
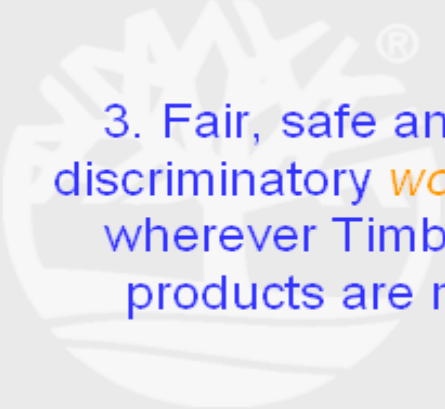


Timberland Quarterly CSR Reporting: Q1 2010

CSR Strategic Pillar #4: Service



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



Average Assessment Score

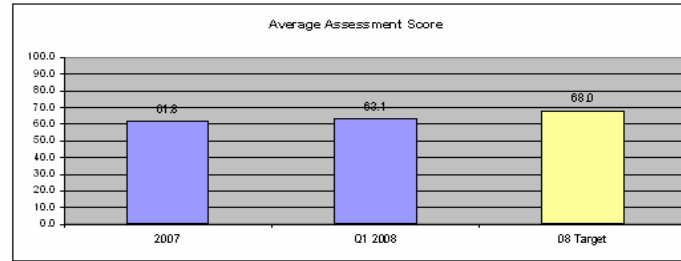
Year	Average Assessment Score
2007	61.8
Q1 2008	63.1
08 Target	68.0

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/osreport

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 #4: Service
Metric: Hours Utilization Rate (HUR)

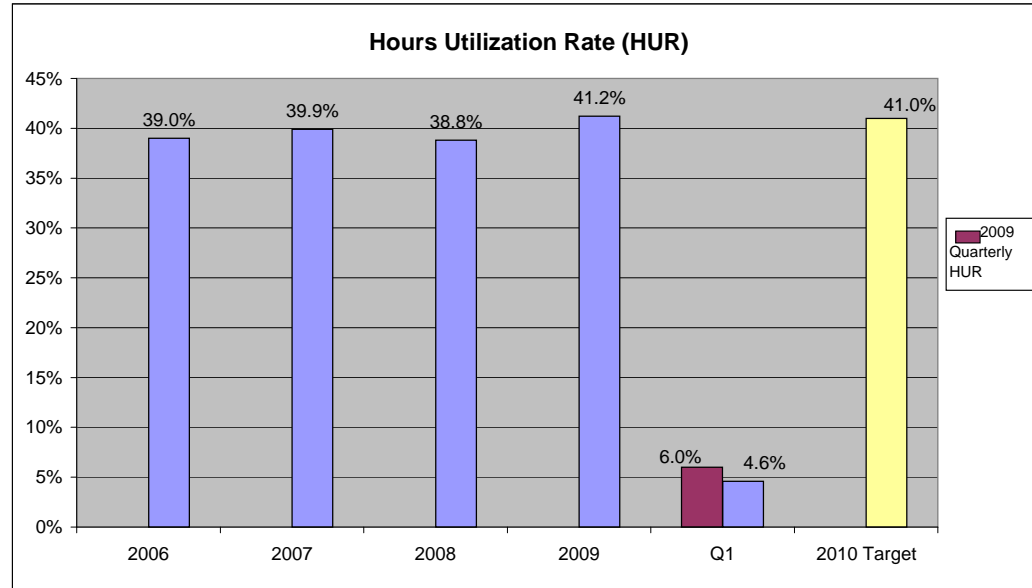
Q1 2010

Average Available Hours under Path of Service (year to date)	189,700
Hours Used for Community Service (year to date)	8,792
Hours Utilization Rate (year to date)	4.6%

Year	HUR
2006	39.0%
2007	39.9%
2008	38.8%
2009	41.2%
Q1 2010	4.6%
2010 Target	41.0%

Data Qualifier: Hours Utilization Rate reflects the percentage of available service hours used each year. To calculate HUR we divide the number of employee reported service hours (year to date), by the average number of available service hours for the year (based on the average of quarterly employee headcount YTD).

Data Validation: All service metrics are based on self-reported service hours. To report hours, employees must report their community service time in the manner prescribed by the management of their country. A representative in each country sends the total number of hours served to Corporate HQ on a quarterly basis. At Corporate HQ, Community Engagement staff review each country's quarterly report for inconsistencies and ask for verification or revisions when necessary. Community Engagement staff also compare quarterly reports to global employee headcount provided by Human Resources.



Context

While we know our quarterly numbers are under-reported since not all employees report their hours, we currently have no way of estimating how many hours are left unreported each year. Employees do not serve consistently throughout the year. Our two global pillar service events are Earth Day in April (Q2) and Serv-a-palooza in the Fall. These two events represent the majority of our global service activity. In 2009, we surpassed our 2010 goal of 41% hours utilization rate (which was consistent with the goal of increasing reported community service hours to 80,262 in 2010). In order to set meaningful goals for 2011- 2015, we have challenged ourselves to see how far we can surpass the 2010 target this year. At year end, we will use our 2010 performance to create new long-term goals.

