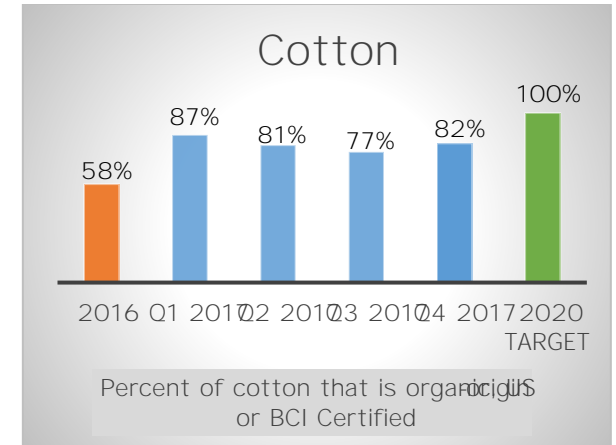
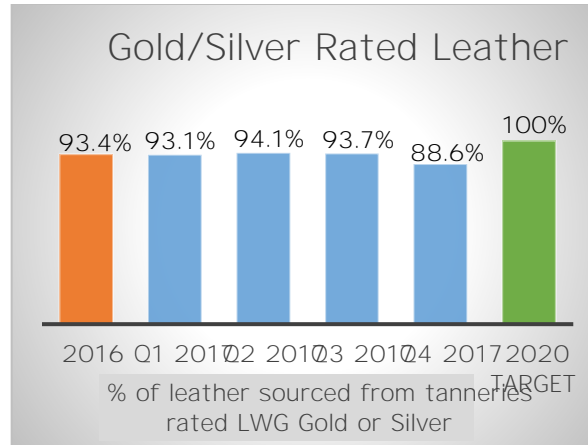
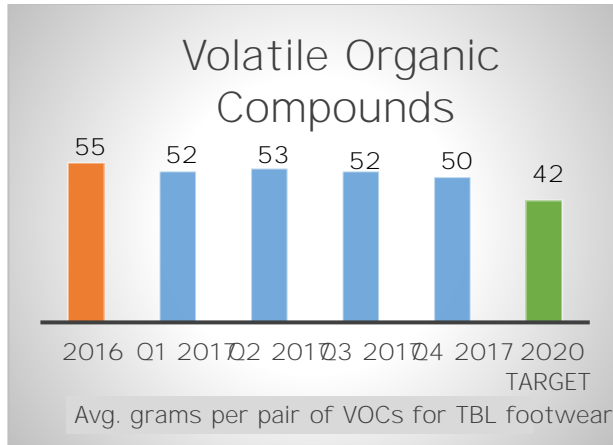


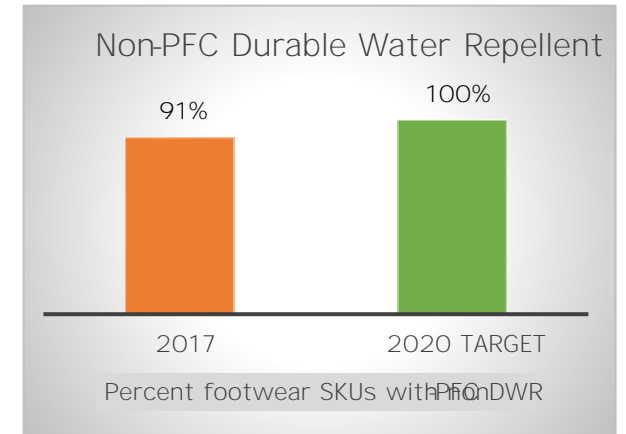
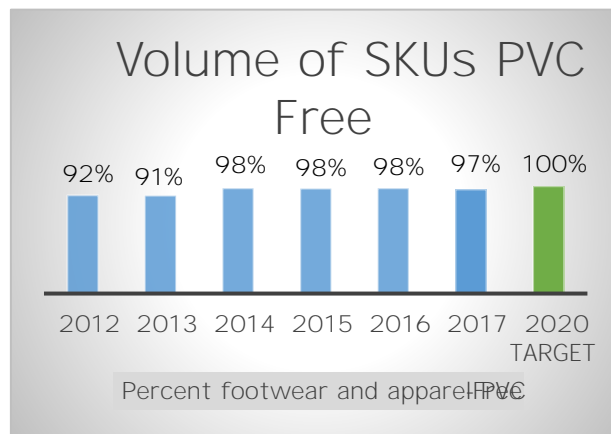
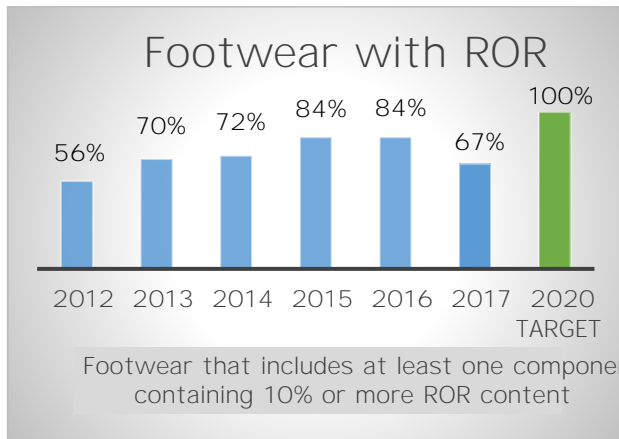


