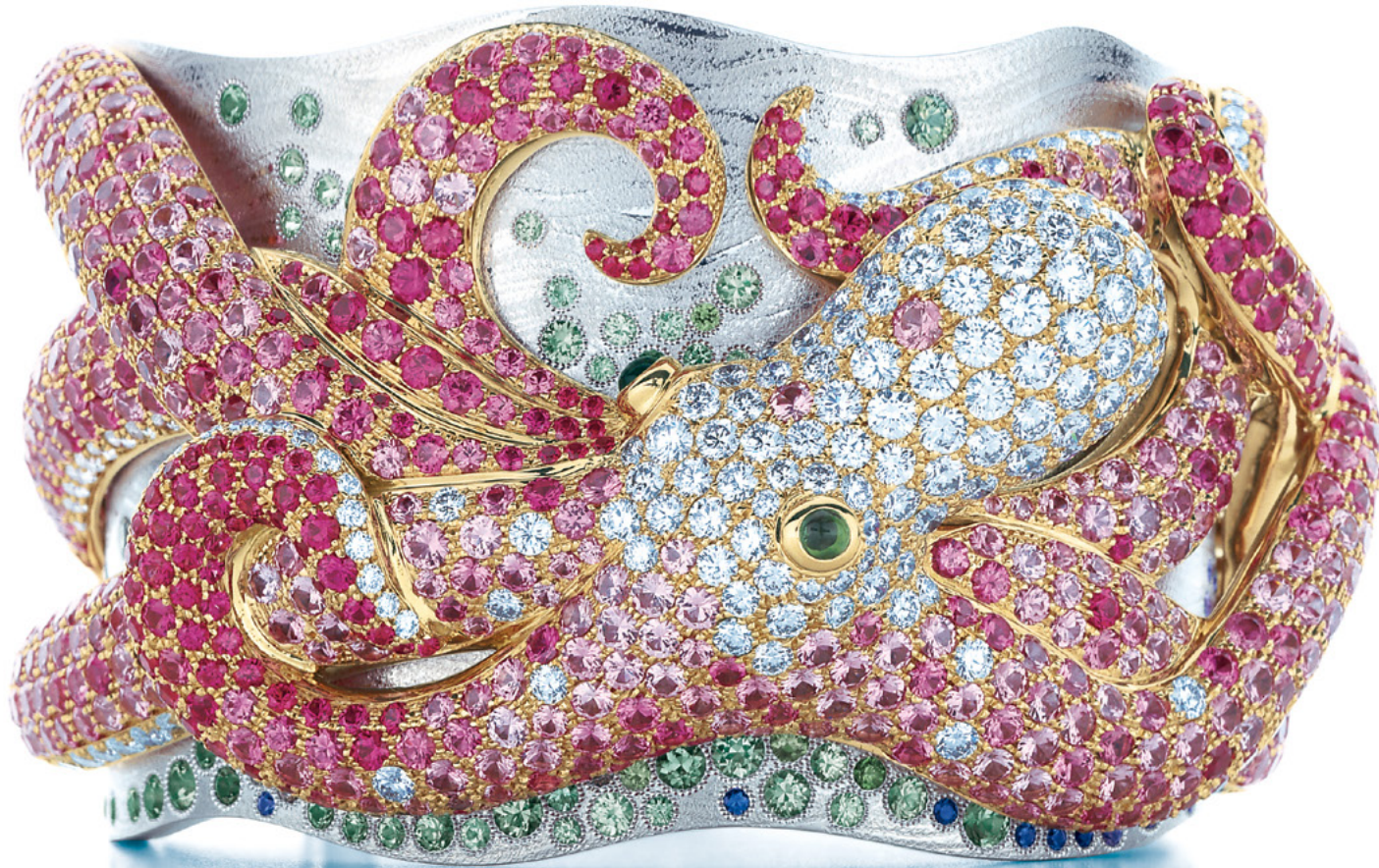


# SUSTAINABILITY REPORT

2015



TIFFANY & Co.

NEW YORK SINCE 1837



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Two butterfly-shaped jewelry pieces, likely brooches or pendants, are displayed on a teal background. The larger butterfly is positioned at the bottom, and the smaller one is at the top right. Both are intricately designed with pavé-set diamonds and accented with round pink gemstones along the edges of their wings. The wings feature delicate green scrollwork patterns.

# TIFFANY & CO. SUSTAINABILITY REPORT

For more than 175 years, Tiffany & Co. employees and customers have found inspiration in nature, from the precious materials that give life and form to our jewelry to the beauty of the natural world and its creatures that we celebrate in our designs.

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We believe we have a moral imperative to help sustain the natural environment, and we are committed to minimizing our impact as a business and using our voice and actions to protect the planet.

Over the past two decades, Tiffany & Co. has worked hard to integrate sustainability into many dimensions of our business—from the social and environmental practices of the mines we source from to selecting sustainable materials for our iconic Blue Boxes and bags.

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*“For over 20 years, Tiffany & Co. has been a champion of socially and environmentally responsible business practices. We have encouraged transparency and challenged the mining and jewelry industries to emphasize environmental protection and human rights so consumers can be assured that their jewelry is ethically sourced and crafted.”*

MICHAEL J. KOWALSKI, CHAIRMAN OF THE BOARD  
TIFFANY & CO.

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As a leader in the luxury industry, we recognize our opportunity to influence culture and set standards for excellence—not only in fine jewelry and craftsmanship but in what it means to be a responsible corporate citizen. We use the power of the Tiffany & Co. brand to raise awareness about critical issues and demonstrate how the jewelry industry can lead the way to a brighter future. Whether protecting pristine landscapes like Yellowstone National Park and Bristol Bay from the damaging effects of mining, or voicing support to protect human rights in Angola and Zimbabwe, we advocate for important issues and encourage others to join us in creating meaningful change.



# CEO Message

*At Tiffany & Co., sustainability is both a core business practice and a moral imperative.*

Well before I arrived at Tiffany, the hard work was already underway.

The Company understood and embraced its responsibility to the planet. The foundation was laid for world-class leadership in sustainability among the great houses of luxury. One year into my role as CEO, I proudly present you this accounting of our continued achievement in sustainability. Against the backdrop of two monumental feats—the United Nations' adoption of 17 Sustainable Development Goals and the 195-nation Paris accord on climate action—we advanced our commitment to advocating for the environment, contributing to the communities in which we do business, and burnishing the future of the jewelry industry. In 2015, I also appointed Tiffany & Co.'s first Chief Sustainability Officer, Anisa Kamadoli Costa.

## WE MADE SIGNIFICANT COMMITMENTS TO THE ENVIRONMENT.

This year, in a powerful effort to affect climate change, we targeted 2050 to achieve net-zero greenhouse gas emissions. To that end, we expanded energy-efficiency efforts, including global lighting retrofits that reduce store energy use by 20 to 25%. We also launched a multimillion-dollar internal Green Fund dedicated to catalyzing greater energy efficiency, more renewable energy and more resource-saving projects. These initiatives are intended to advance the protection of our precious natural environment and bolster Tiffany's position at the forefront of environmental responsibility, where we hope our peers will join us.

## WE INVESTED IN OUR PEOPLE AND COMMUNITIES THROUGHOUT THE WORLD.

At Tiffany, we strive to provide our employees with healthy livelihoods and to build a bright future for them and their communities. Our Company supports social and economic development at every step in the journey of a Tiffany diamond, from mining through cutting, polishing and setting. We are proud to operate our own diamond and jewelry workshops not just in the U.S. but abroad, where we hire locally, train in skilled trades and pay a living wage. This year we also introduced the Tiffany Academy for Excellence and Diversity in Leadership. This talent pipeline and development program provides opportunities to rising stars from an array of backgrounds and industries. Through The Tiffany & Co. Foundation, we support critical work on global issues like the protection of our oceans and improvement of global mining standards.

## WE TOOK NUMEROUS STEPS TO POSITIVELY SHAPE OUR ENTIRE INDUSTRY.

With an uncompromising commitment to transparency and traceability throughout our supply chain, we developed an industry-leading approach to responsible mining and manufacturing. We are able to trace the path of a majority of our raw materials from origin to finished product. We do this through direct relationships with mines and by manufacturing the majority of our products in-house. We also strengthened Tiffany's engagement within our industry—and across sectors—to advance responsible mining standards globally. I am also pleased to affirm Tiffany & Co.'s continued commitment to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor Standards, Environment and Anti-Corruption.

The bar for sustainability leadership continues to rise as the global business community rallies to the cause. We welcome the challenge to lead the way through powerful innovation and are excited by our accomplishments in 2015, and the possibilities that lie ahead. I invite you to read about our environmental and social commitment in this sixth annual Sustainability Report, and hope you will share your thoughts with me.



FREDERIC CUMENAL  
CHIEF EXECUTIVE OFFICER, TIFFANY & CO.





## OUR APPROACH TO STAKEHOLDER ENGAGEMENT

At Tiffany & Co., we believe that by welcoming the opinions and concerns of many different groups—including our employees, shareholders, nongovernmental organizations (NGOs), industry members and supply chain partners—we can enhance our own business practices, as well as the practices across our industry and throughout the jewelry supply chain.

We have built longstanding relationships with leaders from NGOs, mining companies, the luxury industry, local communities and industry associations who provide us with critical perspectives on the industry's environmental and labor issues. We value this dialogue with a broad range of groups whose diverse viewpoints help us advance best practices related to supply chain management and responsible mining. Each contributes in a unique way: The NGOs provide meaningful feedback and best practices; the industry groups help ensure we collectively influence the industry beyond just our Company; and engagements with mining companies help us identify and address environmental and social issues in our sector.

We take a strategic approach to stakeholder engagement, and are committed to continuing to work with a variety of organizations, including those that challenge us. We believe this benefits our Company's operations and positively influences the jewelry industry and our partners along our supply chain.

