with current PVC-free alternatives. We continue to seek PVC-free material substitutions and to review materials and manufacturing equipment updates to allow for further PVC reduction. Additionally, our parent company VF Corporation's Restricted Substances List policy calls for a complete phase-out of PVC use in all products. For more details see their policy at <http://responsiblesourcing.vfc.com/policies-and-standards/>.

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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 eliminate all PFCs in our waterproof footwear and apparel. Our end goal is for 100% of our DWRs to be non-PFC. This was a new metric in 2016.



Footwear production result excludes minor trims.

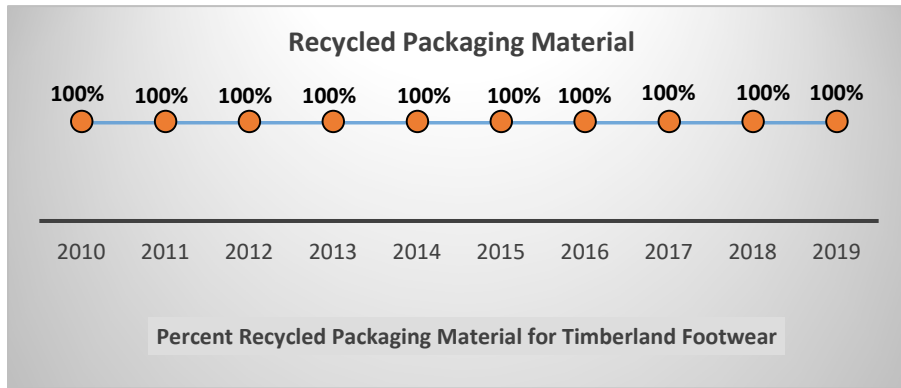
2019 Result: This is our first year reporting non-PFC DWR in accessories fabric, and we are pleased to report that 100% of DWR used is non-PFC. Over the past several years, our apparel team has successfully transitioned the vast majority of their DWR fabrics (99%) to non-PFC chemistry. Our remaining products with PFC-based DWRs have specific performance requirements (e.g. oil repellency for workwear fabrics) that, to-date, can only be achieved with PFC-based chemistry. We are actively researching and engaging chemical suppliers with the goal of identifying non-PFC chemistry innovations that can achieve the required performance attributes for these products.

As footwear is made up of a complex suite of materials and components, we are working to improve our data systems in order to track non-PFC status of all materials/components more accurately and efficiently in the future.

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RECYCLED PACKAGING

Since 2007, Timberland has been committed to producing responsible packaging for our footwear. Our boxes are made from 100% recycled materials (at least 80% post-consumer) and from 2007-2011 were printed with soy-based and sesame-based inks. Starting in 2012 we began using water-based inks and have phased out soy and sesame-based inks.

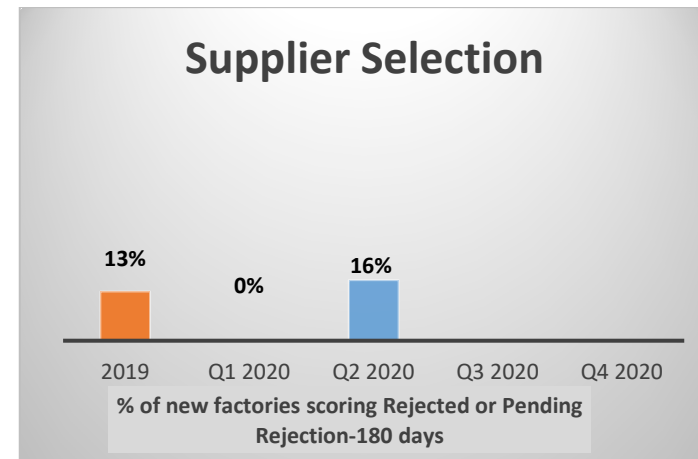
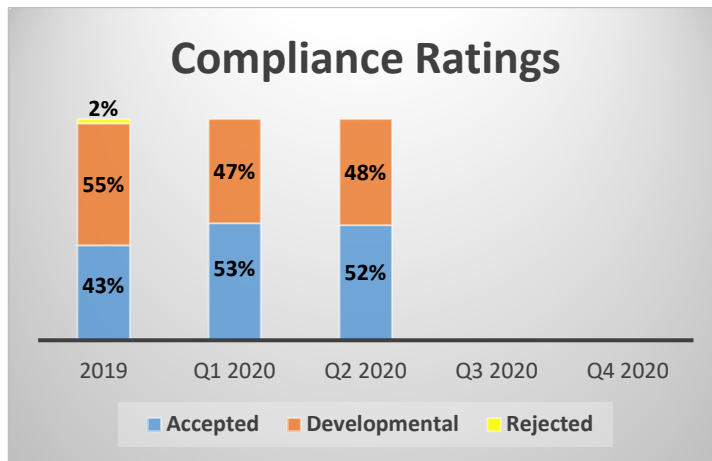