PRODUCT- Materials

Quarterly Reported Metrics Q4 2017 Results



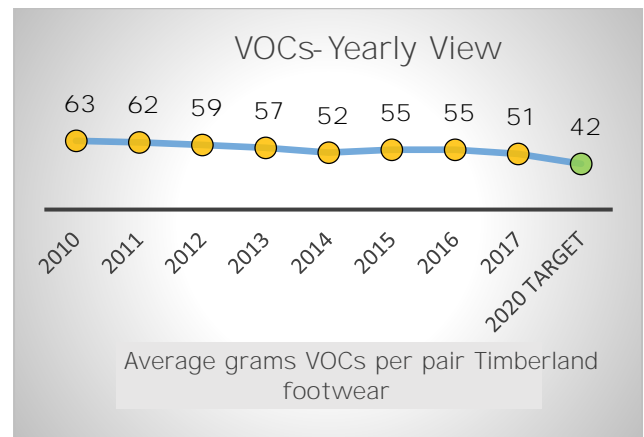
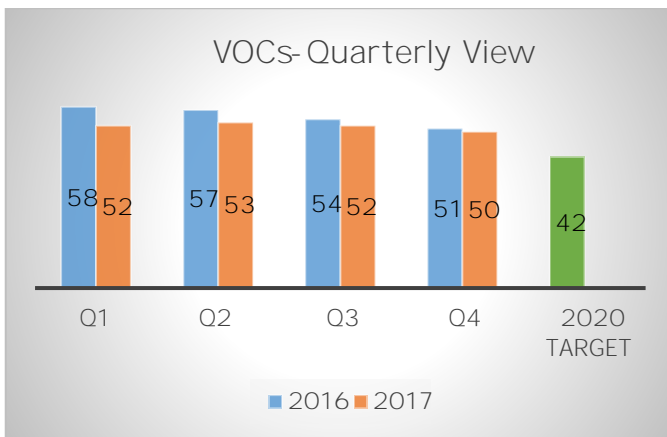
Annually Reported Metrics 2017 Results



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

VOLATILE ORGANIC COMPOUNDS

Timberland is committed to using adhesive stock in and assembly shoe manufacturing process that cause less harm to the environment. Traditional wear manufacturing uses solvent-based chemicals for gluing, cleaning or painting shoe components. Solvents 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 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 process, while also maintaining the quality and physical integrity of the shoe.



Q4 2017 Result: Our average use of VOCs per pair was 50 grams during 2017, which is a 2% improvement over our 2016 result (51 grams/pair). We ended 2017 with a VOC average of 51 grams per pair, a 7% improvement over 2016 (55 grams/pair). This reduction in VOCs was achieved through continued efficiency of VOC usage and can be partly attributed to strategies implemented in our owned 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 placement processes to minimize the VOC adhesives needed.

