



## Timberland Quarterly CSR Reporting: Q4 2010 Performance Dashboard

CSR Quarterly Dashboard											
Summary	This dashboard contains metrics that are reported quarterly to our many stakeholder groups. They are reviewed by our CSR team and CSR Board Subcommittee. Once these internal reviews have been accomplished, the results are posted on <a href="http://community.timberland.com/Reporting-Downloads">http://community.timberland.com/Reporting-Downloads</a> to scale the conversation to a broader set of stakeholders. All of this feedback helps our company refine our CSR strategy.										
Pillars	Energy, Product, Workplace and Service										
Reason to Believe	Provides a consistent and cohesive way for the CSR team to engage our internal and external stakeholders around CSR progress. Enables us to be accountable for progress against stated goals. Allows us to prioritize resource allocation against key initiatives. Helps us prove the return on investment (ROI) for CSR at Timberland.										
Key Initiatives	Carbon Neutrality target, Green Index, Assessments & Remediation, and Path of Service Program										
Key Performance Indicators											
Pillar Goals	Category	Indicator	Annual performance			2010 Performance					Target
			2007	2008	2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2010 Total	2010
1. Carbon Neutral <i>(Energy)</i>	GHG Inventory	Metric Tons of Carbon Emissions <sup>1</sup>	23,037	18,097	16,273	4,153	3,746	3,933	4,057	15,889	12,800
	Renewable Energy	Renewable Energy as Percentage of Total Energy Use <sup>1</sup>	4.99%	6.67%	11.63%	11.25%	12.68%	15.19%	12.81%	12.95%	39%
	Supply Chain	Metric Tons of Emissions for Footwear Factories <sup>2</sup>		448,902		6,128	6,261	12,169	5,978 <sup>2</sup>		Baseline <sup>3</sup>
2. Cradle-to-Cradle <i>Product</i>	Green Index	Average Green Index score (weighted by production)	6.67	6.13	6.49	5.87	6.91	7.28	6.72	6.65	TBD <sup>4</sup>
	Chemicals	Average grams/pair of Volatile Organic Compounds (VOCs)		74.9	68.1	60.9	65.7	63.8	61.6	63.1	63.8
	Raw Materials	Percentage of total cotton sourced that is organic <sup>5</sup>	7.35%		18.10%	53.69%	30.51%	32.32%	21.88%	34.20%	TBD <sup>4</sup>
3. Fair, Safe and Non-discriminatory <i>Workplaces</i>	Purchasing Practices	Percentage of footwear production in "High Risk" factories	34%	1%	3%	0%	0%	0%	0%	0%	0%
		Percentage of "High Priority" factories	38%	38%	32%	22%	27%	32%	29%	32%	30%
		Average Assessment Score	61.9	62.0	65.6	70.0	68.7	65.5	66.1	64.9	70
	Scoring	Average Environmental Score (not including tanneries) <sup>6</sup>	1.88	2.10	2.15	0.65 <sup>6</sup>	0.68 <sup>6</sup>	0.68 <sup>6</sup>	0.69 <sup>6</sup>	0.68 <sup>6</sup>	1.00 <sup>6</sup>
		Average Environmental Score (tanneries only)	2.53	3.17	3.46	3.58	3.88	4.00	4.12	4.10	4.00
	Improvement	Percentage of Continued Factory Partners with Improved Score	51%	69%	68%	79%	56%	53%	48%	54%	70%
4. <i>Service</i> Campaign: Community Greening	General Service Statistics <sup>7</sup>	Hours Utilization Rate (HUR) year to date	40%	38.8%	41.2%	4.7%	20.2%	28.0%	37.8%	37.8%	41%
		Hours spent serving the community year to date	86,037	79,018	82,293	9,047	39,462	56,323	75,859	75,859	80,262
		Benefit Utilization Rate (BUR) year to date	76%	77%	78%	22%	51%	53%	68%	68%	80%

**Note about targets:** in some cases we have adjusted our long-term targets based on 2008 performance. Changes to 2010 targets are explained in the Q1 2009 individual pillar dashboards. We will disclose our forward-looking targets in summer 2011 when our next bi-annual CSR report is released.

<sup>1</sup> Timberland's Greenhouse gas inventory is inclusive of emissions coming from our owned and operated facilities and employee air travel. Please note we have corrected historical emissions data to reflect improved accuracy in record keeping for previous years and quarters. As a result of these corrections, we have restated 2010 quarterly emissions data and renewable energy percentage. We are in the process of having our GHG inventory verified by a 3rd party for 2006-2010 data.

<sup>2</sup> Full production data for all factories in our supply chain is not yet available for Q4 2010, as there are three new footwear suppliers that do not have full year data available (which is necessary to calculate total factory emissions). When this data becomes available we will update the Q4 2010 disclosure and also disclose our 2010 year end supply chain emissions performance.

<sup>3</sup> In 2009 we provided supply chain emissions data for total production at factories producing Timberland products. In Q3 2009 we began disclosing information about Timberland-specific supply chain emissions in factories that produce Timberland products. We will set a baseline for Timberland-specific emissions in 2010 and set targets thereafter.

<sup>4</sup> TBD targets are those that we plan to disclose after we have verified data quality for internal calculation purposes.

<sup>5</sup> We do not have 2008 year end data for percentage of total cotton sourced that is organic because we began licensing apparel during 2008. As a result, mid-2008 performance is not directly comparable to other data points; as of Q4 2008 and for all of 2009, this metric includes licensee data and is a global metric.

<sup>6</sup> Timberland's average environmental score comes from the environmental portion of our Code of Conduct Assessments. In 2010, we adopted the environmental framework and scoring methodology of the Global Social Compliance Program (GSCP). Under our previous methodology, we incorporated 7 criteria; under the GSCP framework, we added two new components (see Q1 2010 Workplaces Data - Context). The Target for 2010 under the new scoring system is set at Level 1 ("Compliance and Awareness"), which is consistent with a score of 2.4 under our old scoring system (our previous target); our 2015 target under the GSCP framework (set at Level 2 - "Proactive Management and Performance Improvement") is also consistent with our previous scoring and target (3.00).

<sup>7</sup> All Service statistics are reported year to date beginning in 2009.