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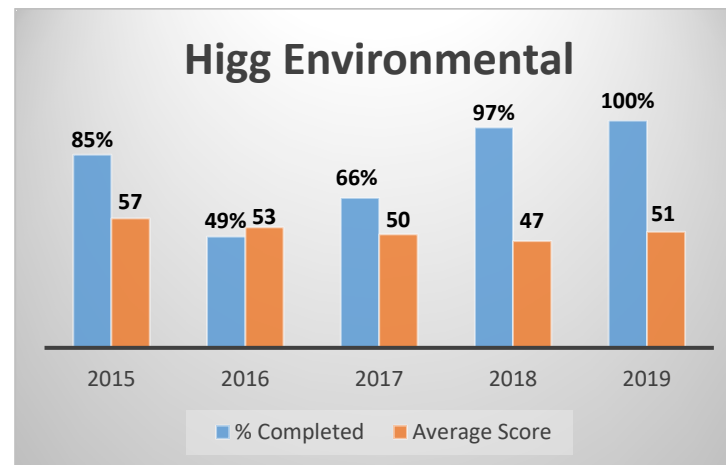


PRODUCT – Manufacturing

Quarterly Reported Metrics – Q2 2020 Results



Annually Reported Metrics – 2019 Results



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

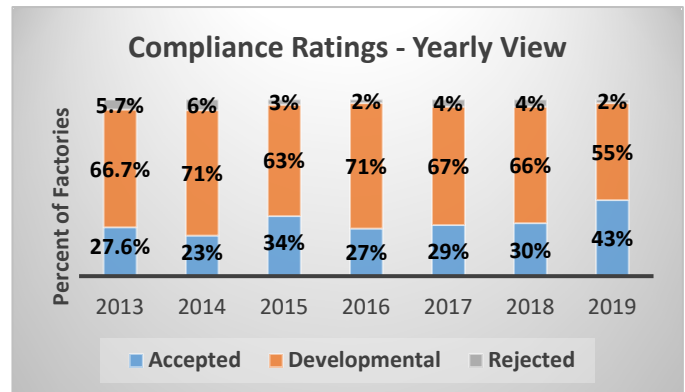
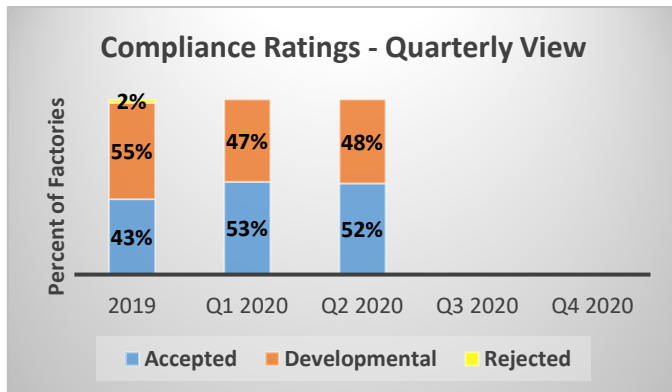
FACTORY CONDITIONS – COMPLIANCE RATINGS

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 packing 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 12 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.

In 2017, VF Compliance began auditing Tier 2 suppliers (textile mills, outsole factories, and tanneries) for life safety issues. Life Safety Audits cover Legal Business Practices, Child Labor, Forced Labor, Health and Safety, Monitoring and Compliance, Worker Residence and Environment. Metrics below include results of both standard compliance audits and life safety audits.

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



Q2 2020 Result: At the end of Q2, there were 383 factories approved to produce for Timberland. Broken down by business unit, this equates to 55 footwear factories, 122 apparel factories, 105 factories producing licensed goods and accessories, 30 tanneries, and 71 fabric mills and component suppliers. Two hundred one (52%) were rated Accepted, and 182 (48%) were rated Developmental.

VF Compliance audited 36 Timberland factories during Q2. Of the factories audited, 12 (33%) were rated Accepted, 18 (50%) were rated Developmental, 4 (11%) were rated Pending Rejection, and 2 (6%) were Rejected. The factories rated Pending Rejection are working on their corrective action plans and will be re-audited within 6 months. No new orders will be placed at the 2 Rejected factories until they are re-audited and a favorable rating is attained.