## THE 2015 SUSTAINABILITY REPORT

We understand that the long-term resilience of our planet and its natural resources, the well-being of people, and the success of our business go hand-in-hand. In 2015, our CEO appointed Anisa Kamadoli Costa as Tiffany & Co.'s first Chief Sustainability Officer, and along with our senior management team, continued to focus on how the Company can make the most progress on our social and environmental priorities by aligning our sustainability goals with our long-term business objectives.

Our responsible sourcing efforts, which include everything from how we source our precious materials to the paper we use for our Blue Boxes and bags, demonstrate how we can work towards a more sustainable world while also benefitting our business in the long term. We reaffirmed the importance of these and other material issues after our most recent assessment of sustainability objectives in 2013.

The Tiffany & Co. 2015 Sustainability Report—which aligns with the Global Reporting Initiative (GRI) G4 and United Nations Global Compact reporting frameworks—details progress toward our goals on these issues, and it highlights how we are continuously evolving our programs for greater impact. We are proud of the results we have achieved to date, and we are excited about the evolutions in responsible business practices and the opportunities to make even more progress. The bar is rapidly rising, and in recognition of the fact that there is much more to be done, we are committed to continuous improvement.

*For the purposes of this Sustainability Report, materiality is defined as that which is most important to the Company and reflects our most significant environmental and social impacts, as well as that which most substantively influences the assessments and decisions of our stakeholders.*

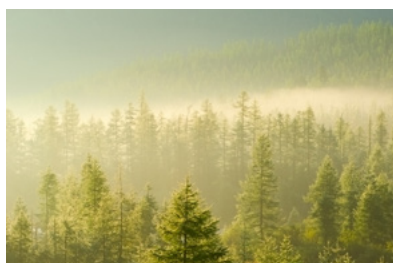
## 2015 HIGHLIGHTS

Tiffany & Co. CEO Frederic Cumenal appointed Anisa Kamadoli Costa as the Company's first **Chief Sustainability Officer**.



Launched a multimillion-dollar internal **Green Fund** dedicated to global energy efficiency, renewable energy and other resource-saving projects.

The U.S. Environmental Protection Agency honored Tiffany & Co. with a **Climate Leadership Award** for Greenhouse Gas Management – Goal Setting.



Committed to **removing commodity-driven deforestation** from key supply chains by 2020.

Joined the **U.S. Wildlife Trafficking Alliance**

to raise awareness about illegal wildlife products and to protect endangered species.



Pledged to achieve **net-zero** greenhouse gas emissions by 2050 and joined other business leaders in calling for bold action at the COP21 international climate negotiations.

Launched the **Tiffany Academy** for Excellence and Diversity in Leadership.

Listed on **FTSE4Good** social responsibility index for the fourth consecutive year.



Entered into a long-term engagement with the **Whitney Museum of American Art** to sponsor the Whitney Biennial in 2017, 2019 and 2021.

## 2015 BY THE NUMBERS



### Over 50

retail stores retrofitted with LED lights, expected to reduce store energy use by approximately 20–25%.

Approximately 60% of merchandise made in Tiffany & Co. manufacturing facilities.



### >\$51 million\*

contributed to Botswana's local economy from raw materials processing for our products.

### >2,200 MWh

of solar energy generated at our facilities in New Jersey, Rhode Island and Cambodia.

### 100%

of our iconic Tiffany Blue bags were FSC®-certified.

### 89%

of content in Tiffany Blue Boxes made from recycled sources.



### 99%\*

of raw precious metals procured by our internal manufacturing facilities traced either directly to a mine or recycler.

### 68%\*

of our global workforce are women.



### 97%\*

of our international manufacturing workforce is hired from local communities.

### Over 375

employees received on-the-job training to become skilled diamond cutters and polishers or jewelry manufacturers.



### 100%\*

of rough diamonds sourced either directly from a known mine or from a supplier with multiple known mines.

### 100%

of high-risk vendors in our Social Accountability Program audited.

### 3%

greenhouse gas emissions reduction from 2014.

### >\$3.2 million

contributed to nonprofit organizations through our global corporate giving program.

### >\$5.8 million\*

in grants awarded by The Tiffany & Co. Foundation.

## FISCAL YEAR 2015 TIFFANY & CO. FINANCIAL HIGHLIGHTS<sup>†</sup>

Tiffany & Co.<sup>‡</sup>, a corporation publicly traded on the New York Stock Exchange, designs, manufactures and retails jewelry through its subsidiaries. The Company's principal merchandise offering is jewelry (representing 93% of worldwide net sales in 2015); it also sells timepieces, leather goods, sterling silverware, china, crystal, stationery, fragrances and accessories. In 2015, the Company manufactured jewelry in New York, Rhode Island, Kentucky and Thailand, polished jewelry in the Dominican Republic and crafted silver hollowware in Rhode Island. The Company processed, cut and polished diamonds at state-of-the art facilities in Belgium, Botswana, Cambodia, Mauritius and Vietnam. In total, these internal manufacturing facilities produced approximately 60% of the merchandise sold by the Company. The balance, including almost all non-jewelry items, was purchased from third parties. At the end of Fiscal Year 2015, there were 307 Tiffany & Co. stores across 27 countries and approximately 12,200 Tiffany & Co. employees around the world.

<sup>†</sup>Information, data and graphs in this Tiffany & Co. Financial Highlights section are from the Company's Annual Report on Form 10-K filed on March 28, 2016. To view the Company's financial filings, please visit the [Tiffany & Co. Investor Relations](#) website.

<sup>‡</sup>For the purposes of this Report, the terms "Tiffany & Co.," the "Company," and "we," "us," "our" are used interchangeably and mean Tiffany & Co. and its subsidiaries. The terms may be used to refer to the activities and operations of one or more of Tiffany & Co.'s subsidiaries.

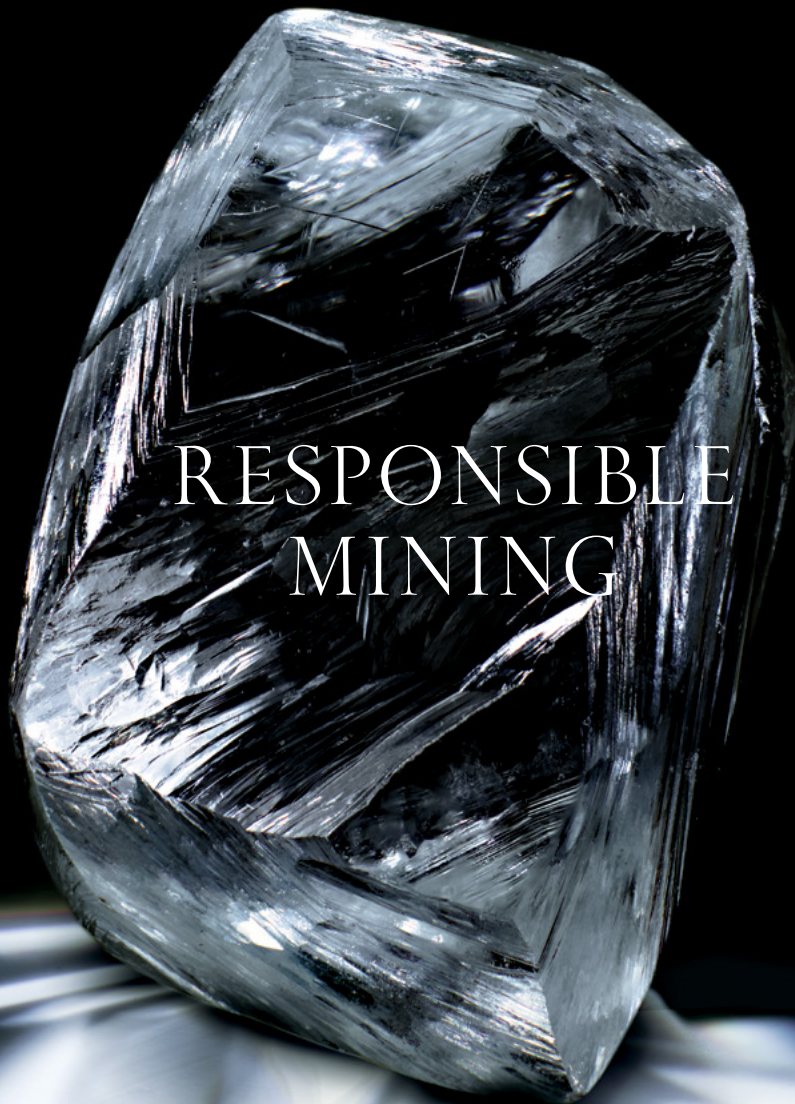
## SELECTED FINANCIAL DATA

(in millions, except per share amounts and employees)

EARNINGS DATA		
	2014	2015
Net sales	\$4,249.9	\$4,104.9
Gross profit	\$2,537.2	\$2,491.3
Selling, general & administrative expenses	\$1,645.8	\$1,731.2
Net earnings	\$484.2	\$463.9
Net earnings per diluted share	\$3.73	\$3.59
OTHER DATA		
Number of employees	12,000	12,200

## OUR RETAIL LOCATIONS

	AMERICAS						TOTAL
	U.S.	CANADA & LATIN AMERICA	ASIA- PACIFIC	JAPAN	EUROPE	EMERGING MARKETS	
2014	95	27	73	56	39	5	295
2015	95	29	81	56	41	5	307



## RESPONSIBLE MINING

At Tiffany & Co., we place an emphasis on exceptional quality, artistry and social and environmental standards—for our business and the broader industry.

---

We believe fine craftsmanship starts with responsibly sourcing high-quality raw materials and continues through the creation of the final piece of jewelry. We have developed an approach, unique in our industry, to help advance responsible practices in our operations and supply chains. We are also working with business, civil society and government to set rigorous global mining standards and raise public awareness about the importance of responsible sourcing practices.

## A MODEL OF RESPONSIBLE SOURCING

Supply chains for diamonds, gemstones and precious metals can be long, complex and opaque, which makes traceability—knowing the path from the origin of raw materials to the final product—a critical first step toward environmental and social responsibility. We have implemented a strategy that gives us a strong chain of custody, direct oversight of our internal manufacturing and a voice for improving global standards and conditions.