While progress has been made over the years, there is still work to be done with our suppliers to improve their chemical management practices and to identify new alternatives for lower VOC adhesion methods that maintain the necessary performance attributes for our product line. 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, leather suppliers for footwear and apparel undergo an environmental audit under protocols established by the [Leather Cross Working Group \("LWG"\)](#). LWG certifications are awarded to tanneries that demonstrate environmental best practices and performance in all areas of leather production, from chemical and waste management to energy use and hide traceability. Tannery leather production capabilities are scored on a scale from 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.

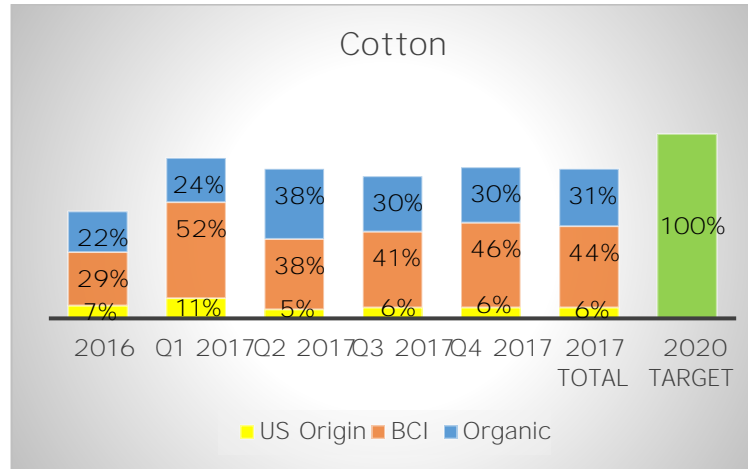


Q4 2017 Result: During Q4 2017, 88% of our overall leather volume used for Timberland footwear, apparel, accessories and licensed products was produced at tanneries that have a Gold or Silver LWG rating. When looking at leather used for Timberland footwear only, 99.6% came from tanneries rated Gold or Silver.

For full year 2017, 93% of leather used in all Timberland products came from Gold or Silver rated tanneries and 98.9% of leather used for footwear only came from Gold or Silver rated tanneries. We remain committed to our goal to limit production at non-certified tanneries until they achieve Gold or Silver status.

COTTON

Chemicals used to grow cotton can be detrimental to the health of farmers, and seep into run 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 the 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 leading environmental best practices. We define such sources as being organic or US origin of [Better Cotton Initiative](#) " # @ , all of which use less water and fewer insecticides than conventional cotton grown outside the US.



Q4 2017 Result: In Q4, 82% of the cotton used in Timberland apparel was organic (30%), BCI certified (46%) or US origin (6%) up from 69% in Q4 2016. Our year-end result was 81% which is a significant increase over 2016 (58%). Of our cotton sourced in 2017 (79%) is for our internal global apparel production. They have increased their use of responsible cotton substantially over prior years. The remaining cotton is sourced by our licensee (13%) and Central America apparel operation (8%). As always, we remain committed to our goal of 100% responsibly sourced cotton by 2020.