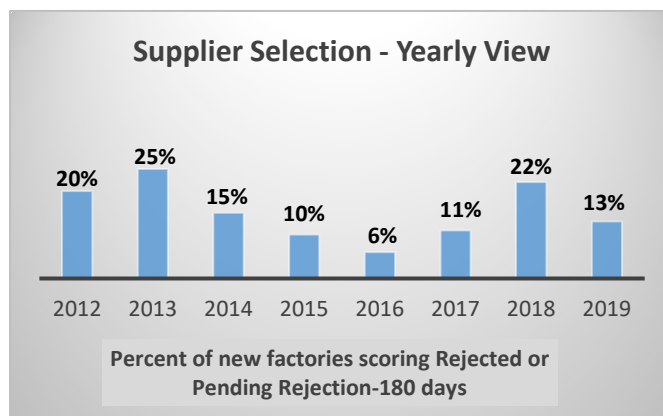
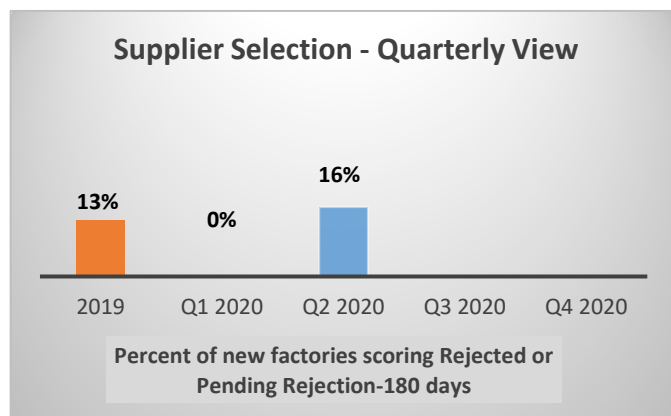
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Timberland believes, along with others in our industry, that factory disclosure and collaboration can create common standards and shared solutions – helping to advance global human rights in all our factories. For this reason, we disclose our factories 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.

In addition, Timberland, along with other VF Corporation brands, recently published full supply chain transparency footprint maps on 42 of its most iconic products. The source maps, available on [VF's sustainability website](#), help ensure every step in the production of VF's apparel and footwear meets the corporation's standards of quality, sustainability and social responsibility – from raw material extraction to VF distribution centers. The interactive maps display the number and locations of suppliers in a region and users can zoom in for a close-up look at each supplier, including onsite inspections, verifications and associate interviews.

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 regard 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.

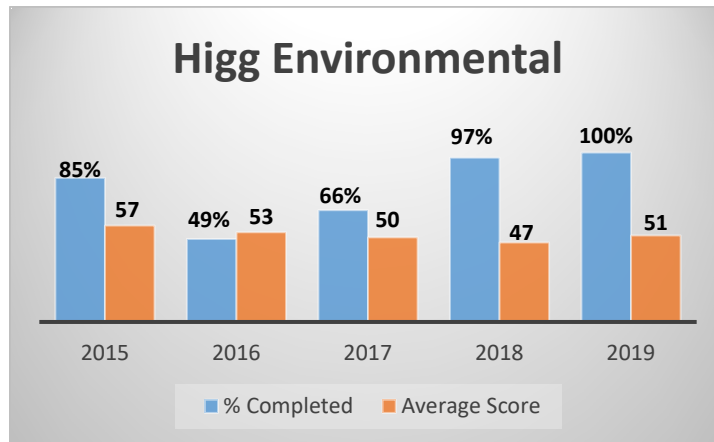


Q2 2020 Result: During Q2, 18 new factories were selected to manufacture for Timberland. Two of these factories (11%) were rated Pending Rejection, and one (5%) was rated Rejected. The Pending Rejection factories will be re-audited within 6 months after completing their correction actions. Production at the Rejected factory will not begin until a re-audit is conducted and the factory attains a favorable rating.

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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 seven 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 aggregated, allowing facilities to benchmark their results against the industry.



2019 Result: At the end of 2019, 100% of Timberland Strategic Supplier factories (both Tier 1 and Tier 2) participated in the Higg Environmental Module. Strategic Suppliers are VF's top volume factories that collectively represent 80% of global production for footwear and apparel. The average score for Timberland Strategic Suppliers that completed the self-assessment is 51, as shown in the chart above.

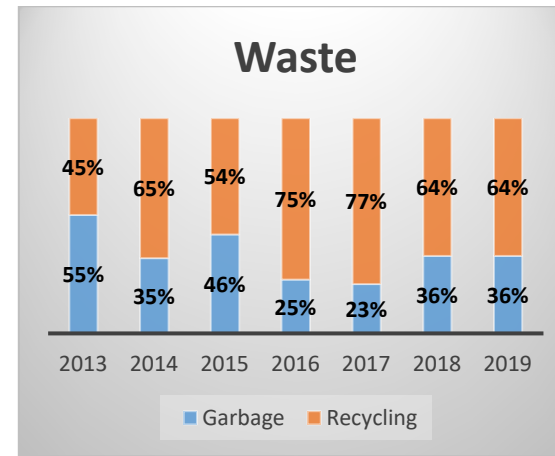
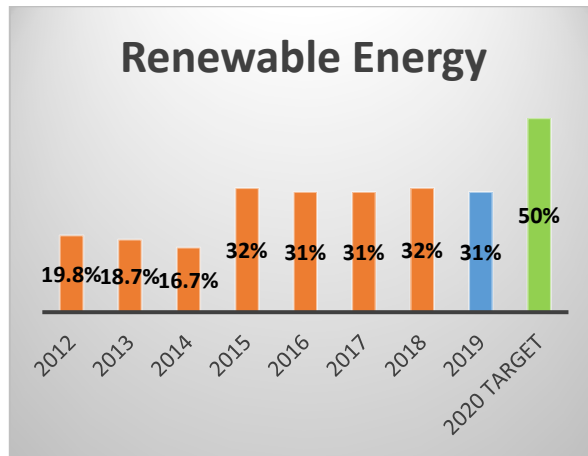
Once a factory completes the self-assessment, a member of VF's Sustainable Operations Team visits the factory to verify their score. In 2019, 25 factories had their scores verified, and the average score was 50.