### RAW METALS

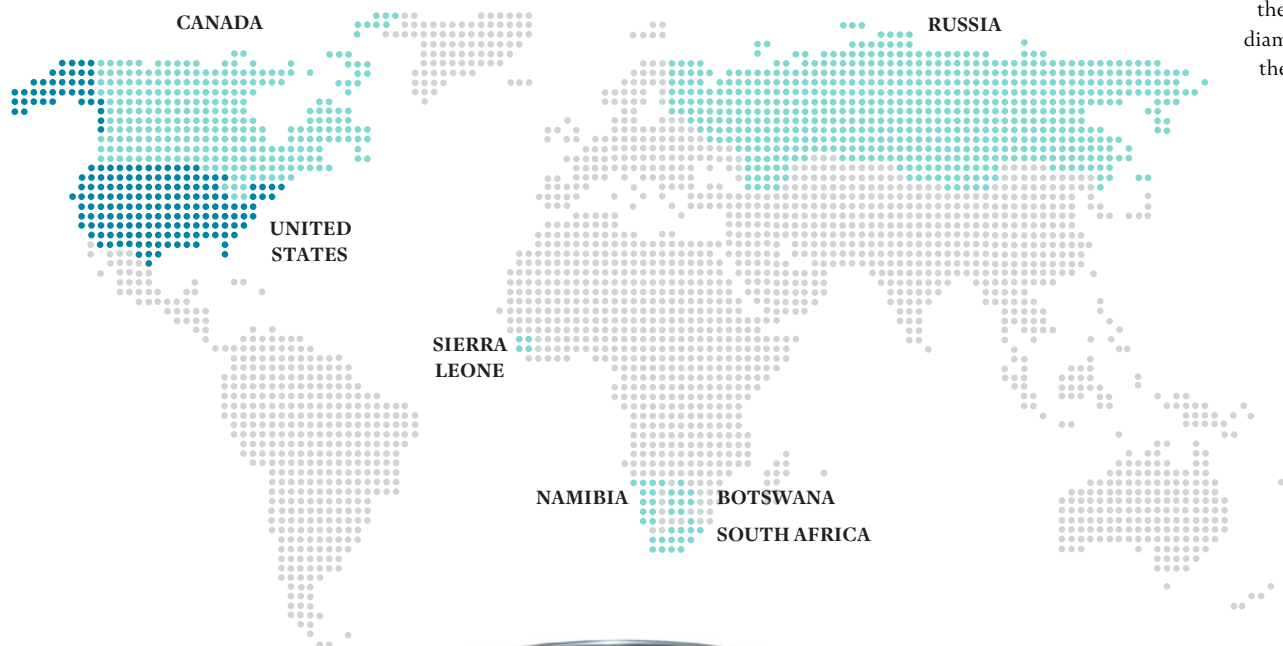
We source raw silver, gold and platinum for use in our facilities from two principal sources: in-ground, large-scale deposits of metals in the United States, and metals from recycled sources.

*(See more on p. 20)*

### ROUGH DIAMONDS

We source most of our rough diamonds from known mines in Botswana, Canada, Namibia, Russia, Sierra Leone and South Africa. Tiffany goes above and beyond the Kimberley Process to source our diamonds with even greater respect for the environment and human rights.

*(See more on p. 15)*



### MANUFACTURING

We manufacture approximately 60% of our merchandise at our own state-of-the-art facilities which meet high standards for safety, cleanliness and a productive, welcoming environment. For the balance, we work closely with our vendors to help ensure that they follow the exacting standards that we are proud to uphold.

### CUTTING & POLISHING

We cut and polish the majority of our diamonds at our own workshops—an approach that underscores our commitment to the integrity of our supply chain and creates positive change for local communities. In addition, polished diamonds are acquired from reputable vendors that adhere to our stringent standards.

Our strategy begins with responsible sourcing: Unlike most jewelers, we source the majority of our metals directly from mines that we know and recycled sources. We also source the majority of diamonds as rough diamonds, directly from mines or from suppliers with a limited number of known mines. This underscores our commitment to the integrity of our supply chain.

Through our vertical integration model, we manufacture approximately 60% of our merchandise at our own state-of-the-art manufacturing facilities. Our facilities are among the finest in the jewelry industry, meeting high standards for safety, cleanliness and a productive, welcoming environment. We hire craftspeople from local communities, pay fair wages, and invest in job training and development which helps build local economies. The balance, including almost all non-jewelry items, is purchased from third-parties. We work closely with our vendors to help ensure that they follow the exacting standards that Tiffany & Co. is proud to uphold.

The final step in our responsible sourcing model happens beyond the walls of our business: We collaborate with others across the jewelry, mining and luxury industries, as well as with civil society and government, to develop higher responsible mining standards and to increase regulatory oversight where it is in the public interest. We also use our voice to raise public awareness about human rights and responsible mining, and to advocate for the protection of special places from new mine development.

As an industry leader, we are devoted to better understanding the social, economic and environmental impacts of the mining and processing of precious materials so that we can work to create positive impacts along the supply chain, all the way from the mine to our customers.

#### TIFFANY & CO.'S CORE PRINCIPLES FOR THE RESPONSIBLE DEVELOPMENT AND OPERATION OF LARGE-SCALE MINES

We believe these six basic principles are essential for responsible mining:

- 1 New mine development or expansion of existing mines should never occur in areas of high ecological or cultural value. Specifically, mines should never be developed in World Heritage Sites, protected areas categorized by the International Union for Conservation of Nature (IUCN) as I–IV, Alliance for Zero Extinction Sites or Key Biodiversity Areas.
- 2 Air, water and soil contamination should be prevented.
- 3 The principle of informed community participation in mine development and expansion should be embraced.
- 4 Workers' rights, labor standards and human rights should be respected by all parties.
- 5 Mine operators should provide for appropriate and fiscally sound guarantees to cover the costs of mine closure, cleanup and restoration.
- 6 Mine wastes (tailings) should not be placed in rivers, streams, lakes or ocean waters and should be disposed of responsibly.





*“Responsible mining has been admirably nudged along for the past two decades by Tiffany & Co., at the corporate level, and through its Foundation. Such transparent and consistent support of research and development has played a pivotal role in improving the social and environmental performance of the mining industry.”*

SALEEM ALI, CHAIR IN SUSTAINABLE RESOURCE DEVELOPMENT  
SUSTAINABLE MINERALS INSTITUTE, UNIVERSITY OF QUEENSLAND\*

## COLLABORATING ON RESPONSIBLE MINING STANDARDS

Our commitment to excellence inspires our efforts to build a better future for the industry, the environment and the communities where we operate. We work with our suppliers, employees and others to create positive change. In particular, we value our collaboration with industry and nongovernmental organizations, including organizations such as EARTHWORKS and Human Rights Watch, that work to encourage more responsible mining practices. We also lend our expertise through multistakeholder initiatives that are developing higher responsible mining standards—efforts we have advanced since 2003.

*\*University of Queensland in America is a grantee of The Tiffany & Co. Foundation.*

DIAMOND MINE © 2016 RIO TINTO

*Left: Diavik Diamond Mine, Canada.*

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*“Since IRMA’s inception, Tiffany & Co. has played an instrumental role in supporting diverse leaders seeking a common solution. The effort to create a shared definition for ‘responsible mining’ is challenging and would have failed if it weren’t for Tiffany’s demonstration of value for all stakeholders toward that purpose.”*

AIMEE BOULANGER, COORDINATOR  
INITIATIVE FOR RESPONSIBLE MINING ASSURANCE<sup>1</sup>

#### INITIATIVE FOR RESPONSIBLE MINING ASSURANCE (IRMA)

We believe the mining sector needs an independent certification system that consumers can trust and that establishes rigorous standards for social and environmental performance. In 2006, Tiffany & Co. helped create such a system as a founding member of IRMA, a voluntary initiative that is developing a standard to help the mining industry protect human rights, provide safe and respectful workplaces, and minimize environmental harm. Today, we serve on the multistakeholder steering committee with mining companies, nonprofit organizations, labor groups, indigenous communities and fellow companies that use mined materials.

In 2015 and early 2016, IRMA conducted two field tests of the draft *Standard for Responsible Mining* using simulated mine audits in the United States and Zimbabwe. In April 2016, IRMA released its second draft standard for public review and continues to engage with a broad range of stakeholders to ensure that their perspectives are reflected. Following this review and further revisions, after nearly a decade of work creating the world’s first multi-commodity mining-certification system, IRMA plans to begin certification of mine sites.

#### RESPONSIBLE JEWELLERY COUNCIL

Tiffany & Co. is also a founding member of the *Responsible Jewellery Council (RJC)*, an international nonprofit organization that fosters ethical, transparent best practices throughout the diamond, gold and platinum jewelry supply chain. In 2014, Tiffany received RJC Member Certification for our global operations through 2017, demonstrating that we operate in conformity with the RJC Principles and Code of Practices.

The Code of Practices addresses human rights, labor rights, environmental impact, mining practices and product disclosure. (To obtain a copy of the *Tiffany &*

*Co. Responsible Jewellery Council Code of Practices Policy – Worldwide*, please email [CSR@Tiffany.com](mailto:CSR@Tiffany.com).)

#### NO DIRTY GOLD

More than 10 years ago, Tiffany & Co. was the first jeweler to embrace the objectives of EARTHWORKS’ *No Dirty Gold* campaign, which established aspirational social, human rights and environmental standards for the extraction of gold. We encourage our vendors, when selecting sources and mines of origin for gold, to evaluate potential sources by referring to No Dirty Gold’s Golden Rules.

#### THE TIFFANY & CO. FOUNDATION: SUPPORTING RESPONSIBLE MINING STANDARDS

In addition to our work as a company to improve large-scale mining standards, one of the strategies of *The Tiffany & Co. Foundation’s* Responsible Mining Program is to support the development of responsible mining standards at the large- and small-scale levels.

