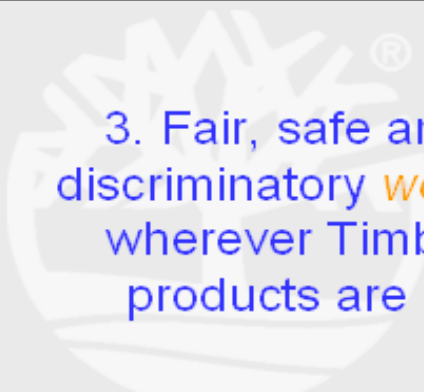


Timberland Quarterly CSR Reporting: Q1 2010

CSR Strategic Pillar #1: Energy



1. Become carbon neutral
[energy].



3. Fair, safe and non-
discriminatory *workplaces*
wherever Timberland
products are made.



2. Design recyclable *product*.



4. 2008-2009 *service*
campaign: Community
Greening

How to Read Timberland's Quarterly CSR Dashboard Detail Pages

Timberland
Make it better.™

Average Assessment Score

Year	Average Assessment Score
2007	61.8
Q1 2008	63.1
08 Target	68.0

Data Qualifier: Overall average Code of Conduct score for all active factories as of end of reporting period based on last assessment ("Current Profile"). Includes all TBL business units.

For background on Timberland's assessment process, please see our 2006 CSR report at: www.timberland.com/csreport

Data Validation: Individual Green Index Scores (per shoe aka SKU) are calculated based on the design specification and Analysis

2008 Target for overall average Code of Conduct Assessment Score is 68. We expect continued business partners to improve their score year over year (see Progress metric), which should drive an increase in overall score year over year. However, this metric is also dependent upon supply chain's selection of new suppliers (see Initial Assessment metric).

Current Profile at end of Q1 improved from 2007 Year End due to 83% of the continued business partners assessed in Q1 showing improvement and the introduction of 6 new suppliers scoring above 70. The introduction of eight (8) new suppliers scoring below 60 and two (2) continued business partners with decreased scores prevented further advancement in overall average score (see Progress metric and Initial Assessment metric).

Analysis: What do the results say? Are we tracking to the annual target? What actions has this result catalyzed? How is this result compared to historical data? If we see bad results, what are we doing to correct this? If we see good results, how will we sustain this momentum?

Company: Q1 2008 Results

Data Qualifier: A detailed description of each indicator. How was this data captured? What does it represent? Is it an annual metric, a quarterly snapshot or a 12-month rolling metric? Do we have plans to refine/change this metric in the future?

This section provides background information on the metric.

Data Validation: This section provides information about our internal process for reviewing and assessing data.

The graphs display trend data and future targets.

Context: Puts this metric in context of Timberland's overall CSR and corporate strategy. How does it fit? How does it progress our mission? Why do we measure this? What value do we get from this metric?



CSR Strategic Pillar #1: Energy

Metric: Greenhouse Gas Inventory: 2006-2010

Business Unit (emissions reported in metric tons carbon dioxide - MTE CO2)	Q1 2010			Total
	Scope 1 Emissions	Scope 2 Emissions	Scope 3 Emissions: Employee Air	
Headquarters	190.85	379.82	1028.61	1599.28
Distribution Centers	148.63	63.98		212.62
US Retail	87.93	684.91		772.84
US Showrooms	0	21.4		21.4
Manufacturing (Dominican Republic factory)	20.78	653.38		674.16
International Retail	0	634.75		634.75
International Offices: Production Offices	48.85	25.63	8.27	82.75
International Offices: Subsidiary Offices	7.06	63.49	98.64	169.19
International Offices: Showrooms	0	4.58		4.58
Total Emissions	504.1	2531.94	1135.52	4171.56