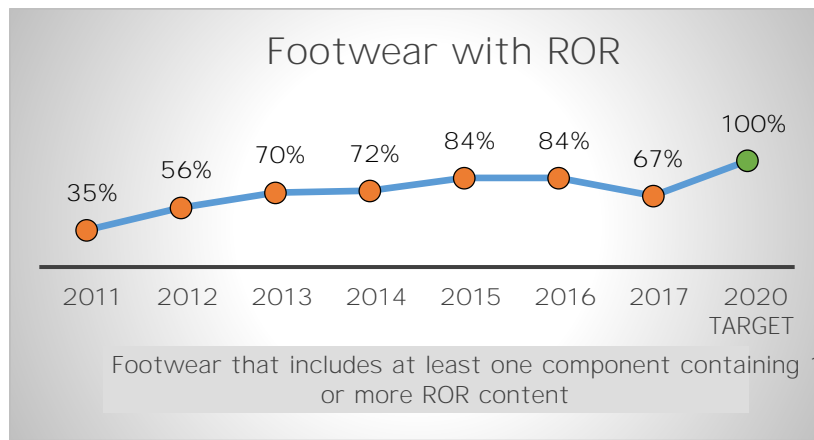
FOOTWEAR WITH RECYCLED, ORGANIC OR RENEWABLE MATERIALS

Since 2008 Timberland has had product development strategies for increasing the use of recycled, organic, and renewable ("ROR") materials in 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 the efficient use of non-renewable resources, examples of this are 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 constructed with at least one component made from organic, renewable or recycled materials (with a minimum threshold of 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 the use of ROR materials over conventional materials, we are confident that by 2020 all boot, shoe and sandal will incorporate ROR materials.

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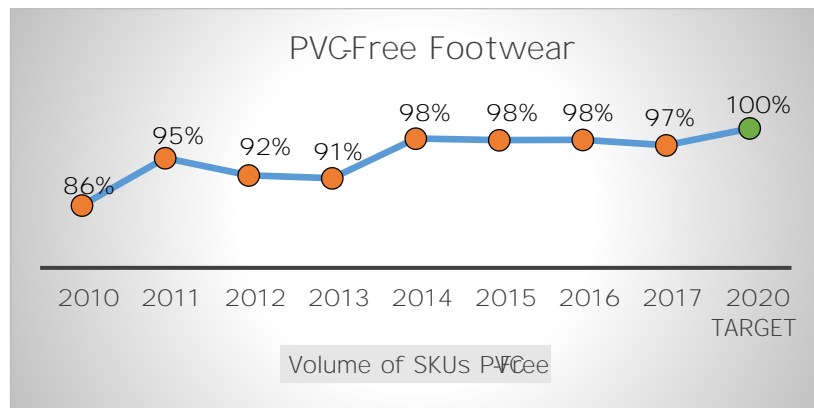


2017 Result: In 2017 we changed our method of reporting ROR materials. From 2011 to 2016 we included all materials, including those used in minor components such as webbings, T-bars and labels. To drive focus toward using ROR content in more significant components of our footwear, we are no longer reporting ROR content in these minor components. As such, significant materials with at least 10% ROR content are now reported in 67% of all Timberland footwear shipped. Although this appears to be a reduction in ROR usage, the use of recycled PET increased by the equivalent of 3 million plastic bottles. In 2017, we incorporated over 890,232 pounds of recycled PET into our footwear, the equivalent of 40 million plastic water bottles.

We are confident we will still be able to hit our 2020 goal with these more stringent requirements. This change in reporting will lead to increased overall usage of ROR content across our business.

PVC-FREE FOOTWEAR

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



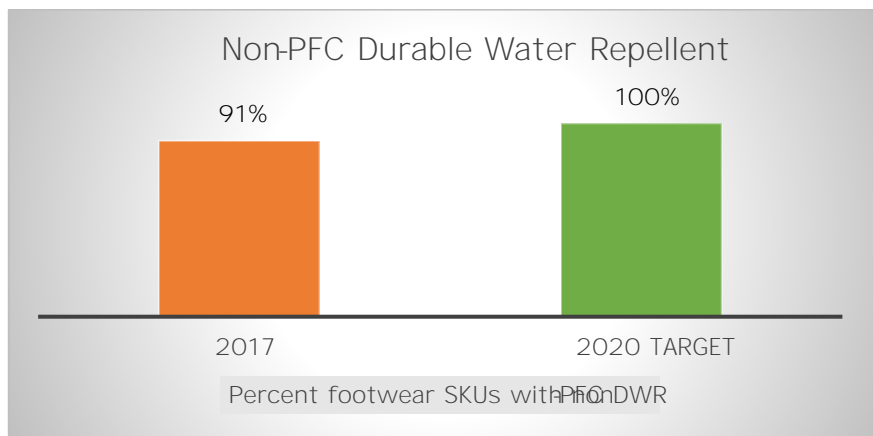
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2017 Result: In 2017, 73% of total footwear shipped contained PVC, vs. 2.1% in 2016. While not yet at 100%, we are committed to continue over the years to phase PVC out of our footwear. There are stringent performance expectations in certain styles and products that cannot be met with current PVC alternatives. We continue to seek PVC material substitutions and to review materials and manufacturing equipment updates to allow for further PVC reduction to occur. Additionally, your parent company is committed to the complete phaseout of PVC use in all products. For more details see their policy at <http://responsiblesourcing.vfc.com/policies/standards/>