Globally, there are more than 20 million artisanal miners, and many of these people experience difficult living and working conditions. The Foundation invests in nonprofit organizations that support artisanal mining communities in an effort to make their work environments safer and to provide equitable livelihoods.

Given the informal nature of artisanal mining, certification and standards requirements present unique challenges. For this reason, local communities and artisanal miners should be at the core of a participatory approach to reform and standard-setting.

<sup>1</sup>*Tiffany & Co. is one of the founding members and is a financial supporter of IRMA.*



#### CASE STUDY

## Supporting Artisanal Mining Communities

Since 2008, The Tiffany & Co. Foundation has awarded more than \$1 million to the Diamond Development Initiative (DDI), an organization that works directly with artisanal miners and their communities.

With roughly 15% of global diamond and gold production coming from the artisanal sector, the industry has an important opportunity to improve people's lives. In Africa, for instance, many of the estimated 1.5 million artisanal diamond miners labor under unsafe conditions, work outside of the formal economy and are often not fairly compensated for the diamonds they sell.

To improve practices across artisanal diamond mining communities, formalize the sector and create more opportunities for miners, DDI created the Maendeleo Diamond Standards system and has since piloted it in artisanal mining communities in Africa. This certification system, which is tailored to the unique context of artisanal diamond mining, helps miners become more competitive in a marketplace that increasingly demands socially and environmentally responsible practices.

To support miners in the implementation of these standards, DDI also offers training and development to enhance their skills, expertise and business acumen. The Foundation is proud to support organizations such as DDI, which help build the artisanal mining sector, improve miners' livelihoods and bring value to the industry as a whole.

## Tiffany Diamonds

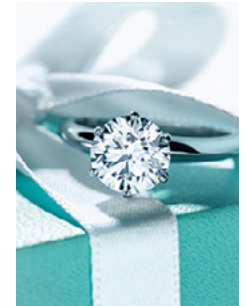
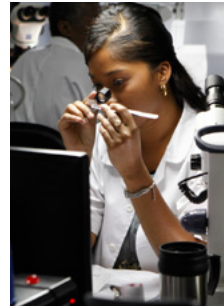
*Tiffany & Co. is committed to sourcing diamonds in an ethical and environmentally responsible manner.*

Treasured from the moment they're culled from the earth, Tiffany diamonds are prized by our highly skilled artisans, who transform the stones from rough gems to refined beauty. Just as we take great care to ensure quality, we also uphold high standards for social and ethical practices. Our vertical integration model allows us to apply industry-leading practices, and we work across the sector to help ensure that the diamond business not only prevents conflicts but protects human rights, values environmental responsibility and creates economic opportunity.



## JOURNEY OF A TIFFANY DIAMOND

Every step of the journey of a Tiffany diamond—from the earth to the customer—is handled with the utmost care. We have accomplished this through Tiffany & Co.'s wholly owned subsidiary, Laureilton Diamonds, which we established in 2002 to procure rough diamonds and manage our worldwide supply chain that sources, cuts, polishes and supplies finished stones to Tiffany & Co. Follow the journey of Tiffany diamonds selected for our engagement rings to learn more about our practices.



### STEP 1 RESPONSIBLE MINING

We source approximately 70–80% of the diamonds we use in jewelry as rough diamonds, primarily from Botswana, Canada, Namibia, Russia, Sierra Leone and South Africa.

—  
In 2015, Tiffany & Co. sourced 100%\* of all rough diamonds either directly from a known mine or a supplier with multiple known mines.

—  
We encourage high standards for the mining industry, and advocate for the protection of human rights and ecologically sensitive lands.

### STEP 2 PLANNING AND PREPARING

99.96% of the world's gem-grade diamonds are rejected by Tiffany.

—  
We prepare our diamonds for polishing at our own facility in Antwerp, where we can guarantee exceptional levels of quality and artistry.

### STEP 3 CUTTING AND POLISHING

From our preparation facility in Antwerp, the diamond travels to expert cutters and polishers.

—  
We are proud to hire local craftspeople and offer training programs at our state-of-the-art facilities, thereby investing in the economic potential of these regions.

—  
We have full control over our facilities, allowing us to provide fair wages and a safe, welcoming workplace.

—  
We also purchase select polished diamonds procured from legitimate suppliers who comply with our Diamond Source Warranty Protocol, the World Diamond Council's System of Warranties and our Social Accountability Program.

### STEP 4 GRADING

We maintain our chain of custody at our Tiffany Gemological Laboratory in New York, where we inspect every diamond and re-cut and polish any gem that does not meet Tiffany standards.

—  
Tiffany diamonds are looked at approximately 1,300 times between rough stone to finished ring.

—  
Once it makes the grade, we give each Tiffany solitaire diamond a proprietary serial number—invisible to the naked eye—that allows the jewel to be traced back to its Tiffany Diamond Certificate, which is backed by a Full Lifetime Warranty.

### STEP 5 SETTING

We handcraft our engagement ring settings so that the final design reveals the unique beauty of the diamond.

—  
Before and after the stone is set, the polisher goes back over every surface with a small buffer to ensure that the gleaming setting is as splendid as the diamond it showcases.

### STEP 6 READY FOR THE BLUE BOX

After a worldwide journey and up to a year in the care of Tiffany experts, a Tiffany diamond is ready for its Blue Box.

—  
Our Tiffany Blue Boxes and bags are made with paper from sustainable sources, including FSC®-certified and recycled sources.

\* See the Report of Independent Accountants

*Tiffany gemological standards refer only to round brilliant diamonds from .18 to 2.99 carats set in certain ring styles. Round brilliant diamonds smaller or larger, fancy-shaped diamonds and fancy color diamonds each have their own specially tailored standards of evaluation.*

---

*“The Kimberley Process can’t keep diamonds tainted with abuse out of international markets, so companies like Tiffany have started to do it themselves. By controlling their diamond supply chain, defending journalists exposing problems in the sector, and openly speaking about Kimberley’s problems, Tiffany is taking steps that others should follow.”*

ARVIND GANESAN, DIRECTOR  
BUSINESS AND HUMAN RIGHTS, HUMAN RIGHTS WATCH

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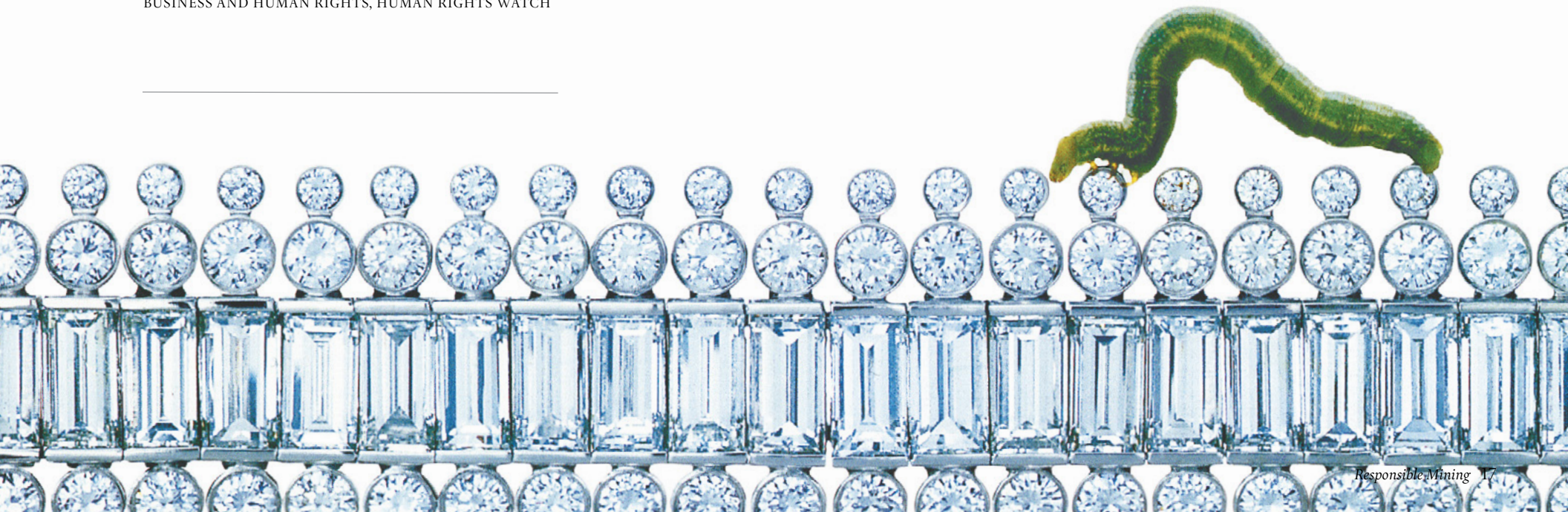
## BEYOND THE KIMBERLEY PROCESS

Tiffany has long been a champion of international efforts to address conflict in the diamond supply chain by supporting such initiatives as the Kimberley Process, an international system aimed at eliminating the flow of “conflict diamonds” sold by rebel movements to finance wars against legitimate governments. The Kimberley Process has been successful in that effort: Today, the organization’s 54 participants represent 81 countries and account for approximately 99.8% of the global production of rough diamonds.

While this has significantly reduced the financing of civil wars from diamonds, the Kimberley Process has not adequately addressed other pressing issues in the global diamond supply chain. We believe it’s time to expand the Kimberley mandate to protect against human rights, environmental and labor abuses.

Our standards for a Tiffany diamond go above and beyond the Kimberley Process to safeguard human rights and the environment, and we encourage our industry peers and business partners to follow suit. For example, Tiffany & Co. condemns the widely reported human rights abuses in Zimbabwe and Angola. Despite the fact that these countries comply with the Kimberley Process, the Company refuses to purchase rough or polished diamonds from Zimbabwean or Angolan sources. Furthermore, the Company has implemented a Diamond Source Warranty Protocol which requires diamond vendors to provide a warranty that loose polished diamonds were not obtained from these countries.

