COMMUNITY SERVICE

Quarterly Reported Metrics – Q1 2016 Results

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

At Timberland, service is a way of life. 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, every year, Timberland organizes global days of service to celebrate Earth Day in the spring and our annual 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.

Q1 2016 Result: Timberland employees served 7,069 hours worldwide in Q1 2016. Q1 can be a challenging time for employees to use their Path of Service hours, however, North America, managed to increase their hours served by 24% (3628 hours in Q1 2015 vs. 4509 hours in Q1 2016.) Worldwide, over 80 projects were conducted in Q1, serving 115 non-profit organizations. Non-profits served in Q1 include Guandu Nature Park, Good Shepherd Social Welfare Service, Ronald McDonald House, Trees for Cities, Jardin Botanica Santiago, Restore the Earth, Project Linus, and Habitat for Humanity.
Hours Utilization Rate ("HUR") measures the percentage of available service hours offered to Timberland employees that employees use 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.

Q1 2016 Result: Timberland's Hours Utilization Rate (“HUR”) for Q1 was 3%. While all other regions’ HUR was down from Q1 2015, North America had an increase of 24% (7.7% HUR in Q1 2015 vs. 9.5% HUR in Q1 2016.). Projects completed by North America employees include Restore The Earth New Orleans, volunteering at local hospitals and cancer treatment centers, Habitat for Humanity Denver, Oklahoma City Foodbank, and making blankets for the homeless.

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.

Q1 2016: Timberland’s Benefit Utilization Rate (“BUR”) for Q1 was 11%. North America’s BUR increased by 12% over Q1 2015 (30% in Q1 2015 vs. 34% in Q1 2016). Though other regions’ BUR decreased over Q1 2015, they still made efforts to serve whenever possible. Employees in Europe volunteered at schools and animal sanctuaries, built playgrounds, and made hand-knit items for residents of shelters. Employees in Asia served at elderly facilities and built garden beds, and our Dominican Republic workers participated in several tree planting projects.

Note to stakeholders: We had previously reported 68% for 2010, 80% for 2011, 69% for 2012, 67% for 2013, and 78% for 2014. We discovered an error in our historical data and corrected moving forward.
To support and encourage Timberland employees to use their Path of Service benefit, the Global Stewards are tasked with organizing community service events are organized by Timberland 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 moving forward.

![Global Community Service Events](image)

**Non-Timberland Volunteers**

This metric communicates the impact Timberland has beyond our own employees' time. We often seek to increase our impact by engaging volunteers beyond our employee population. 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.