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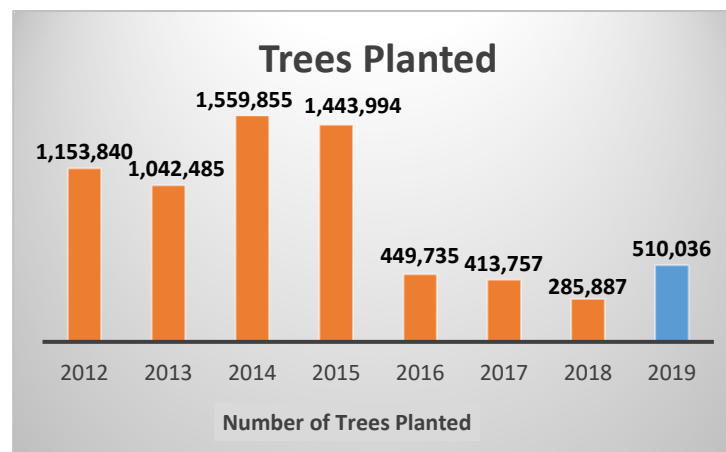
OUTDOORS – RESOURCE EFFICIENCY

Annually Reported Metrics – 2019 Results



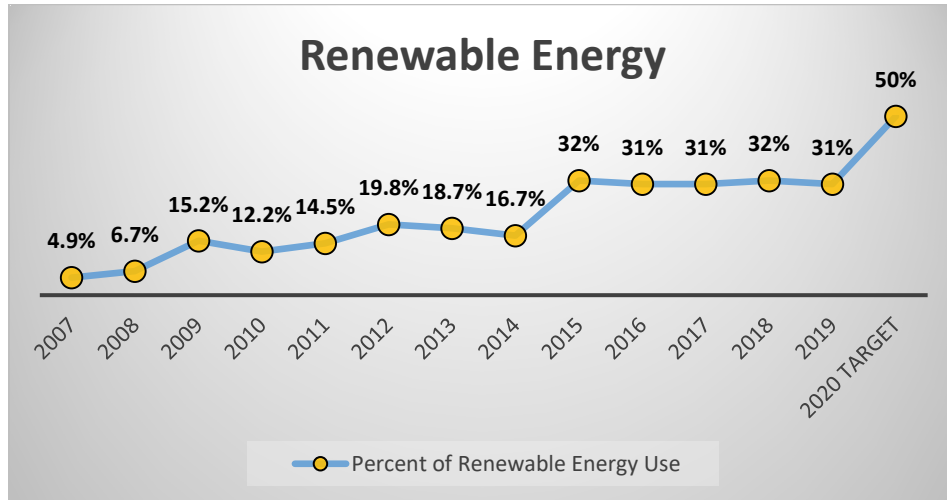
OUTDOORS – TREE PLANTING

Annually Reported Metrics - 2019 Results



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

RENEWABLE ENERGY



This metric measures the percentage of energy we procure from clean, renewable sources vs. fossil-fuel based sources. 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.

2019 Result: In 2019, 31% of the energy used at Timberland’s owned and operated facilities was from renewable sources, a slight decrease from our 2018 result (32%). The solar array located at our Ontario, CA distribution center was not fully operational during 2019, so that source of renewable energy was removed from our portfolio. Offsetting that decrease, however, were several sites in Europe that converted to renewable energy in 2019.

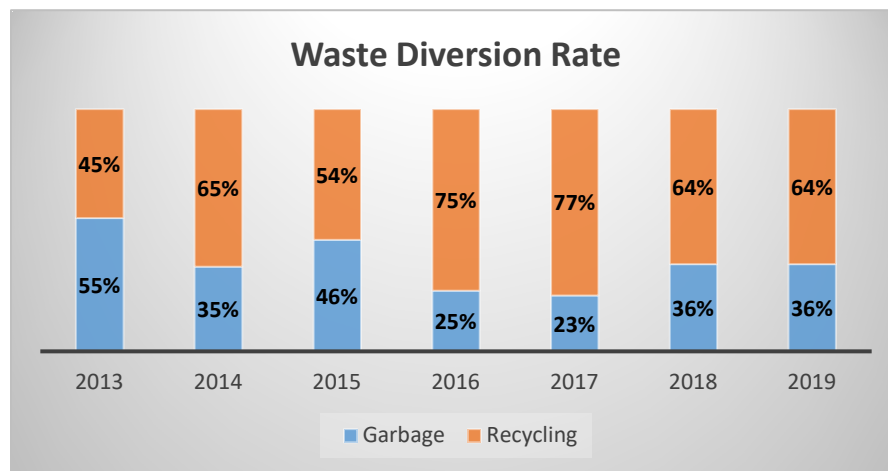
We have aligned our targets with VF Corporation’s goal to source 100% renewable energy for all owned and/or operated facilities by 2025. Our target for 2020 is to source at least 50% of all energy used at Timberland sites worldwide from renewable sources by then.