We believe that by expanding the Kimberley Process definition of “conflict free,” it will be possible to improve the lives of the miners whose work is so vital to our own.





#### CASE STUDY

### Benefitting the Local Economy in Botswana

Diamonds can be a great source of economic benefit for countries with this rare resource.

In Gaborone, the capital of Botswana, our state-of-the-art diamond cutting and polishing facility provides skilled jobs with sustainable incomes for nearly 150 citizens. In fact, 93% of the polishers employed in our Botswana facility are hired from the local community. We also invest in training and development programs that help our local employees improve their capabilities, which improves the economic potential of entire communities.

In Calendar Year 2015, we provided more than \$51 million\* in beneficiation to the local economy in Botswana, including payments to local suppliers, payroll, donations and taxes.

*\*See the Report of Independent Accountants*

*Left: Laurelton Diamonds cutting and polishing facility in Botswana.*

Two luxury rings featuring large, faceted emeralds set in a metal band encrusted with pavé diamonds. The rings are shown from a low angle, highlighting the intricate design and the vibrant green of the gemstones.

## Colored Gemstones

Tiffany & Co. has strict protocols for the sourcing of colored gemstones. We currently sell approximately 60 varieties in relatively small quantities as compared to diamonds. Due to the highly fragmented nature of the colored gemstone industry, traceability levels are not the same as they are for diamonds and precious metals.

We continuously review our supply chain, engage with our suppliers, and conduct research on various colored gemstones and producer countries to find ways to achieve greater transparency and responsible sourcing. We also collaborate with many others to help the jewelry industry as a whole better understand the potential social, environmental and governance risks of colored gemstone supply chains.

### BURMESE GEMSTONES

Rubies are among the world's most desirable gemstones, and many of the finest specimens are mined in Burma (Myanmar). In 2003, the United States responded to the nation's human rights violations by enacting the Burmese Freedom and Democracy Act, forbidding the importation of products from Burma, including jadeite and rubies. In 2008, the passage of the Tom Lantos Block Burmese JADE (Junta's Anti-Democratic Efforts) Act closed a loophole in this act by prohibiting the importation of Burmese rubies and jadeite that were cut and polished in other countries.

Tiffany & Co. is one of the few retail jewelers that has long respected both the letter and the spirit of the 2003 act. Since that time, we have refused to buy gemstones that we can reasonably identify as having Burmese origin, regardless of where the gems are cut or polished. Although the U.S. government recently relaxed the ban on most Burmese imports, prohibitions on the importation of jadeite and rubies from Burma remain in effect.

# Precious Metals

We source raw silver, gold and platinum for use in our manufacturing facilities from two principal sources: in-ground, large-scale deposits of metals in the United States, and metals from recycled sources.

We are also exploring the possibility of sourcing third-party certified responsibly managed, artisanally mined metals. The formalization of the artisanal mining sector has the potential to dramatically improve working conditions and wages for its miners. We believe that a sustainable future for precious metal consumption ultimately depends on the responsible development of all three sources of metals: large-scale, recycled and artisanal.

## SILVER

In 2015, Tiffany & Co. purchased the raw silver used in our own manufacturing facilities from two U.S. sources: We sourced 55%\* of this silver from Utah's Bingham Canyon Mine as a by-product of an open-pit copper mine, and we procured the remaining 45%\* from recycled sources (up from 35% in 2014).

The Bingham Canyon Mine is an existing mine that produces silver and gold as a by-product of copper mining using a non-cyanide-leaching extraction method. While more than a century of mining has contributed to a legacy of environmental issues in Bingham Canyon, the mine's owners deserve recognition for acting responsibly and aggressively to address these issues.

## GOLD

In 2015, Tiffany & Co. purchased the raw gold used in our own manufacturing facilities from two U.S. sources: We sourced 34%\* of this gold from Utah's Bingham Canyon Mine (also as a by-product of an open-pit copper mine), and we procured the remaining 66%\* from recycled sources (down from 78% in 2014).

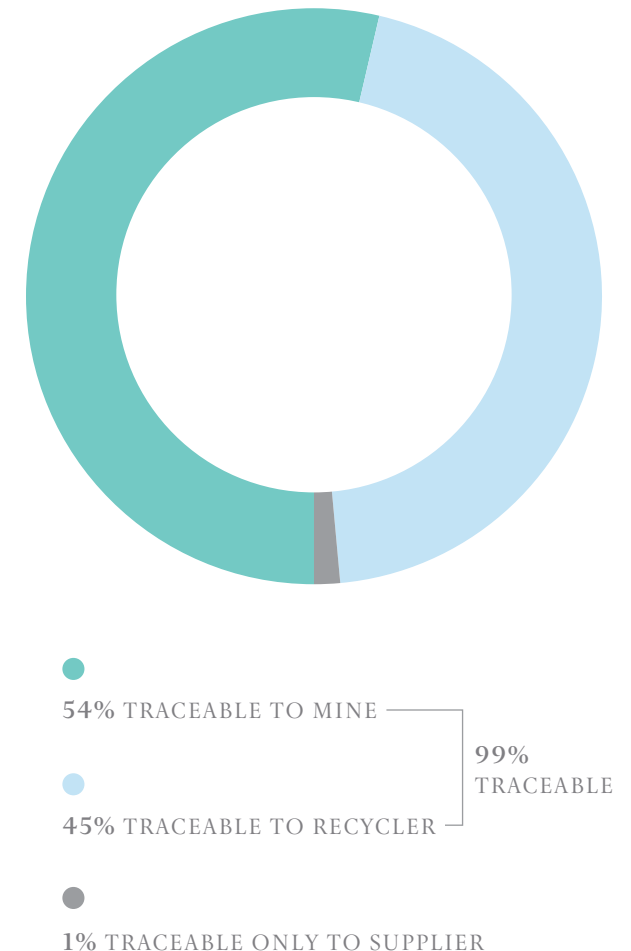
## PLATINUM

In 2015, Tiffany & Co. purchased the raw platinum used in our own manufacturing facilities from two companies: We sourced 68%\* of this platinum from Montana's Stillwater Mining, and we procured the remaining 32% from a U.S. refiner that sources platinum from a mixture of mined and recycled sources (up from 27% in 2014).

## VENDOR-CRAFTED JEWELRY AND COMPONENTS

We manufacture approximately 60% of our merchandise in our own facilities and, as previously noted, predominantly purchase the raw precious metals directly. We also buy certain components for use in internal manufacturing and finished goods. The silver, gold and platinum in these components and finished goods are largely independently sourced by these third-party vendors. We also supply some of our vendors with precious metals from the same sources we use to procure our metals. These vendors also participate in the Tiffany & Co. Social Accountability Program and operate in accordance with our quality, environmental and social responsibility standards.

## TRACEABILITY OF RAW METALS DIRECTLY PURCHASED\* 2015



\* See the Report of Independent Accountants

## POSITION ON CONFLICT MINERALS

Tiffany & Co. has taken a global approach to addressing the most pressing social and environmental issues facing the mining sector, with a focus on precious metals and gemstones. We believe that by supporting rigorous, standards-setting efforts and by advocating for more effective oversight, we can help improve global mining conditions over the long term.

We have long recognized that in some places mining has been associated with violence, human rights abuse and environmental degradation. However, when managed responsibly, mining can be a source of social and economic development. The situation in the Democratic Republic of Congo (DRC) and its adjoining countries represents both the challenge and the promise of mining.

While recent estimates indicate that only 2% to 3% of the world's gold comes from this region, we are committed to contributing to a solution in the region—both through our own voluntary initiatives and by complying with the conflict minerals diligence and disclosure requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). While our company-wide conflict minerals compliance process addresses gold, tantalum, tin and tungsten—the minerals identified by Section 1502 of Dodd-Frank as “conflict minerals”—we believe that, as a jeweler, we have the most significant opportunity to address the impact of gold sourcing.

We have longstanding relationships with most of our vendors and we manufacture approximately 60% of our merchandise in our own manufacturing facilities. For the majority of our gold, the Company has knowledge of the mine, smelter or refiner from which that gold is sourced. In connection with our

requirements under Dodd-Frank, we developed a process to evaluate the risk of whether the gold, tantalum, tin and tungsten in our supply chain was originating from the DRC and its adjoining countries and fueling conflict in that region.

The Board of Directors of Tiffany & Co. has also adopted a Conflict Minerals Policy for the Company. This policy sets forth the Company's expectations that its applicable vendors complete annual training on the policy, submit an annual conflict minerals survey, and source from a smelter or refiner that has obtained a “conflict-free” designation with an independent private-sector audit, such as those from the Conflict-Free Smelter Program, the “Good Delivery” list of the London Bullion Market Association and the Responsible Jewellery Council's Chain-of-Custody Standard. This policy also includes a mechanism for vendors, employees and others to report concerns regarding potential policy violations.

The Tiffany & Co. Conflict Minerals Policy does not ban our vendors from sourcing minerals from the DRC or adjoining countries; we believe such a ban would adversely impact the mining communities and businesses operating responsibly in the region. Tiffany & Co.'s disclosure under Dodd-Frank, including both the Form SD and the Conflict Minerals Report, can be found on the [\*Tiffany & Co. Investor Relations\*](#) website.

Further, the Conflict Minerals Policy articulates principles for responsible gold mining to our vendors. Specifically, we encourage them, when selecting sources and mines of origin for gold, to evaluate potential sources by reference to the [\*Golden Rules\*](#). The Golden Rules are a set of criteria for more socially and environmentally responsible mining, developed by EARTHWORKS' No Dirty Gold campaign. Tiffany & Co. was the first jeweler to embrace the principles of the No Dirty Gold

campaign in 2005, and the Golden Rules are based on broadly accepted international human rights laws and basic principles of sustainable development. Tiffany & Co. is committed to providing ongoing training in local languages to its vendors, and employees who liaise with these vendors, which helps to ensure an understanding of the Tiffany & Co. Conflict Minerals Policy.





