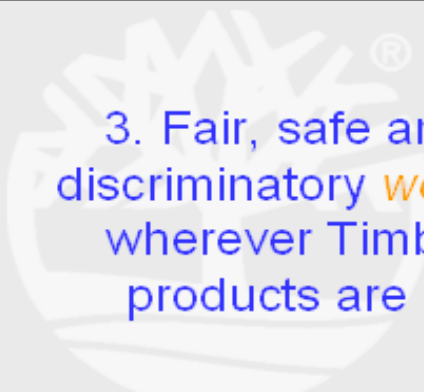


Timberland Quarterly CSR Reporting: Q2 2008

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

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.



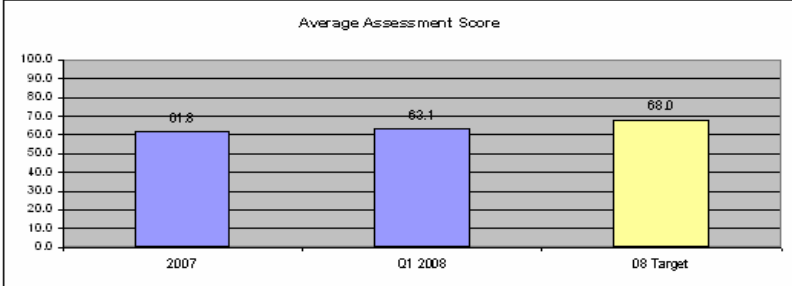
Average Assessment Score

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



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).

Company: Q1 2008 Results

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?

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?



CSR Strategic Pillar #1: Energy

Metric: Greenhouse Gas Inventory: 2004-2008

Business Unit	Q2 2008				
	Scope 1 Emissions	Scope 2 Emissions	Scope 3 Emissions: commuting	Scope 3 Emissions: Employee Air	Total
Headquarters	48.84	430.85	n/a	1003.36	1483.06
Distribution Centers	13.15	421.85			435.00
US Retail	10.28	2098.64			2108.93
US Showrooms					
	0	20.13			20.13
Manufacturing	45.68	771.95			817.62
International Retail	78.11	1682.32			1760.43
International Offices: Production Offices	68.74	48.94		15.68	133.37
International Offices: Subsidiary Offices	2.84	102.22		71.85	276.23
International Offices: Showrooms	0	15.23			15.23
Total Emissions	267.64	5592.13	n/a	1090.89	6950.66

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) or in Timberland owned vehicles.
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. Examples include commercial air travel and product transportation.

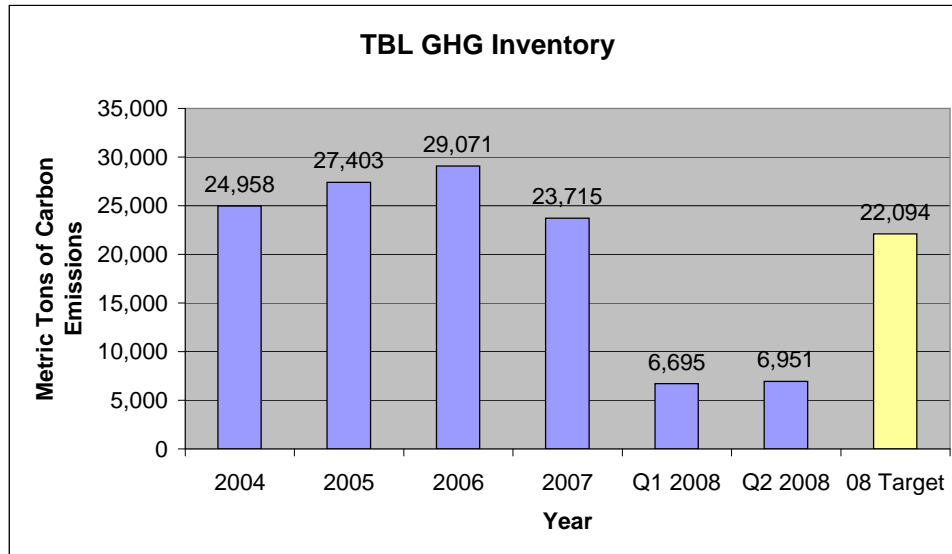
Note to stakeholders: Data consistency
We found an error in indirect emissions calculations in our Q1 2008 GHG inventory. We have corrected this error, and therefore the Q1 2008 emissions referenced here differs from our June 2008 disclosure. Also, we previously disclosed emissions from Timberland-owned vehicles in a separate column in the GHG inventory. The emissions associated with this source fall under Scope 1, and we've therefore added this information to that column in the chart at left.

Annual Greenhouse Gas Inventory	Total
2004	24,958
2005	27,403
2006	29,071
2007	23,715
Q1 2008	6,695
Q2 2008	6,951
08 Target	22,094

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.

Our greenhouse gas inventory covers Timberland owned and operated facilities and employee travel.