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WASTE

Timberland has a long-standing commitment to sustainability and protecting our natural resources. As part of this commitment, we have increasingly pursued recycling and composting efforts at our 300+ owned and/or operated facilities. All facilities owned and operated globally tracked landfill diversion rates for the first time in 2013. As the chart below reflects, our efforts to date have been successful in diverting many of our waste streams. We continue to seek means to further improve our waste diversion rate and are looking to apply best practices from our parent company's (VF Corporation's) zero waste facilities. Our aim is to reach 95% diversion rate for all owned/operated facilities.

Note: data is self-reported by each facility and is not third-party validated.



2018 & 2019 Result: In 2018, we changed our methodology for reporting our waste data. We feel this new methodology more accurately captures our waste diversion numbers. Globally, across all owned/operated facilities, Timberland operations generated 432 metric tons of waste to landfill and recycled/composted 326 metric tons. These results are not as successful as reported for 2016 and 2017 – this is partly based on improved data collection and calculation methodology, but also because of efforts to reduce the intake of excess materials and packaging.

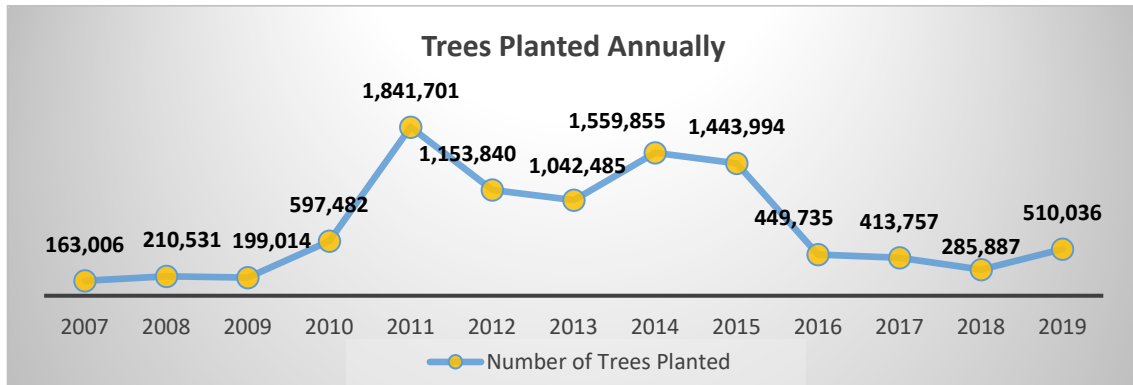
For our **manufacturing** facility in the DR, we have moved to a more accurate method based on daily waste production and annual footwear produced. Additionally, the volume of materials that in the past would have been recycled has decreased over time due to the facility's continued efforts to be more efficient with materials and working with vendor suppliers to reduce excess packaging. At **retail**, the data is based on the amount of packaging disposed of at each location – the primary source of waste generated by retail operations. The overall retail recycling rate increased from 65% to 76%. At our **distribution** centers, their efforts to move to zero-waste have led to less waste and less recycling.

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

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GREENING THE OUTDOORS

At Timberland, there is core belief that a greener future is a better future. In 2001, Timberland set out to plant one million trees in 10 years. We accomplished this goal in 2009 and were inspired to set a new goal to plant five million trees in the next five years. In 2014, we accomplished that goal, primarily based on the success of tree planting projects in China, Haiti, and the Dominican Republic. From 2001 through 2019, Timberland has planted a total of **10,785,743** trees. Having achieved our 2020 goal to plant 10 million trees 2 years early, we now have a new goal to build on this momentum and plant an additional 50 million trees in five years.



In 2019, we continued to support large-scale tree planting efforts in the Dominican Republic (DR) and the Horqin desert in China. Without the extended periods of drought experienced in the DR in 2018, our ecological partner was able to achieve a comparable level of survival as in the past. Read more about our tree-planting initiatives in [Haiti](#) and [China](#) on our [responsibility website](#).

In addition to the planting efforts in the Dominican and Horqin, our North American Retail Marketing Team allocated funds to plant over 48,000 trees in the United States with [American Forests](#). Trees were planted in areas devastated by wildfires in New Mexico, Montana and Washington, as well as areas where timber harvesting has rendered native species of birds nearly extinct in Michigan. An additional 17,000 trees were planted by American Forests, funded by the generosity of our consumers donating over \$184,000. The NA consumer donations will further support additional projects planned with American Forests in 2020. Consumer engagement also took place in our European retail markets for planting that will take place in 2020. Timberland is pleased to see that our consumers share our passion for a greener future, and thrilled to plant trees on their behalf to bolster our tree planting efforts.