*“EARTHWORKS and other stakeholders are proud to partner with Tiffany & Co. to produce an independent, multistakeholder standard for more responsible mining. Tiffany & Co. has demonstrated that greater environmental and social responsibility in mining operations can inspire consumer confidence, and that responsible mining is not only the right thing to do, it makes good business sense.”*

JENNIFER KRILL, EXECUTIVE DIRECTOR  
EARTHWORKS<sup>1</sup>

PHOTOGRAPH ©2016 ROBERT GLENN KETCHUM

## Mining and the Environment

We aspire to leave behind a world every bit as beautiful and abundant as the one we inherited. We lead through advocacy and example and we actively support mitigating the environmental impacts of mines before, during and after their useful life.

### PRESERVATION

An integral part of the Tiffany brand is helping preserve the natural beauty that inspires so many of our jewelry designs. Simply put, we believe that there are certain special places where mining should not take place. We believe this despite the importance of mining to our business and despite the economic and social benefits that mining can contribute to communities.

One of these special places we think deserves protection is located in the far northwest corner of the United States. Bristol Bay, Alaska is home to one of the world's greatest remaining wild salmon watersheds—an important source of income and food for local fishermen. The proposed Pebble Mine would be one of the world's largest open-pit gold and copper mines, sitting at the headwaters of this watershed. Even with the best of intentions, mine developers should not overlook an important reality we have learned over more than 175 years of experience sourcing precious metals: There are certain places where mining cannot be done without forever destroying landscapes, wildlife and communities.

*Left: Bristol Bay, Alaska.*

This ecosystem, and the thousands of jobs it provides, is too precious and valuable to put at risk. Tiffany & Co. was one of the first jewelers to sign the Bristol Bay Protection Pledge and declare that, should the proposed Pebble Mine be developed, we will not source gold from it.

We are proud to work with Bristol Bay native communities, concerned scientists, sport and commercial fishermen, the conservation community, and the many Alaskans committed to protecting this pristine and productive ecosystem. We also support the effort of the U.S. Environmental Protection Agency (EPA) to exercise its legitimate authority under the Clean Water Act to protect the Bristol Bay watershed by prohibiting the development of the Pebble Mine.

Our work today protecting Bristol Bay follows the example we set back in 1995, when we opposed a proposed gold mine that threatened Yellowstone National Park. We knew then and we still understand today that special places like Yellowstone, Montana's Cabinet Mountains Wilderness and Bristol Bay must be permanently protected from mining and preserved for the enjoyment of future generations. And we will help support these efforts by raising our voice in public forums to call for this protection.

<sup>1</sup>EARTHWORKS is a grantee of The Tiffany & Co. Foundation.

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*“Tiffany & Co. is world-famous for its beautiful jewelry. Lesser known are their extraordinary contributions to helping to recover the lands and waters affected by abandoned mines in the western U.S. Dozens of rivers and streams are swimmable and fishable today because of their support of Trout Unlimited. For Tiffany & Co., sustainability isn’t a talking point, it is a way of doing business.”*

CHRIS WOOD, PRESIDENT/CHIEF EXECUTIVE OFFICER  
TROUT UNLIMITED<sup>1</sup>

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#### STATEMENT ON HARD ROCK MINING

Historically, irresponsible mining practices scarred once beautiful landscapes, and abandoned mines have left behind toxic legacies. Tiffany & Co. supports legislative reform to hold mines accountable for responsible closure.

We agree with many leaders in the environmental community, the mining industry and Congress that an overhaul of federal mining law is long overdue. To that end, we support a public and transparent process to reform the antiquated U.S. General Mining Law of 1872 and legislation to assist in cleaning up abandoned hard rock mines.

Mining on public lands should be a privilege and must be carefully measured against alternative uses, including recreation and conservation. Most importantly, we recognize that some public lands are simply not suitable for mining, and their value for recreation and conservation is far greater than their value as a source of minerals.

Three critical elements are essential to make these reforms succeed. First, taxpayers must be fairly compensated for minerals taken from public lands. Second, these reforms must increase protection of the environment. Finally, these reforms must improve business certainty for companies and communities that depend on mining.

At Tiffany & Co., we are also greatly concerned about the ruinous legacy of abandoned mines in the American West. We support the important work of “Good Samaritans”—government entities, NGOs, private parties and other organizations—who voluntarily clean up mine-related pollution. We recognize that much work remains to be done to provide legal protections for these Good Samaritans, and to effectively deal with these mines and establish a permanent source of funding for their cleanup.

#### THE TIFFANY & CO. FOUNDATION: ABANDONED MINE RECLAMATION

Impacts from the 19th century’s mining boom remain an issue across the American West. Until the 1970s, mining was largely unregulated, and today tens of thousands of shuttered mines have not been properly cleaned up. The chemicals originally used at each site remain and contribute to significant environmental issues as they leak into the earth and nearby water supplies. Mining’s legacy across the American West continues to threaten sensitive ecosystems, contaminate water supplies, and impede the successful reestablishment of native species.

*The Tiffany & Co. Foundation’s* Responsible Mining program supports nonprofit organizations as they remediate land and watersheds affected by historic mining. These organizations set an example for how Good Samaritan cleanup can be done with collaboration from local communities and government. These efforts are reversing the effects of abandoned mines so that nearby bodies of water and wildlife habitats are safe, healthy ecosystems once again.

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<sup>1</sup>Trout Unlimited is a grantee of The Tiffany & Co. Foundation.



#### CASE STUDY

### Trout Unlimited

Since 2005, The Tiffany & Co. Foundation has awarded nearly \$2.5 million to support Trout Unlimited's Abandoned Hard Rock Mine Restoration Program in Colorado and across the American West.

For more than a decade, Trout Unlimited has been restoring streams, rivers and landscapes surrounding abandoned mines. The organization's model, which combines on-the-ground rehabilitation and community engagement, proves that it is possible to recover endangered and native species and restore entire ecosystems.

Trout Unlimited's work in Colorado has provided some of the highest profile mine restoration projects. The combination of dramatic landscapes, ubiquitous legacy mining activity, and a populous state where fishing and river recreation is incredibly important creates a backdrop that is well-suited to showcase the organization's abandoned mine restoration work. Trout Unlimited has reclaimed over 85 acres of mine tailings and improved water quality in over 15 miles of streams across six watersheds impacted by legacy mining across the state.

*Left: Animas River basin in Colorado's San Juan Mountains.*



# ETHICAL SOURCING

At Tiffany & Co., we recognize that our business activities affect the Earth, its natural resources and the people and communities where we operate.

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In order to help reduce those impacts, we must have a clear understanding of the operations and people working within our supply chain, as well as where and how we source our raw materials. For these reasons, we apply the same ethical principles to our products and packaging as we do to the sourcing of our precious metals and diamonds. And, for our manufacturing locations around the world, we also support local communities where we operate by hiring locally and paying fair wages.

# Paper & Packaging

An estimated 13 million hectares of forests were lost to deforestation each year between 2000 and 2010. In tropical rainforests particularly, deforestation continues to be an urgent environmental issue that jeopardizes people's livelihoods, threatens species and intensifies global warming. Forests make a vital contribution to humanity, but their full potential will only be realized if deforestation and forest degradation are halted.

Tiffany & Co. has a strong foundation of sourcing our packaging materials and producing our catalogues from responsible sources, including FSC®-certified forests and recycled materials. For example, Tiffany first began requesting third-party certifications for our blue bags in 2004 with a preference for FSC® certification; and since 2014, all new global vendors for print pieces are required to have FSC® certification.

The *Forest Stewardship Council*® (FSC®) is the gold standard in responsible forest management and chain-of-custody.<sup>1</sup> Its independent, third-party certification ensures that wood and paper products come from responsible sources that protect biodiversity, water quality and the rights of local communities.

<sup>1</sup>FSC® and the FSC® logo are registered trademarks of the Forest Stewardship Council.

## SUSTAINABLE PACKAGING

We're reducing our impact in every aspect of the Tiffany experience.

### BLUE BOXES AND BAGS



100%

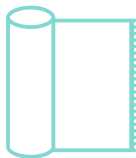
of paper suppliers for our iconic Tiffany Blue Boxes were FSC®-certified with 89% recycled content



100%

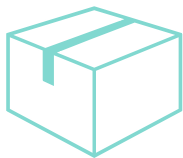
of our iconic Tiffany Blue bags were FSC®-certified with 50% recycled content

### PACKING & SHIPPING MATERIALS



97%

of our tissue paper was FSC®-certified with 61% recycled content



100%

of our corrugate was recycled content

### CATALOGUES AND COLLATERAL



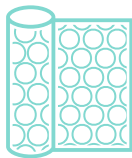
100%

of our catalogues were FSC®-certified with 20% recycled content



99%

of our marketing collateral (e.g., invitations, cards, brochures) produced centrally was FSC®-certified



97%

of our protective bubble was recycled content



50%

less protective bubble and elimination of tissue paper to package products like our crystal and china as of 2012 when more efficient packaging methods were introduced

In 2015, Tiffany & Co. built on its foundation of ethical paper sourcing by committing to remove commodity-driven deforestation from key supply chains by 2020.

We intend to focus our deforestation goal on the supply chains where we have the most impacts, such as products containing wood and leather, catalogues and collateral, and consumer packaging including Tiffany Blue Boxes and bags.

As a next step towards our deforestation goal, we are developing improved guidelines for sourcing paper and wood-fiber materials used in our business in consultation with the *Rainforest Alliance*, a leading international nonprofit organization that works to conserve biodiversity and ensure sustainable livelihoods by transforming business practices, land-use practices and consumer behavior.

As part of this process, we plan to develop guidance and training materials on responsible paper sourcing practices for relevant staff and vendors.

We plan to apply the guidance not only to the supply chains covered by our deforestation goal, but to other paper and wood-fiber materials over time as well.

We also regularly monitor advancements in the production of recycled paper to identify opportunities to incorporate high quality paper with greater recycled content into our printed material. By printing closer to the point of distribution, we also aim to reduce the environmental impacts of shipping. Just as importantly, we work to limit the number of catalogues produced and mailed by offering digital alternatives and opt-out options for customers.