NON-PFC DURABLE WATER REPELLENT

Timberland products are built to protect our consumers from the elements of nature and waterproofing is of prime importance. A water resistant PFC (perfluorinated compounds) coating is added to fabrics at the factory to make them resistant to water. Unfortunately, PFCs are a class of chemical substances found in many products 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 100% of our DWRs to be non-PFC. This is a new metric for 2016.

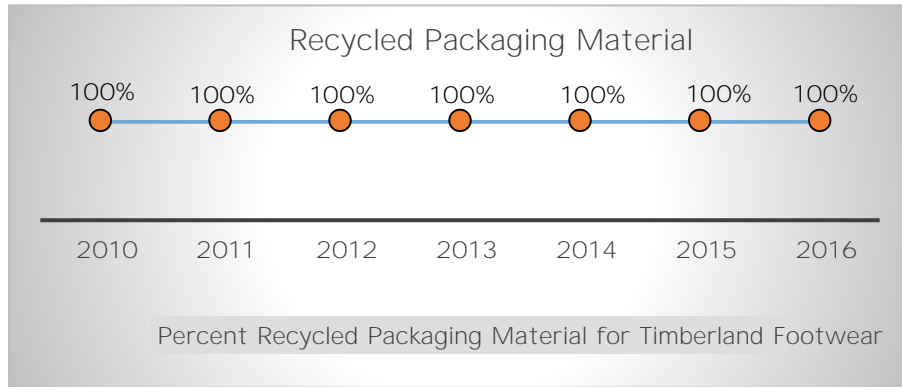


2017 Result: Although this is our first reporting on our Non-PFC DWR status, it is not our first year working towards this goal. We have made significant efforts to phase out PFC based DWR treatments from our top volume waterproof leathers and are excited to report our success this year. Our remaining products with PFC based DWRs have specific performance requirements that can only be achieved with PFC based chemistry. We are actively researching and identifying chemical suppliers with the goal of identifying Non-PFC chemistry innovations that can achieve the required performance attributes for these products. We are still collecting the data for PFC DWR in apparel fabric and will update the above chart once it has been finalized.



RECYCLED PACKAGING

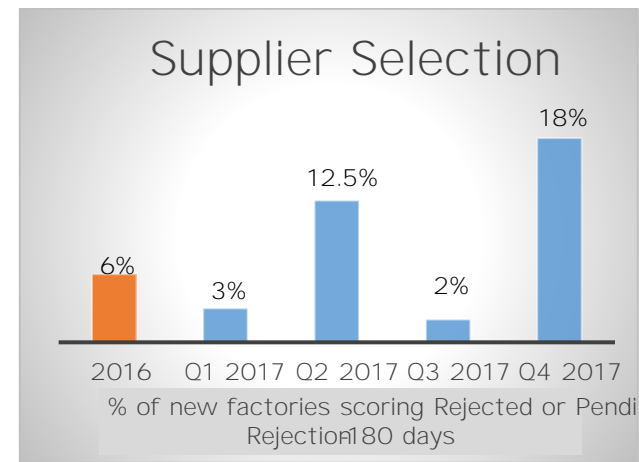
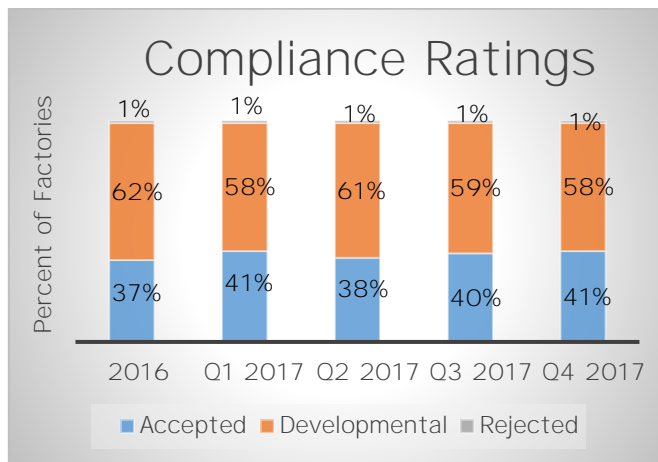
Since 2007, Timberland has been committed to providing responsible packaging for our footwear beginning first with boxes made from 100% recycled materials (at least 80% post-consumer), using soy based and sesame based inks. Starting in 2012, we began using water based inks.