Analysis

We served 8,792 hours in Q1 2010 out of 189,700 available service hours. As a result, our HUR for Q1 is 4.6%. This represents a 23% decrease in our Q1 2009 HUR of 6.0%. Tighter production schedules in our manufacturing facility in the DR limited employee opportunities to serve and resulted in 2,564 fewer hours served in Q1 by our Dominican employees. In addition, service hours in Europe decreased by 146 hours (12%) from Q1 2009 due to reduced service by employees in UK Retail and Italy (both retail and wholesale). We also had a decrease of 490 hours at our Distribution Center in Ontario, California and a decrease of 323 hours in US Retail.

Decreased hours were offset in part by small gains in service hours at our Distribution Center in Enschede (the Netherlands) and our Stratham headquarters. The gains, however, could not offset the overall loss of 3,215 hours between Q1 2009 and Q1 2010 which led to this Q1 2010 decrease in HUR.

Each year the Community Engagement team strives to provide enhanced opportunities for increased employee engagement. Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year. Our Q1 2010 performance is therefore not a steadfast indicator of whether or not we will meet our goal for 2010. We do, however, expect to build from lessons learned in our 2009 performance to meet our 2010 target.

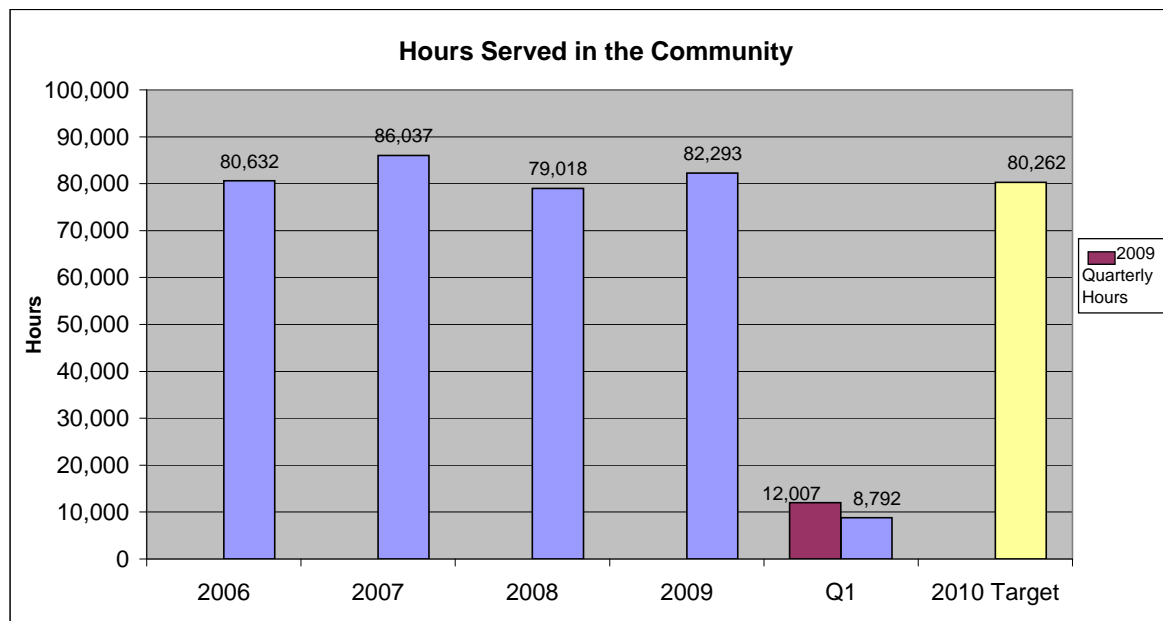


CSR Strategic Pillar #4: Service
Metric: Community Service Hours

Year	Hours
2006	80,632
2007	86,037
2008	79,018
2009	82,293
Q1 2010	8,792
2010 Target	80,262

Data Qualifier: Hours served reflects the total number of community service hours reported by employees.

Data Validation: All service metrics are based on reported service hours. To report hours, employees must self-report their community service time in the manner prescribed by the management of their country. A representative in each country sends the total number of hours served to Corporate HQ on a quarterly basis. At Corporate HQ, Community Engagement staff review each country's quarterly report for inconsistencies and ask for verification or revisions when necessary.



Context

While we know our quarterly numbers are under-reported since not all employees report their hours, we currently have no way of estimating how many hours are left unreported each year. Employees do not serve consistently throughout the year. Our two global pillar service events are Earth Day in April (Q2) and Serv-a-palooza in the Fall. These two events represent the majority of our global service activity. In 2009, we surpassed our 2010 goal of 80,262 reported community service hours. In order to set meaningful goals for 2011- 2015, we have challenged ourselves to see how far we can surpass the 2010 target this year. At year end, we will use our 2010 performance to create new long-term goals.