Tiffany & Co. promises to advance the use of sustainably sourced paper and wood-related materials used as part of our business. We are committed to using wood and paper products obtained from known, legal and well-managed forests and strive to improve our sourcing over time.

## MAKING OUR ICONIC BLUE BAG MORE GREEN

A brief history of making progress in our packaging.



2004

To ensure paper products are sourced responsibly, Tiffany & Co. begins requesting third-party certifications, with a preference for Forest Stewardship Council® (FSC®)



2005

Tiffany & Co. collaborates with a leading paper mill to develop an FSC®-certified paper for use in high-end printing, which becomes the industry standard



2007

Tiffany & Co. begins using FSC®-certified paper in the Tiffany Blue bag



TODAY

Tiffany Blue bags are FSC®-certified, made with 50% post-consumer recycled content and are fully recyclable



2010

100% of Tiffany Blue bags are FSC®-certified



2008

The Tiffany Blue bag coating is switched to a biodegradable film, making it 100% recyclable

## Other Raw Materials

One way we as a business can protect the natural resources and environmental benefits that we all highly value and rely on is by thoughtfully selecting the raw materials we use in our products. We do this work by conducting due diligence of the social and environmental opportunities and challenges posed by different supply chains. We consider how raw materials are procured and crafted, and we take into account both the sustainability of the materials we source as well as any cultural implications that may arise from where we source those materials. For example, we take special consideration for the sustainability and viability of organic or living materials, using as guidance the Convention on International Trade in Endangered Species (CITES) Appendices and the International Union for Conservation of Nature (IUCN) Red List.

### PEARLS

We source natural and cultured freshwater and saltwater pearls produced by a variety of mollusk species around the world. Growing demand for pearls has raised awareness about the potential environmental risks of pearl farming, including improper disposal of nutrients, chemicals and waste. However, some pearl farmers have become environmental leaders by taking extra care to ensure clean water, which produces excellent quality pearls and maintains ocean health. We believe environmental stewardship is an important aspect of responsible pearl farming, leading to sustainable long-term growth in vulnerable areas.

### LEATHER

We are committed to tracing the source of the leathers we use. In 2015, we were able to trace the source of all standard leathers in our accessories line to at least the tannery level.

#### THE LEATHER WORKING GROUP (LWG)

Since 2011, Tiffany & Co. has been a member of the *Leather Working Group*, a coalition of consumer goods companies, leather suppliers and tanners that was formed in 2005 to assess the environmental practices of tanneries and to promote sustainable business practices more broadly across the industry.





#### CASE STUDY

### Speaking Up to Protect Wildlife

As a revered house of luxury and an iconic brand, Tiffany & Co. is proud to take a public stance about which materials we use and which we don't—and why. After examining ivory and coral through the lens of ethical and environmental responsibility, Tiffany & Co. long ago decided not to use these materials in our products. For us, it was a simple choice. Historically, we used coral and elephant ivory in our designs, during a time when the jewelry industry and the broader global community didn't fully factor in the consequences of using these materials.

Coral and elephants are profoundly threatened: Ivory poaching and habitat loss put elephants at great risk of extinction, and if the pace of global warming continues, coral reefs may disappear by 2050. Today, we use the power of the Tiffany brand, and our voice, to speak up to discourage the use of coral and ivory in jewelry and to promote greater protection for these species.

To celebrate World Wildlife Day 2016, Tiffany & Co. committed to protect these endangered species by joining the U.S. Wildlife Trafficking Alliance. Through this alliance, we will encourage the jewelry industry and our vendors to eliminate illicit products from their supply chains. And The Tiffany & Co. Foundation has provided numerous grants to nonprofit organizations seeking to protect and restore the world's coral reefs. (Read more about our ocean work in the Charitable Giving section.)

# Supply Chain Responsibility

For more than 10 years, Tiffany & Co. has championed the vertical integration model in our operations, through which we carefully monitor our own operations as well as the work of our supply chain network. We are unique in that we manufacture the majority of our products ourselves, and we cut and polish the majority of our diamonds. Managing our products from procurement to sales allows us to more directly maintain the integrity of our supply chain. We can positively impact local economies by operating state-of-the-art manufacturing facilities, creating jobs and training unskilled workers. We also work closely with our vendors to help ensure that they follow the rigorous standards of the Tiffany & Co. Social Accountability Program and our Vendor Code of Conduct.

## TIFFANY MANUFACTURING

Tiffany & Co. and our wholly owned subsidiary, Laurelton Diamonds, cut and polish rough diamonds and manufacture jewelry at state-of-the-art operations in the United States and worldwide. Our facilities operate at high standards in terms of health, safety and well-being.

## FAIR WAGES

Since 2009, we have engaged with academics and expert consultants to study what constitutes a living wage. This research informs the wages we pay so that we fairly compensate our skilled workforce and pay trainees at or above the local minimum wage at our overseas manufacturing locations.

Tiffany & Co. defines a living wage as the rate required to support an employee, meet the employee's

dependents' financial obligations and provide some discretionary income. The living wage reflects the cultural expectations of each particular society. We also adjust living wages annually based on the cost of living in each location, and we refresh the full living wage assessments every five to seven years. In 2014, we conducted an in-depth analysis of our living wage program to help ensure that it is meeting its intended goal to provide workers with fair and equitable compensation, and we continue to explore opportunities to evolve the program.

## TRAINING AND LOCAL HIRING

Our workforce requires special skills to craft the high-quality products that our customers enjoy for generations. We are committed to engaging our workers and investing in the development of their skills and expertise, which helps us continue to create beautiful products and minimize employee turnover.

Every Tiffany & Co. manufacturing location takes a unique approach to training to support sustainable growth in manufacturing. As of the end of 2015, more than 375 employees at our overseas locations were undergoing paid, on-the-job training to become skilled, full-time diamond cutters and polishers or jewelry manufacturers.

We value hiring employees from the local communities to work in and manage key functions at our overseas manufacturing facilities, which creates sustainable economic opportunities, especially in developing countries. Since opening Cambodia's first-ever diamond-polishing facility in 2014, Tiffany & Co. has created more than 700 career opportunities for local residents. As of the end of 2015, local employees make up 97%\* of Laurelton's global workforce. (Read more about our training efforts in the Our Employees section.)

*Right: Laurelton Diamonds cutting and polishing facility in Mauritius.*



\* See the Report of Independent Accountants

## TIFFANY & CO. DIAMOND AND JEWELRY MANUFACTURING



- |  |   |  |   |  |  |
|--|---|--|---|--|--|
| <p><b>1 PELHAM, NEW YORK</b><br/>Tiffany Gemological Laboratory, including final diamond grading and inscription</p> | <p><b>2 ANTWERP, BELGIUM</b><br/>Diamond headquarters; center for rough sourcing, preparation, large stone cutting, polishing and engineering</p> | <p><b>3 GABORONE, BOTSWANA</b><br/>Diamond cutting and polishing, round brilliant, medium size</p> | <p><b>4 ROSE BELLE, MAURITIUS</b><br/>Diamond cutting and polishing, round brilliant and fancy shapes, medium size</p>                  | <p><b>5 HAI DUONG, VIETNAM</b><br/>Diamond preparation, cutting, polishing, grading and engineering, round brilliant, small size</p> | <p><b>6 PHNOM PENH, CAMBODIA</b><br/>Diamond preparation, cutting and polishing, round brilliant, small size</p> |
| <p><b>A NEW YORK, NY</b><br/>Jewelry making, setting and polishing</p>   | <p><b>B PELHAM, NEW YORK</b><br/>Jewelry making, setting, polishing and model making</p>  | <p><b>C LEXINGTON, KENTUCKY</b><br/>Jewelry making, setting and polishing</p>                      | <p><b>D CUMBERLAND, RHODE ISLAND</b><br/>Jewelry making, setting, polishing, casting, model making, hollowware and trophy craftwork</p> | <p><b>E SANTO DOMINGO, DOMINICAN REPUBLIC</b><br/>Jewelry polishing</p>  |  |