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. Between 2008-2009 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 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

There is a slight increase in emissions in Q2, which is explained by air conditioning in retail stores and corporate headquarters, as well as burning oil and gas for heat in cooler, northern climates. In parts of our GHG inventory we experienced a decrease in emissions. Renewable energy conversions for facilities like Smartwool, which were planned to help us achieve our '08 target, won't register as emission reductions until Q3. We have no emissions to report for employee commuting because we have not been able to track this data to date. In Q4 2008, we will launch an internal greening program that will give us capability to track this data in 2009.

We did not track quarterly emissions prior to 2008 so it is difficult to forecast trends based on Q1 and Q2 '08 performance. Based on facility closures and the growing consumption of renewable energy between '07 and '08, however, we expect to achieve our target.



CSR Strategic Pillar #1: Energy

Metric: Renewable Energy

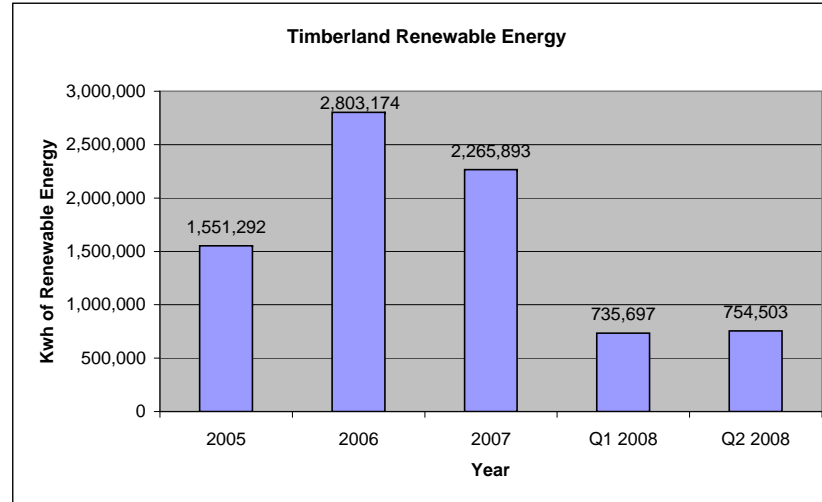
Timberland Renewable Energy

Energy source		2005	2006	2007	Q1 2008	Q2 2008
Onsite Renewable Energy	Wind	1,548,292	727,429	30,000	7,500	7500
	Solar	3,000	518,518	467,912	99,775	156475
	Hydro	0	1,017,149	46,234	0	0
Grid Renewables		0	540,078	1,714,400	628,422	590,528
Offsets		0	0	7,347	0	0
Total		1,551,292	2,803,174	2,265,893	735,697	754,503

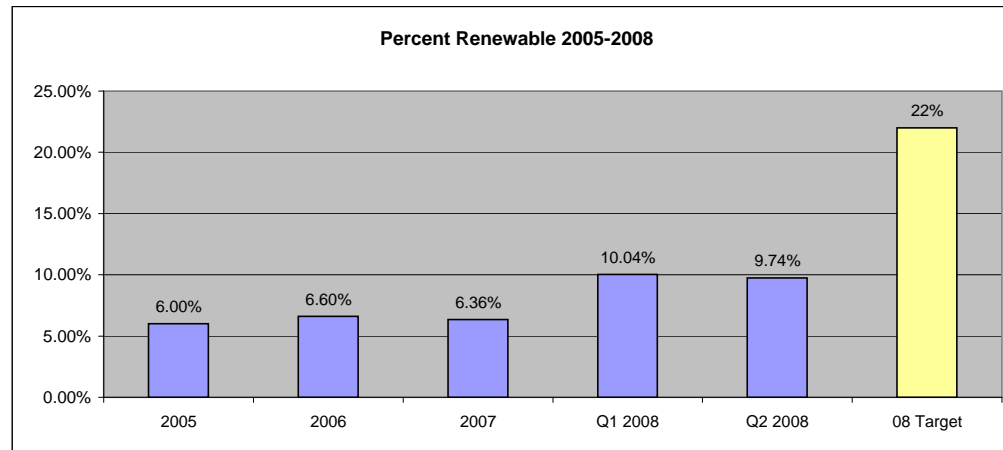
Data Qualifier: We measure on-site generation and grid sourced renewable energy as well as the purchase of renewable energy credits (RECs) and carbon offsets.

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, and converted to a percent.

Data Validation: Data comes from meter readings of Timberland owned renewable energy systems, bills from renewable energy providers, and certificates from renewable energy credit or carbon offset 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
2005	6.00%
2006	6.60%
2007	6.36%
Q1 2008	10.04%
Q2 2008	9.74%
08 Target	22%



Note to stakeholders: Data consistency

We found an error in indirect emissions calculations in our Q1 2008 GHG inventory. We have corrected this error, which also effected the Q1 renewable energy percentage. As a result, the Q1 2008 renewable energy percentage referenced here differs from our June 2008 disclosure. The large increase in renewable energy from 2007 to 2008 is explained by a 3.6% (approximate) increase in renewable energy procurement, mainly in our European operations.