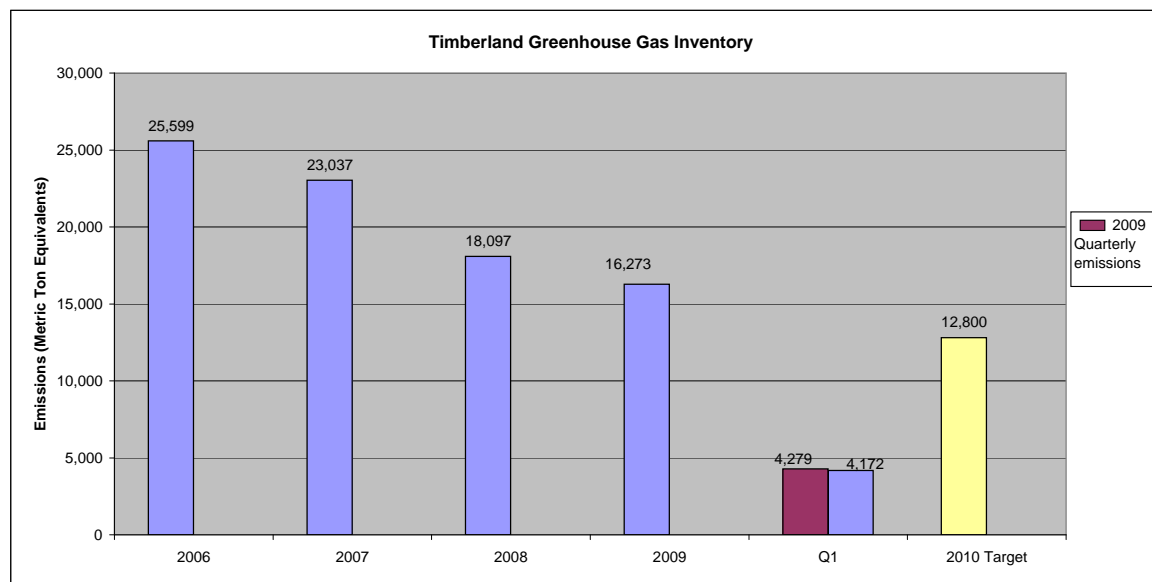
Scope Definitions (according to the WRI/ WBCSD GHG Protocol):	
Scope 1:	Emissions produced from the burning of fossil fuels on Timberland property (e.g. heating buildings by burning oil or natural gas).
Scope 2:	Emissions associated with the electricity that Timberland purchases from other companies. 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's Scope 3 emissions included in our GHG inventory only include commercial air travel. Currently Timberland discloses inbound product transportation (from factories to distribution centers) as a separate metric in our bi-annual CSR report.

Annual Greenhouse Gas Inventory	Total
2006	25,599
2007	23,037
2008	18,097
2009	16,273
Q1 2010	4,172
2010 Target	12,800

Data Qualifier: Greenhouse gas emissions are calculated by converting consumption data (in kWh for electric bills, gallons for oil, therms for gas, and mileage for vehicles) from utility bills to tons of CO2 using the Greenhouse Gas Protocol from the World Resource Institute and World Business Council on Sustainable Development. This corporate standard is consistent with ISO 14064-1. Air travel mileage is collected and reported by our travel agency. Mileage data is then converted to emissions using emissions factors provided by the WRI/ WBCSD GHG Protocol.

Our greenhouse gas inventory covers Timberland owned and operated facilities and employee air travel. The inventory excludes inbound and outbound product transportation, third party manufacturers, licensees, and distributors.

Data Validation: Data is supported by utility bills or utility bill reports that are provided by country and regional representatives. An initial screen is done by the Environmental Stewardship team to make sure there are no data outliers. There is a standard range for energy consumption for Timberland's five facility types (headquarters, distribution centers, retail stores, showrooms, and country offices). A facility will get flagged and analyzed if it falls out of this range. In 2010 we will have our GHG inventory verified by a third party.



Context

We track our carbon emissions in order to understand our contribution to global warming from Timberland owned and operated facilities as well as employee air travel. We are also interested in understanding how our efforts to reduce our energy demand and invest in renewable energy help us reduce our impact over time. Tracking this data allows us to determine how successful we are in achieving our goal to become a carbon neutral enterprise by 2010.

Analysis

The 2.5% drop in emissions between Q1 '09 and Q1 '10 is a result of 1) End of 2009 energy efficiency improvements (LED lighting retrofits in our stores and energy efficiency improvements in our corporate headquarters) that have begun to reduce our energy demand and 2) Several stores in Europe that are now purchasing renewable electricity. Based on this first quarter's performance and the potential for additional renewable energy projects in '10 we expect to meet our aggressive 50% emission reduction target over 2006 baseline.