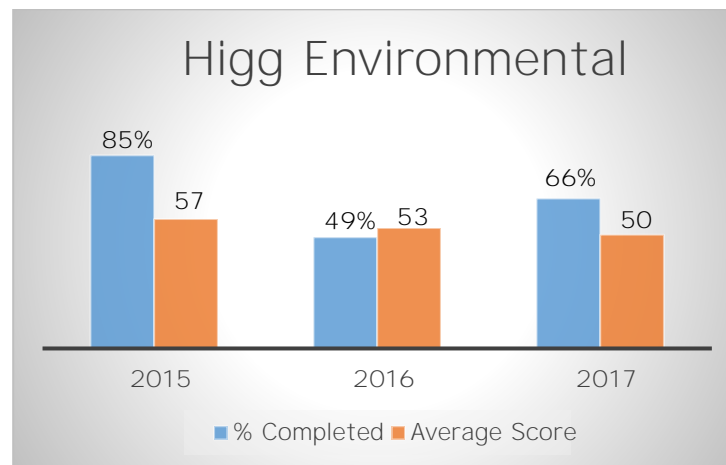


PRODUCT- Manufacturing

Quarterly Reported Metrics 2017 Results



Annually Reported Metrics 2017 Results



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

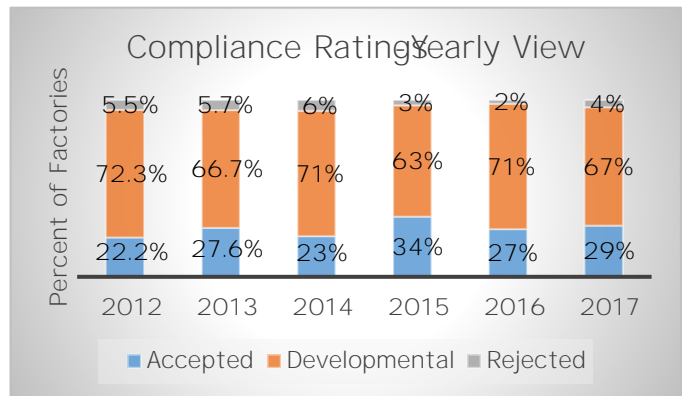
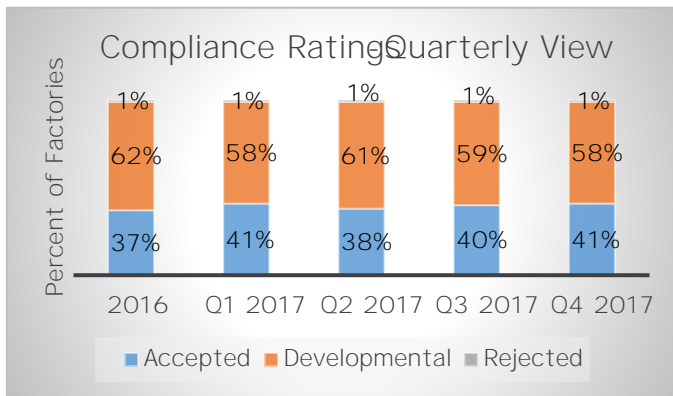
FACTORY CONDITIONS COMPLIANCE RATINGS

u -discriminatory workplaces for the 250,000+ workers making Timberland product around the world dates back to 1994, with the establishment of Conduct for suppliers. After acquired by VF Corporation ("VF") in 2011, our Code of Compliance was replaced by 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 ratings:

- < Accepted factory has no serious safety, health, or labor issues and is authorized 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 to 9 months. If the problems are corrected as required, then the status of the factory will be 'Accepted.' If not, the factory is downgraded to 'Pending Rejection' (PR-180 days), at which time they have a final 90 days 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 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 safety issues. Life Safety Audits cover legal Business Practices, Child Labor, Forced Labor, Health and Safety, Monitoring and Compliance, Worker Residence and Environmental Metrics below include results of both standard compliance audits and life safety audits.

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



Q4 2017 Result: At the end of Q4 2017, there were 99 factories actively producing for Timberland broken down by business unit, this equates to 50 footwear factories, 14 apparel factories, 91 factories producing finished goods and accessories, 3 tanneries, 6 fabric mill and component suppliers and 11 independent distributor factories. One hundred fifty eight (41%) were rated Accepted, 227 (58%) were rated Developmental and 4 (1%) were rated Rejected.

VF Compliance audited 104 Timberland factories during Q4. Of these 104 factories, 30 (29%) were rated Accepted, 55 (53%) were rated Developmental, 15 (14%) were rated Pending Rejection and 4 (4%) were rated Rejected. The factories rated Pending Rejection are working on their corrective action plans and will be re-audited within 6 months. New orders with the Rejected factories on hold until the factories are re-audited and a favorable rating is attained or production is relocated to another factory.

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Full Year 2017 Result: 2017, 10 audits were conducted by VF Compliance in 35 timberland factories. The graph above shows the results of the audits physically conducted in 2017. This does not represent our overall supply chain ratings because the data does not include the factories that were not audited but approved to produce. Examples of why audits were not conducted would be factories that were 2017 audit and dropped in 2017 prior to their audit due date, or factories that are on the audit frequency.

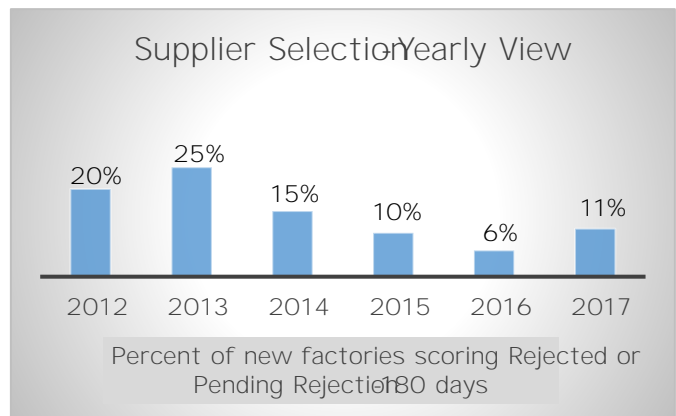
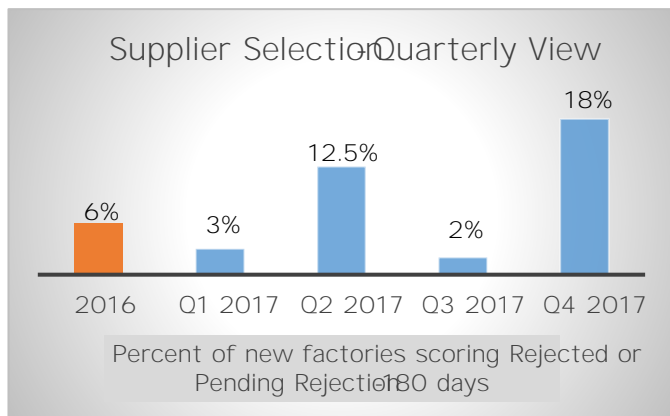
Timberland sourced from a total of 86 factories in 2017. When looking at all factories that produced in 2017, those not audited in 2017, those dropped midyear, our overall supply chain risk is summarized as follows: 38% were Accepted, 60% were Developmental, and 2% were Rejected. Orders with Rejected factories were withheld until corrective actions were implemented or production was relocated.