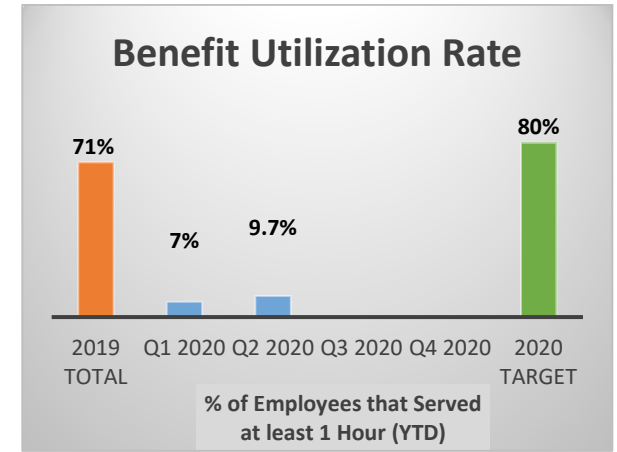
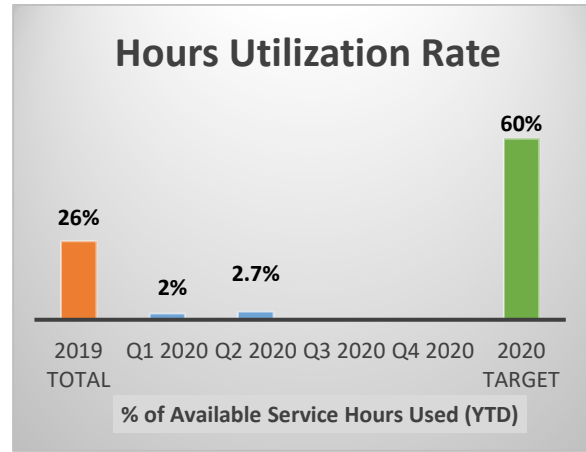
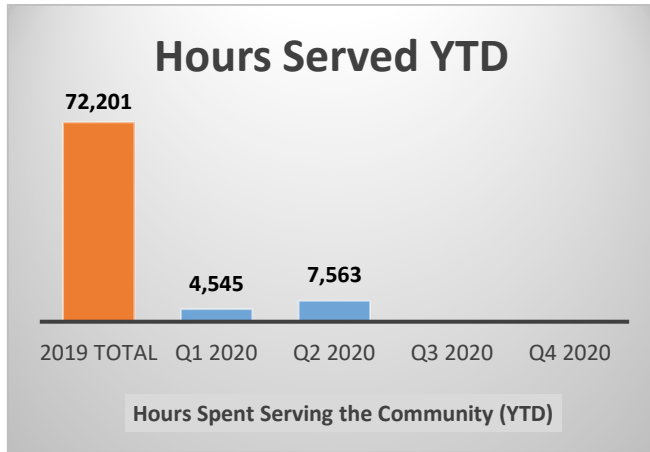
With the new goal to plant 50 million trees in the next five years, we are increasing efforts with our existing tree planting partners in Haiti, China and DR while also establishing new projects in Africa with a variety of partners. To learn more about our tree planting partners and see updates and stories along the journey, visit our [Plant the Change](#) page on our CSR website. Updates will be posted quarterly.

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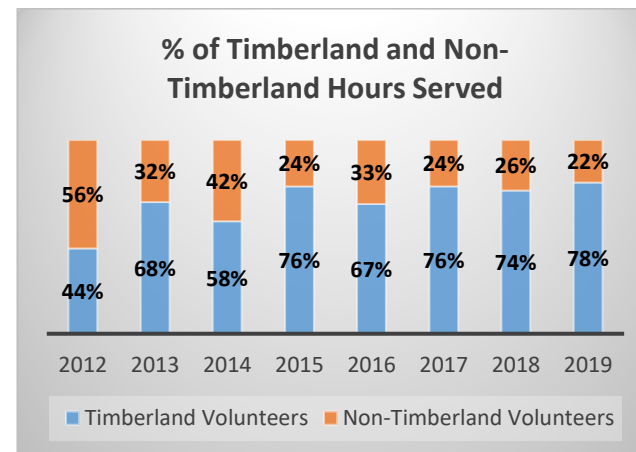