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. Tracking this metric allows us to determine how successful we are at achieving our goal.

Analysis

Thanks to large renewable energy purchases at our distribution centers and in Europe (see note the stakeholders above), we continue to show improvement in renewable energy consumption over our 2007 total. In Q2, total energy consumption increased, mainly due to the use of energy-intensive air conditioning. The increase in overall energy means our stable renewable energy procurement decreased relative to the total. Smartwool facilities will convert to renewable energy in Q3, which will likely yield an increase in percentage of renewable energy for Q3. However, a delay in procuring renewable energy for select Timberland facilities will likely prevent us from meeting our 2008 target.

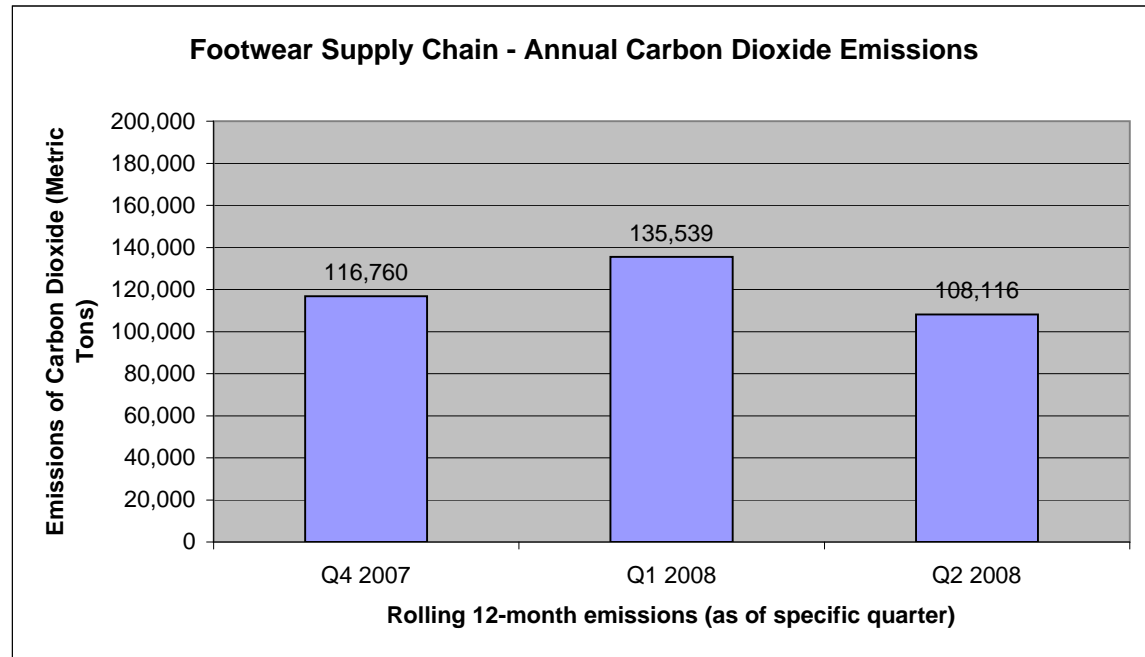


CSR Strategic Pillar #1: Energy
Metric: Supply Chain Emissions

Year	Emissions from Supply Chain
Q4 2007	116,760
Q1 2008	135,539
Q2 2008	108,116
08 Target	Baseline

Data Qualifier: This metric represents a 12-month rolling view of our supply chain. Every quarter, we look at electricity use for our entire footwear factory supply chain for the past 12 months. Eventually, this metric will be expanded to include our entire supply chain (apparel, licensing, etc.) and all fuel sources.

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. The figures reported here include factory emissions from the manufacture of both Timberland and non-Timberland products, so it is important to note that only a portion of emissions are related to Timberland products. Over the course of 2008 we have increased the specificity of supplier questionnaires, allowing us to obtain data that can account for emissions specifically related to Timberland production. We plan to disclose supply chain emissions specific to Timberland production in 2009.

Overall, this metric will help us better account for Timberland's indirect carbon impacts in the manufacturing process. The numbers reported here are rough estimates as we are continuing to improve how we gather emissions data from our extended supply chain. Data rely heavily on supplier-reported figures, and they should be viewed as reasonable estimates. The numbers here contain some data omissions due to turnover of suppliers and timing of audit schedules. Production in Timberland's owned factory is not included in these figures because it is part of our GHG inventory.

Analysis

Total emissions from the electricity used in manufacturing in factories that produce Timberland and non-Timberland products exceeds Timberland's own GHG inventory by a factor of 4. The size of emissions in our extended supply chain highlights the importance of working with suppliers to improve manufacturing efficiency. Through the quarterly reporting process, we are beginning to work with factories to develop more specific tracking and reduction strategies. By tracking more specific data in 2008, we will be able to view the relative efficiency of manufacturers and track changes in our sourcing patterns relative to supplier energy efficiency. The emissions reported in Q2 2008 is slightly less than Q1 2008 because a large factory in China reported a significant decrease in emissions. We are currently investigating this difference.