Working hours were cited in 36% of the audits conducted in 2017. Timberland defines this issue as anything over 60 hours per week, or working more than 6 days consecutively. Minimum wage issues in audits conducted, were primarily a result of the complex structure of the minimum wage in India. For a full list of all topics included in the VF Compliance audits, please see [VF's audit policy](#).

Timberland believes, along with others in our industry, that 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 [VF factory disclosure](#). Although our supply chain sources may change from time to time, our quarterly factory disclosure represents an attempt to disclose all of Timberland's active factories as of that date.

FACTORY CONDITIONS SUPPLIER SELECTION

aspect of their vendor selection screening process. Such screenings accomplished by having factories provide evidence of their social compliance performance by way of recent audits by external monitoring firms, or social certificates, such as WRAP or SA8000. To facilitate discussion with our sourcing teams regarding to their commitment to select social/labor compliant factories, we track the number of new factories that receive Rejected or Pending Rejection ratings on their initial VF Compliance Audit.



Q4 2017 Result: During Q4, 3 new factories were selected to produce for Timberland. 3 of these, 8 (24%) were rated Accepted, 19 (58%) were rated Developmental and 6 (18%) were rated Pending Rejection (180 days). The factories rated Pending Rejection are all Tier 2 suppliers (outsole suppliers, mills or tanneries) and will be re-audited in 6 months. If sufficient improvements have not been made, they will be Rejected and no longer approved to produce for Timberland.

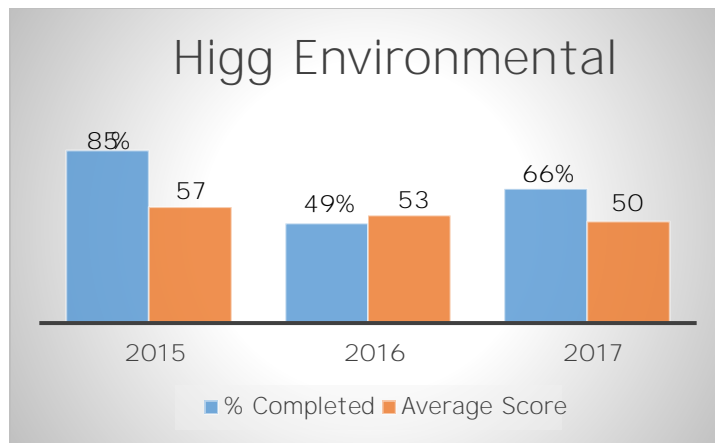
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Full-year 2017 Results: Timberland added 90 new factories in 2017. Twenty (22%) were rated Accepted, 66% were rated Developmental, and 10 (11%) were rated either Pending Rejection or Rejected (2). The factories rated Pending Rejection had 6 months to make improvements and be audited. One of the 2 Rejected factories was deleted and upgraded to Developmental; the other Rejected factory was dropped by our licensee before any manufacturing took place.

HIGG FACILITY ENVIRONMENTAL MODULE

The Sustainable Operations Team introduced 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, Energy Use and Greenhouse Gas Emissions, Water Use, Wastewater/Effluent, Emissions to Air, Waste Management, Chemical Use and Management. Factories receive a score of 1 to 100. The next step is to have the Sustainable Operations Team (or SAC approved verifier) conduct an on-site or off-site evaluation. Scores are aggregated, allowing facilities to benchmark their results against the industry.



2017 Result: As of the end of 2017, 66% of Timberland Strategic Supplier factories had participated in the Higg Environmental Module. Strategic Suppliers are the top volume factories that collectively represent 80% of global production for footwear and apparel. The average score for Timberland Strategic Suppliers that have done the self-assessment is 50, as shown in the chart above.

Once a factory completes the self-assessment, the Sustainable Operations Team will schedule an on-site audit of the factory to verify their score. The average score of verified factories was 54.

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