COMMUNITY SERVICE

Quarterly Reported Metrics – Q2 2020 Results



Annually Reported Metrics – 2019 Results



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

COMMUNITY METRICS

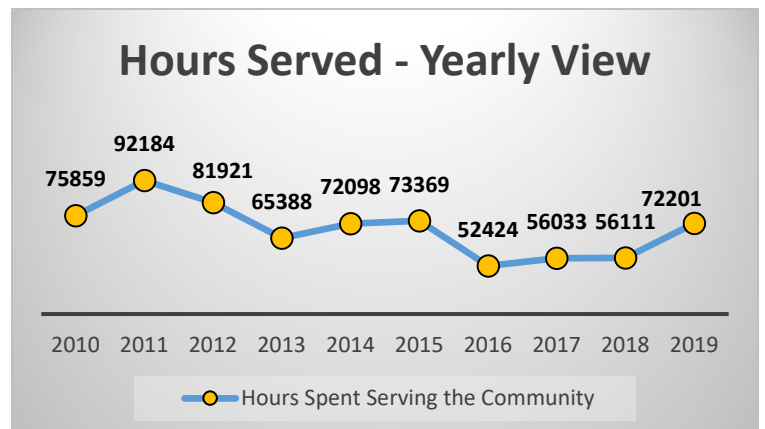
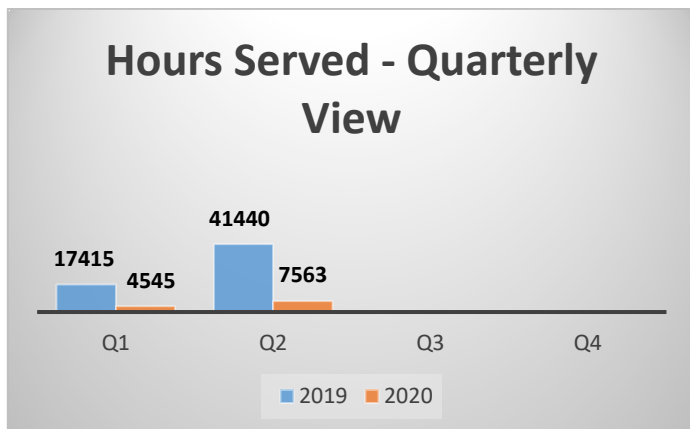
At Timberland, service is a part of our DNA. A belief in the power of people to transform their communities is one of our core values. Our purpose is to inspire and equip the world to step outside, work together and make it better. We live this purpose by offering our thousands of creative, dedicated, hardworking employees a number of ways to become involved:

- *Path of Service™*: This volunteer program gives full-time employees up to 40 paid hours each year and part-time employees up to 20 paid hours each year to serve in their communities.
- *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.

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.

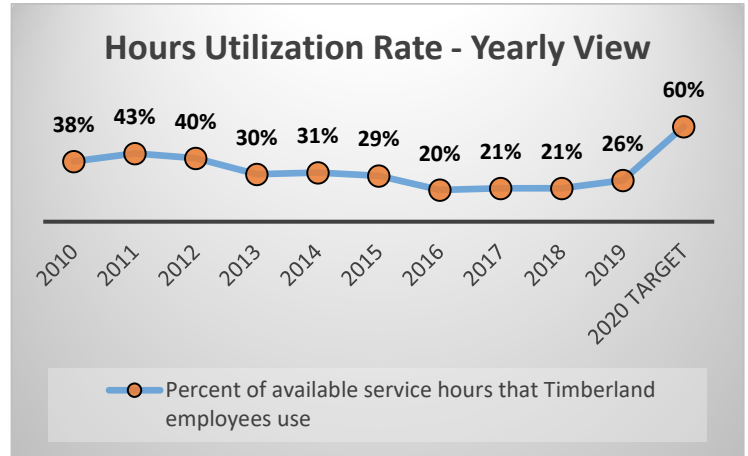
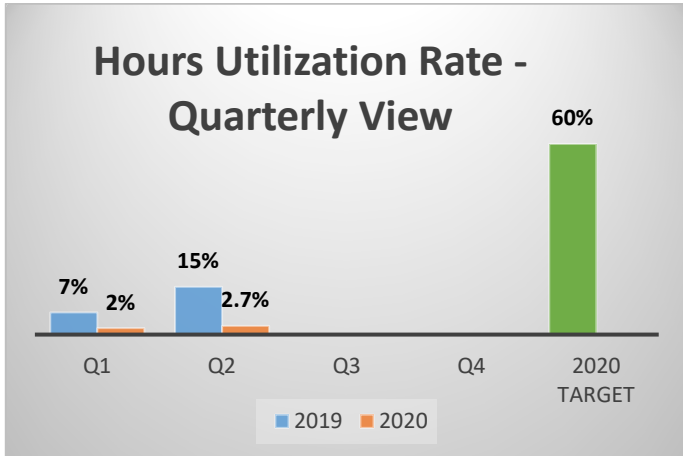
To learn more about how we serve, [click here](#). Interested in putting together a service event of your own? [Download our Service Toolkit](#) to get started!

Hours served reflects the total number of community service hours reported by employees that were served during business hours.

