

# HOW TIMBERLAND ADDRESSES SUSTAINABILITY

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Timberland

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# Strategy: The Four Pillars of CSR



# 1) ENERGY: Carbon Neutral Enterprise

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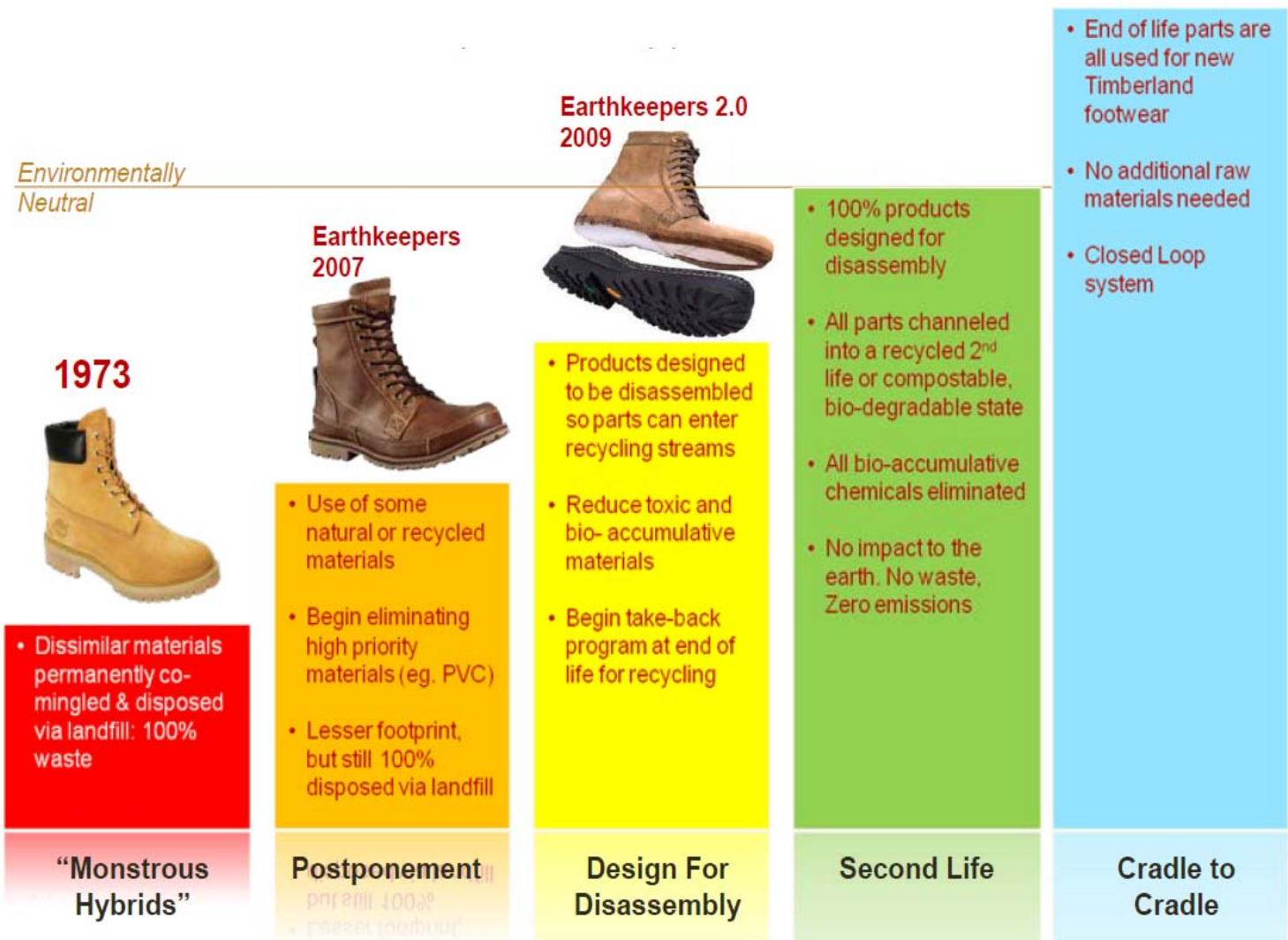
## ▶ A **50% reduction** in our greenhouse gas emissions

- Retail**: Timberland is the first company to achieve the LEED (Leadership in Energy and Environmental Design) Retail certification for mall-based stores.
- Distribution Facilities**: By the end of 2009, Timberland sourced approximately 12 percent renewable energy globally.
- Employee Air Travel**: Timberland has asked employees to consider alternatives to travel and has prioritized alternative option