CSR Strategic Pillar #1: Energy

Metric: Renewable Energy

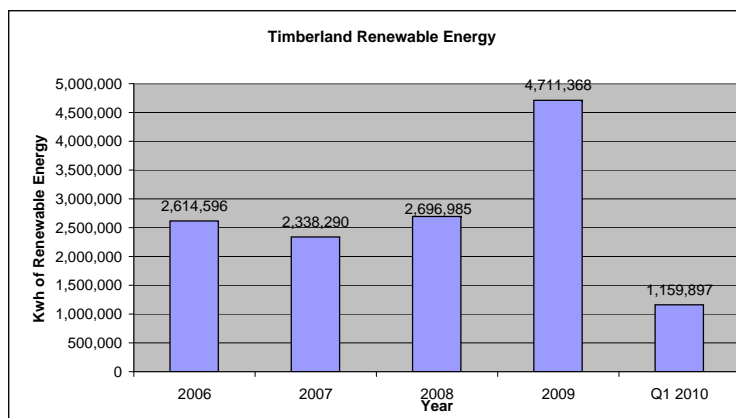
Timberland Renewable Energy in kilowatt hours (kwh)

Energy source	2006	2007	2008	2009	Q1 2010
Onsite	727,429	30,000	28,020	10,790	998
Renewable Energy	518,518	467,912	314,025	493,100	130,825
Grid Renewables	1,017,149	46,234	2,198,465	4,207,478	1,028,074
Total	2,614,596	2,338,290	2,696,985	4,711,368	1,159,897

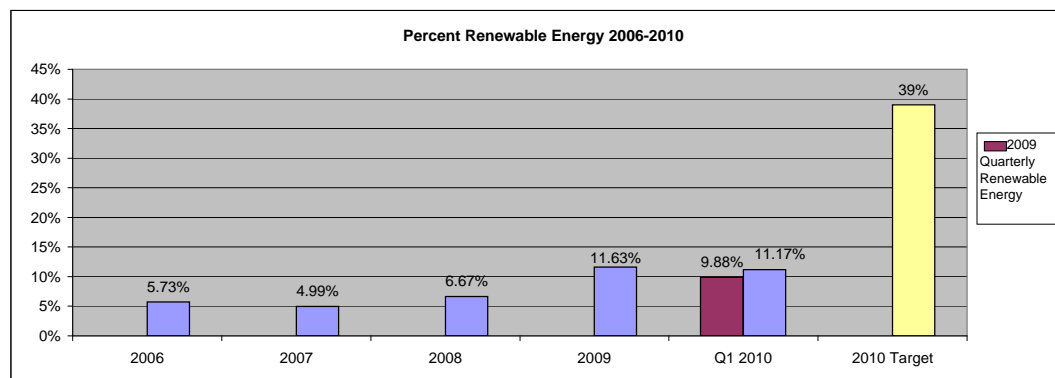
**Note to stakeholders:* Timberland renewable energy purchases represent on-site generation. In previous years we reported a small percentage of the hydro energy purchased from the Grid in this category. Purchases of hydro energy are usually a mix of clean energy sources, and therefore it is more accurate to report this information as part of Grid renewables.

Data Qualifier: We measure on-site generation and grid sourced renewable energy. Renewable energy consumption is totaled from utility bills, renewable energy procurement contracts, and direct meters on TBL-owned renewable energy systems. The total kWh consumption from renewables is then divided by the total energy calculated as part of the greenhouse gas inventory.

Data Validation: Data comes from meter readings of Timberland owned renewable energy systems and bills from renewable energy providers. Country and regional representatives provide copies of each of these documents in our CSR reporting system for review by the Environmental Stewardship team.



Year	% Renewable
2006	5.73%
2007	4.99%
2008	6.67%
2009	11.63%
Q1 2010	11.17%
2010 Target	39%



Context

This metric measures the percentage of energy we source from clean renewable energy vs. fossil-fuel based energy. Timberland has established renewable energy procurement targets to help meet its carbon neutral by 2010 goal. Our renewable energy target is second in importance to our greenhouse gas emission reduction target (see GHG inventory) because our GHG inventory shows Timberland's contribution to global warming. Energy efficiency is the least expensive way for us to achieve emission reductions. Our success with efficiency has allowed us to rely less on sourcing renewable energy (which is often more expensive) to meet our emissions reduction goals; this is the reason we did not meet our 2009 renewable energy procurement target (22%). We were able to meet our 2009 emission reductions target due to investments in efficiency (which provide a cost-savings to our company; see Q4 2009 Energy Dashboard) rather than additional procurement of renewables (which creates added expense).