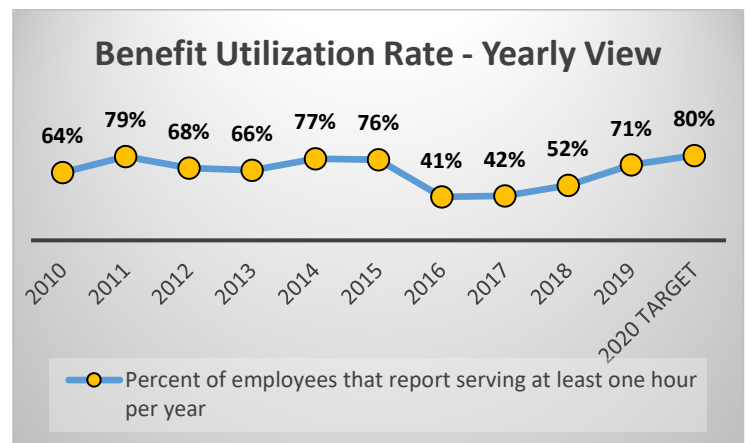
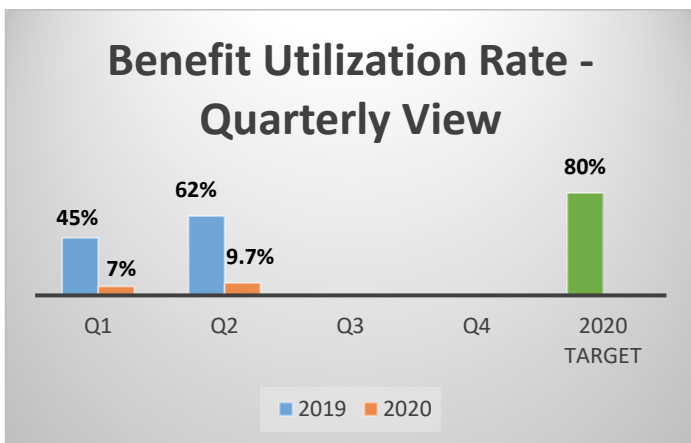


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Hours Utilization Rate ("HUR") measures the percentage of available service hours offered to Timberland employees that employees report using year-to-date.



Benefit Utilization Rate ("BUR") measures the percentage of employees that report serving at least one hour of community service per year.



Q2 2020: Timberland employees across the globe served 3,018 hours in Q2, for a total of 7,563 hours served year-to-date. HUR was 2.7% in Q2 and BUR was 9.7%. Conducting service events continued to be a challenge given the COVID-19 pandemic. Despite this challenge, our employees found ways to help their communities while still observing social-distancing guidelines. Volunteers assisted school-aged children with virtual learning, distributing food to people in need, knitting blankets for premature infants, made and distributed cloth masks, planted trees, and more.

COMMUNITY SERVICE EVENTS ORGANIZED BY TIMBERLAND GLOBALLY

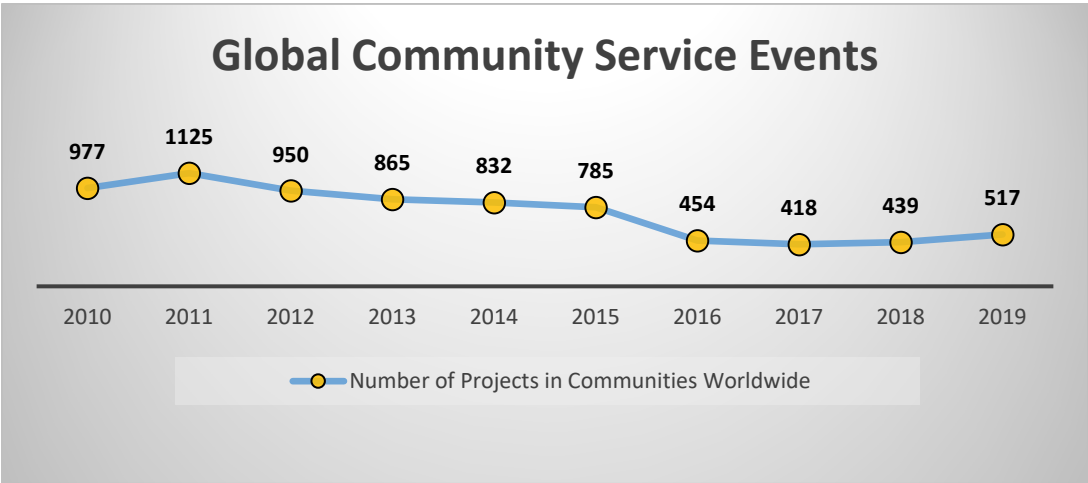
To support and encourage Timberland employees to use their Path of Service™ benefit, the Global Stewards are tasked with organizing community service events beyond our annual Earth Day events in the spring and our annual Serv-a-palooza events in the fall. Most service events are designed to engage not 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.

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Global Community Service Events



NON-TIMBERLAND VOLUNTEERS

This metric tracks the extent to which we have increased our impact by engaging non-employee volunteers in community 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.