Analysis

Timberland employees served a total of 8,792 hours in the first quarter of 2010, which represents a 27% decrease in hours served in Q1 of 2009. More demanding production schedules at our manufacturing facility in the Dominican Republic limited employee time to serve during Q1 and led to 2,564 fewer hours served in Q1 by our DR employees. We also experienced a 12% reduction in Q1 2010 hours served in Europe (vs. Q1 2009), along with decreased hours served in US Retail and our Distribution Facility in Ontario, CA. Gains in service hours at our Distribution Center in Enschede and at our Stratham HQ could not offset the Q1 2009 vs. Q1 2010 decrease in hours. The reason for these decreases is explained in the analysis section on the HUR page.

Each year the Community Engagement team strives to provide enhanced opportunities for increased employee engagement. Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year. Our Q1 performance to date is not a steadfast indicator of whether or not we will meet our goal for 2010. We do, however, expect to build from lessons learned in our 2009 performance to meet our 2010 target.



CSR Strategic Pillar #4: Service

Metric: Benefit Utilization Rate (BUR)

Q1 2010

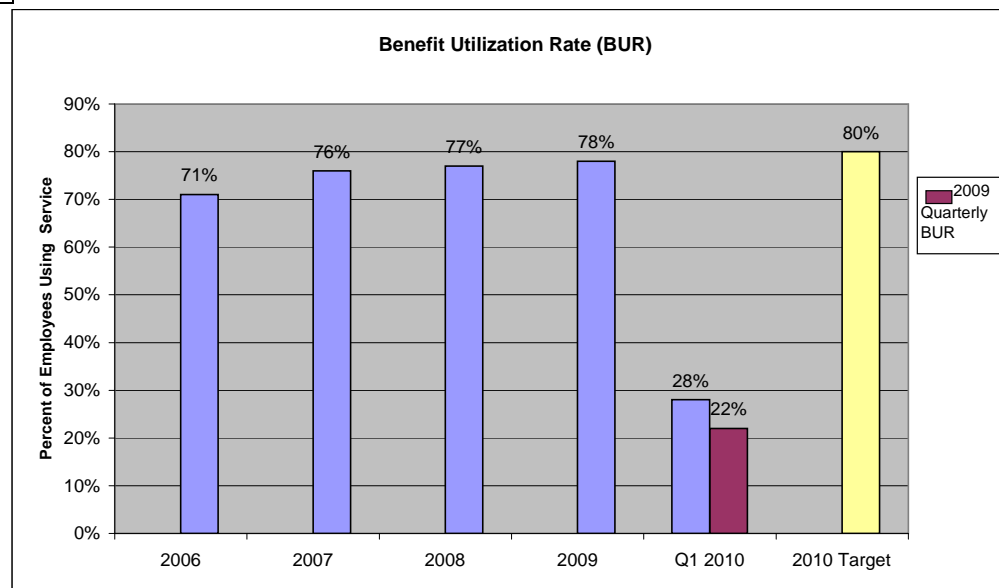
Total Employees*	4938
Employees Using At Least One Hour of Service	1081
Benefit Utilization Rate	22%

*based on average year to date employee headcount (both full- and part-time employees)

Year	BUR
2006	71%
2007	76%
2008	77%
2009	78%
Q1 2010	22%
2010 Target	80%

Data Qualifier: Benefit Utilization Rate reflects the percentage of employees worldwide who report using at least one community service hour per year. The data reported on a quarterly basis are year-to-date figures.

Data Validation: All service metrics are based on reported service hours. To report hours, employees must self-report their community service time in the manner prescribed by the management of their country. A representative in each country sends the total number of hours served to Corporate HQ on a monthly basis. At Corporate HQ, Community Engagement staff review each country's report quarterly for inconsistencies and ask for verification or revisions when necessary. Community Engagement staff also compare quarterly reports to global employee headcount provided by Human Resources.



Context

We believe that if employees use the Path of Service benefit once, they will use it again. We track Benefit Utilization Rate (BUR) to measure our reach and effectiveness in engaging employees in service. While we know our numbers are under-reported since not all employees report their hours, we currently have no way of estimating how many hours are left unreported each year.

Employees do not serve consistently throughout the year. Our two global pillar service events are Earth Day in April (Q2) and Serv-a-palooza in the Fall. These two events represent the bulk of our global service activity.

Analysis

Our 22% BUR for Q1 2010 represents a 21% reduction from our 28% BUR for Q1 2009. Tighter production schedules at our manufacturing facility in the Dominican Republic led to reduced service hours served by fewer employees. BUR decreased 23.5% in Europe (from 17% in Q1 2009 to 13% in Q1 2010) and also decreased in our Stratham, NH headquarters and our Distribution Center in Ontario, CA due to delayed appointment of Global Stewards for UK Retail, Italy, and US Retail.

Each year the Community Engagement team strives to provide enhanced opportunities for increased employee engagement. To increase employee engagement (and increase BUR to meet our 2010 goal) we will leverage the Global Stewards to maximize employee service participation throughout the year in each market. We will also provide more strategic support and direction to the Service Council which drives service participation of each business unit at our corporate headquarters in Stratham, NH.

Service metrics are measured on an annual basis (from January 1 - December 31) and revert to zero at the beginning of each year. Our 2010 performance is not a steadfast indicator of whether or not we will meet our goal for 2010. We do, however, expect to build from lessons learned in our 2009 performance to meet our 2010 target.