Analysis

Our Q1 2010 renewable energy consumption was 11.17%. Despite our near-constant renewable energy procurement, we are still not on track for meeting our 2010 target. We continue to explore opportunities to purchase additional renewable energy, but anticipated 2010 projects are not expected to achieve our 39% target. If we continue to meet and exceed our emission reductions through efficiency, renewable procurement has secondary importance. This is because our carbon neutral goal seeks to reduce the absolute emissions that come from Timberland's owned and operated facilities and employee air travel. We place higher priority on reducing emissions outright, as this helps us reduce our total contribution to global warming. Because we've been able to achieve more reductions via energy efficiency, we have relied less on renewable procurement to drive down our total emissions. As our opportunities to reduce our footprint through efficiency shrink, we will continue to look to local grid available renewable energy to make up the difference.



CSR Strategic Pillar #1: Energy
Metric: Supply Chain Emissions

Year	Emissions from Supply Chain (MTE)	Timberland-specific emissions (MTE)
Q1 2009	106,080	
Q2 2009	93,007	
Q3 2009	88,243	12,249
Q4 2009	83,777	7,107
Q1 2010	80,012	6,218
2010 Target	Baseline*	

Note to stakeholders: In 2008, Timberland collected and disclosed data that represented total factory emissions from the manufacture of both Timberland and non-Timberland products. During this time, we worked with assessors and the factories, which allowed us to obtain higher quality data. We also increased the specificity of questionnaires, so that we could track supply chain emissions specific to Timberland production in 2009. Beginning in Q3 2009, we disclosed this data, although data quality reviews have prevented us from providing corresponding data for Q1 + Q2 2009. As a result, we plan to use our 2010 disclosure as a baseline for setting forward-looking targets for emissions related to Timberland production.

Data Qualifier: This metric represents a 12-month rolling view of our footwear supply chain. Every quarter, we look at electricity use for our footwear factories for the past 12 months. Eventually, we expect to expand this metric to include our entire supply chain (apparel, licensing, etc.) and all fuel sources. Beginning in Q3 '09 we disclosed Timberland-specific emissions within our footwear supply chain. To produce these figures, Timberland assessors obtain total electricity data from our factories (per above). We divide this data by the factory's total production to get a kWh per pair number. This number is multiplied by an emissions factor to get CO2 emissions/pair. Finally, the CO2 emissions/pair number is multiplied by the total TBL production (pairs) for that factory. The data is then summed for all our factories to get the total emissions related to TBL production.

Data Validation: Total electricity consumption is provided by factory management as a part of the Timberland Code of Conduct assessment. The energy to emissions conversion factors are obtained from the WRI/ WBSCD GHG reporting protocol.

Context

This metric tracks the emissions from factories that produce footwear for Timberland. Data that reflects Total Emissions from our Supply Chain includes factory emissions from the manufacture of both Timberland and non-Timberland footwear, so it is important to note that only a portion of emissions are related to Timberland footwear (see purple bars in chart). Over the course of 2008 we increased the specificity of questionnaires, allowing us to obtain data that can account for emissions related to Timberland production. This has allowed us to disclose supply chain emissions specific to Timberland production.

Overall, this metric will help us better account for Timberland's carbon impacts in the manufacturing process. It is important to note that these are supplier-reported figures, and they should be viewed as reasonable estimates. We continue to improve how we gather emissions data from our extended supply chain. Production in Timberland's own factory is not included in these figures because it is part of our Greenhouse Gas (GHG) inventory.

Analysis

In Q1 2010, 6218 metric tons (or approximately 8%) of the total emissions produced by our factories was for Timberland's footwear production only. This drop in Timberland-specific emissions between Q4 2009 and Q1 2010 is a result of a typical decrease in production during Q1. We did not track this metric in Q1 '09 so we are not yet able to make a detailed quarterly analysis of the changes in our supply emissions. We will be able to make annual comparisons of quarterly data beginning in Q3 this year.

Note that this data only represents our footwear assembly factories; it does not include apparel factories, licensees, or material suppliers. The fact that the carbon footprint from our owned and operated footprint is dwarfed by emissions from Timberland-specific production in contract factories emphasizes the importance of taking climate action in our supply chain.

Note to stakeholders: Scope & Boundaries

The emissions reported here are for factories that Timberland has purchase orders with. Subcontractors (e.g. outsole manufacturers or offsite stitching facilities) are not included. As we continue to develop systems to report greenhouse gas emissions data, we strive to include these other facilities in our reporting.