## ▶ Offsetting the remaining 50% investing in renewable energy in South-East Asia

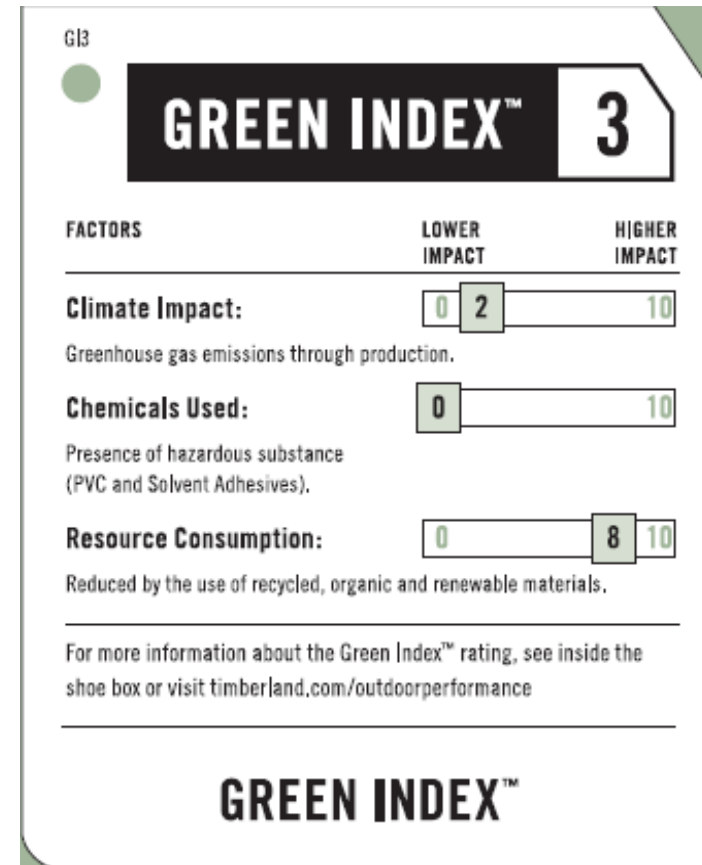


## 2) PRODUCT: Cradle to Cradle Product



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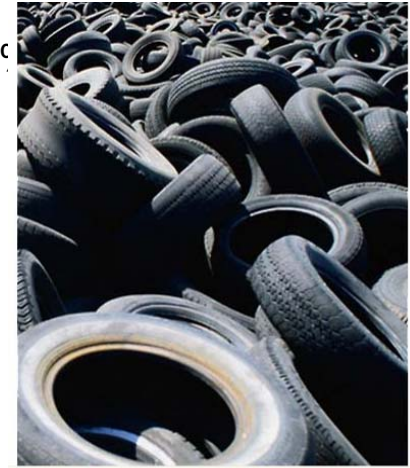
- Utilize the **Green Index™** ratings system to drive sustainable decisions throughout our enterprise
  - Develop a baseline average Green Index™ score for footwear products and set targets for improvement.
  - Have the Green Index™ rating on all footwear by end of 2011.
- **Reduce waste** and inefficiencies from our value chain
  - Develop a baseline for material production yield, average grams of packaging per unit and energy use per pair of shoes.



## 2) PRODUCT: Cradle to Cradle Product

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- **Eliminate the use of chemicals** linked to human or environmental harm
  - Remove PVC from our product line by 2010.
  - Increase use of water-based adhesives (WBA) in footwear to reduce solvent use.
  - Transition to a stronger measure of solvent use per pair by 2010.
- Select **raw materials** that reduce the environmental footprint of our products
  - Purchase 10% organic cotton of overall cotton purchases in 2010. (38% in 2009)
  - Increase renewable materials and recycled content in our products.
- Improve the **environmental performance of our factories**
  - Improve the average environmental assessment score of suppliers.



### 3) WORKPLACES

**Global Social Compliance Program:** is a collaborative of brands looking to drive consistent monitoring, measuring, and best practices for social and environmental compliance in the supply chain. Timberland is adopting GSCP's "Environmental Module" as a means to more holistically and comparatively evaluate and rate the environmental performance of its factories. GSCP evaluates factories in several environmental impact areas and rates each factory on a scale of 1-3 according to the following general guidelines.

Level	Generic Requirements
<b>Level 1: Compliance and Awareness</b>	<ul style="list-style-type: none"> <li>• Basic environmental management structure, with defined management responsibilities and environmental management controls in place</li> <li>• Understanding and awareness of significant environmental aspects and impacts, and applicable legal requirements</li> <li>• Compliance with applicable legal requirements</li> <li>• Focus is on operations, activities and potential environmental impacts at the site level</li> </ul>
<b>Level 2: Proactive Management and Performance Improvement</b>	<ul style="list-style-type: none"> <li>• Meeting Level 1 requirements</li> <li>• Environmental Management System (EMS) in place</li> <li>• Environmental management and performance in line with recognised international standard practice</li> <li>• Demonstrable management of all significant environmental aspects and impacts, and achievement of performance improvement targets</li> <li>• Focus is broadened to consider how the site influences and interacts with the local environment</li> </ul>
<b>Level 3: Leading Practice</b>	<ul style="list-style-type: none"> <li>• Meeting Level 1 and 2 requirements</li> <li>• Leading practice environmental management and performance (beyond recognised industry/sector standards)</li> <li>• Engagement with key stakeholders through the value chain to achieve significant performance improvement</li> <li>• Consideration of potential impacts on, and influence over, activities beyond the immediate environs of the site</li> <li>• Demonstrable leadership in environmental management and achievement of stretching performance improvement targets</li> </ul>

## 4) SERVICE: Community Greening

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More than **15 years** and **500,000 hours** of employee community service

We've planted **more than 600,000** trees around the world

Green **300 communities** and Plant **1 million trees** around the world by 2010.



**WHAT KIND OF FOOTPRINT WILL YOU LEAVE?**