# THE TIFFANY & CO. SOCIAL ACCOUNTABILITY PROGRAM

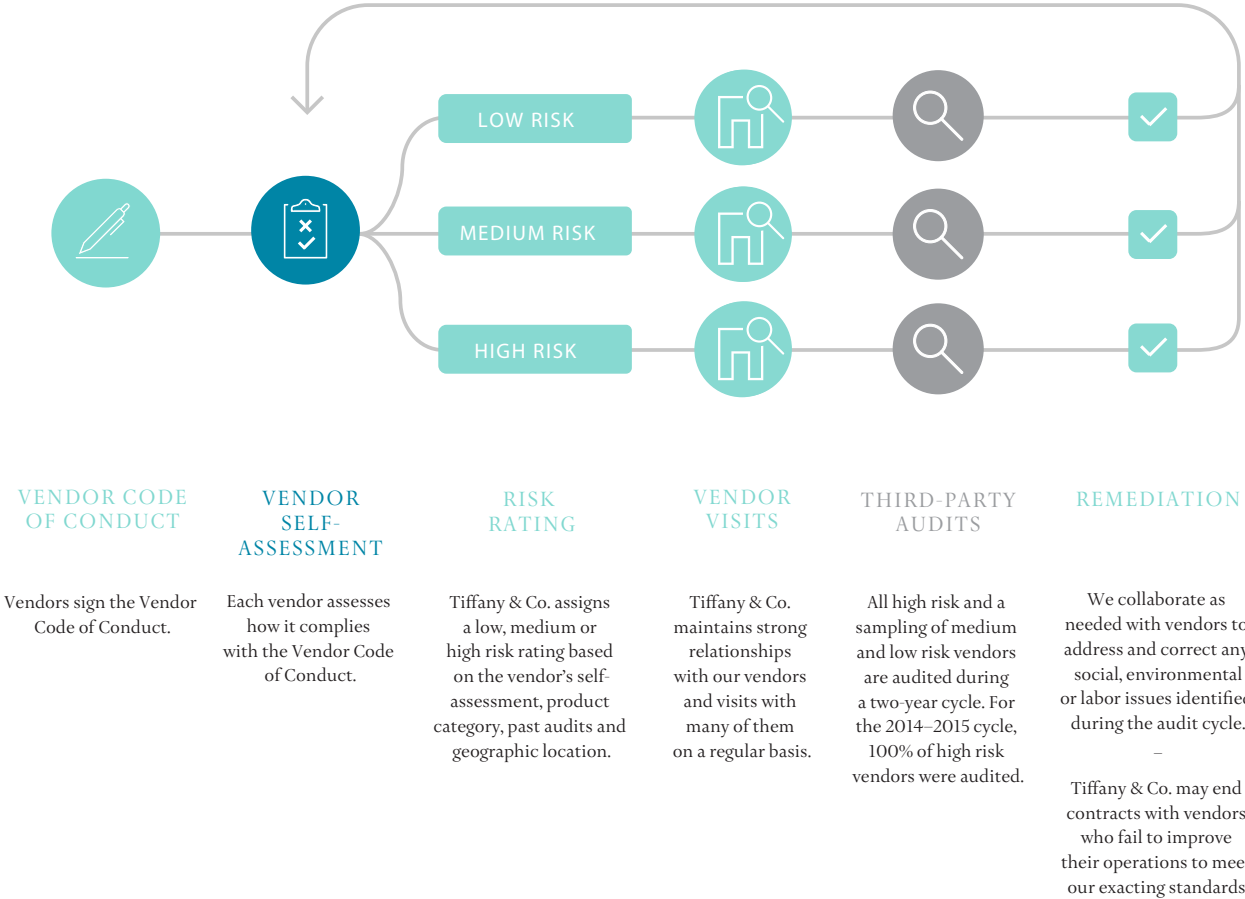
Through our Social Accountability Program and Vendor Code of Conduct, we work with the vendors that provide us with our finished goods, components, leather, polished diamonds, colored gemstones and packaging materials so they meet Tiffany & Co.'s exacting vendor standards. In 2016, we expanded the scope of the program to include service providers who repair and perform new sale alterations on Tiffany & Co. merchandise.

We use our Vendor Code of Conduct to communicate our expectations about basic human rights, labor and environmental standards, which we expect our vendors and their subcontractors to uphold. Regular compliance audits review our vendors' performance in relation to: compliance with applicable laws, hours of work, wages and benefits, health and safety, freedom of association and collective bargaining, child labor, forced labor, harassment or abuse, disciplinary practices, discrimination and environmental protection.

As our business and supply chains evolve, we continue to fine-tune these programs to further identify and address risks and opportunities in our global supply chain.

## TIFFANY & CO. SOCIAL ACCOUNTABILITY PROGRAM

Two-Year Vendor Assessment Cycle





# ENERGY AND CLIMATE CHANGE

As part of our commitment to sustainability, we embrace principles and practices to minimize our environmental, energy and climate change footprint. Energy conservation, green building principles, renewable energy use and proactive environmental management are essential pillars of greening our workplace.

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*“Tiffany is continuously working to counteract the effect of global climate change by reducing its carbon footprint in ways both large and small.”*

ANISA KAMADOLI COSTA  
CHIEF SUSTAINABILITY OFFICER, TIFFANY & CO. AND  
CHAIRMAN AND PRESIDENT,  
THE TIFFANY & CO. FOUNDATION

## A YEAR OF ACTION

With the successful culmination of the 21st United Nations Conference of Parties (COP21) climate negotiations in Paris, 2015 was an important year for climate action by business and policy leaders globally. We are proud that in light of this significant occasion, we set a new target to achieve net-zero greenhouse gas emissions by the year 2050.

In making this commitment, we joined the nonprofit coalition of business leaders, *The B Team*, as well as other global companies, in setting long-term climate change goals and asking world leaders to do the same to support a transition to a thriving low-carbon economy by 2050. The business community has an important role to play in protecting the environment, leading by example and calling for bold action.

*“Tiffany & Co. called for global climate action and boldly committed to ‘Net-Zero by 2050’ along with other business leaders at a pivotal moment in climate history. Their leadership demonstrates the positive role of business in sustainability to address the world’s most pressing challenges by creating a thriving and just low-carbon economy.”*

KEITH TUFFLEY, MANAGING PARTNER & CEO  
THE B TEAM<sup>1</sup>

<sup>1</sup> The B Team is a grantee of The Tiffany & Co. Foundation.



*“As a global iconic brand and leader in sustainable luxury, Tiffany is proud to join other responsible businesses in pledging net-zero greenhouse gas emissions by 2050. This continues our commitment to protecting our precious natural environment and we hope to inspire others to do the same.”*

FREDERIC CUMENAL, CEO  
TIFFANY & CO.

Following words with action, we made significant advancements this year in how we manage our energy-reduction efforts.

In 2015, we established an internal Greenhouse Gas Roundtable with facilities and finance employees from around the world who meet to generate new ideas and share their lessons in piloting energy-efficiency projects in different locations.

In early 2016, we launched a multimillion-dollar internal Green Fund dedicated to global energy efficiency, renewable energy and other projects that generate cost, carbon and resource savings. We assess these projects separately from other capital expenditures, and submit them for approval by a committee of finance, sustainability and real estate employees, including the Chief Financial Officer and Chief Sustainability Officer.

## 2020 GHG GOAL ACHIEVEMENT PLAN

We plan to achieve our GHG-reduction goal through three primary methods:

- 1 Energy Efficiency
- 2 Building Green
- 3 Expanding our Renewable Energy Portfolio

In 2015, the U.S. Environmental Protection Agency (EPA) recognized the aggressive nature of our climate goals by honoring Tiffany & Co. with a Climate Leadership Award for Greenhouse Gas Management – Goal Setting.

We are proud that our global Scope 1 and 2 emissions in 2015 decreased by 3% since 2014, even as our global footprint grew by 2% over the same time. This means that due to recent and ongoing energy-efficiency initiatives, our emissions per square foot have decreased by 5% over the same period. Overall, we are pleased to see our emissions trending downward, despite the fact that the Company’s size in square feet has increased.

## HOW WE WILL ACHIEVE NET-ZERO BY 2050



### EMISSIONS TARGETS

Adopt a longer-term, science-based emissions-reduction target, in addition to our current goal of reducing total global GHG emissions by 15% from 2013 to 2020



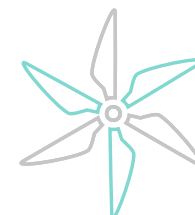
### CLIMATE POLICY

Engage responsibly with climate policy



### VALUE CHAIN

Assess and report GHG emissions of our value chain and identify opportunities to engage with stakeholders on reductions by 2018



### RENEWABLE ENERGY

Increase renewable energy generation and purchases to procure 100% of our electricity from renewable sources



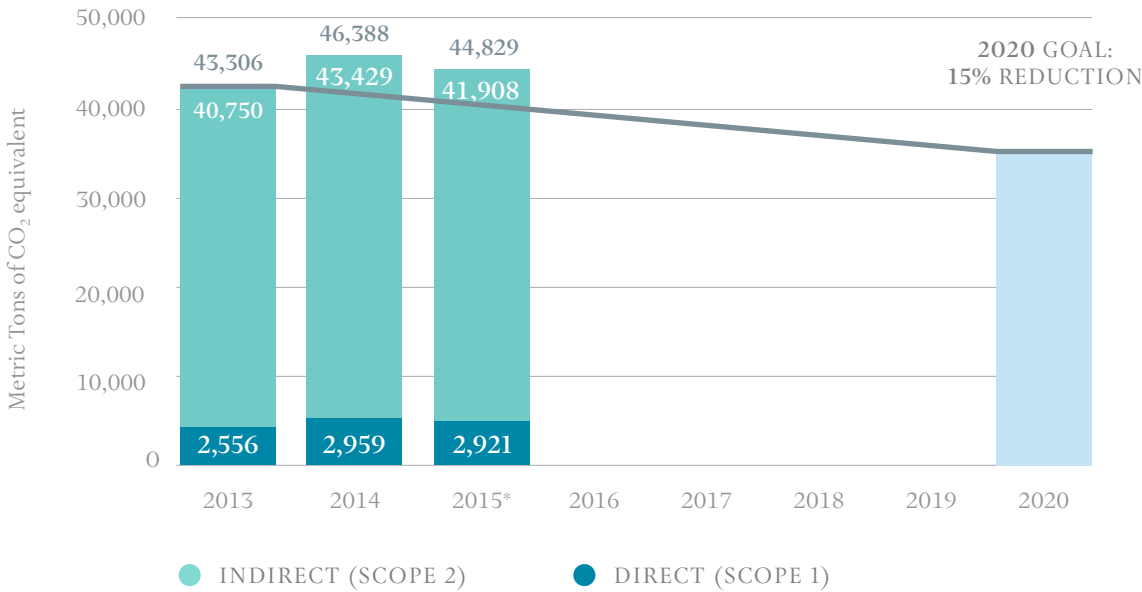
### RESPONSIBLE FORESTRY

Remove commodity-driven deforestation from key supply chains by 2020

GLOBAL ENERGY AND EMISSIONS PERFORMANCE SUMMARY

	2013	2014	2015	PERCENT CHANGE 2014-2015
ENERGY USE (MWh)	107,918	115,060	114,446	1% ↓
SCOPE 1 AND 2 EMISSIONS (Metric Tons of CO <sub>2</sub> e)	43,306	46,388	44,829*	3% ↓
CARBON INTENSITY: REVENUE (Metric Tons of CO <sub>2</sub> e / \$MM Revenue)	10.7	10.9	10.9	0%
CARBON INTENSITY: BUILDING AREA (Pounds of CO <sub>2</sub> e / Square Foot)	34.2	34.0	32.3*	5% ↓

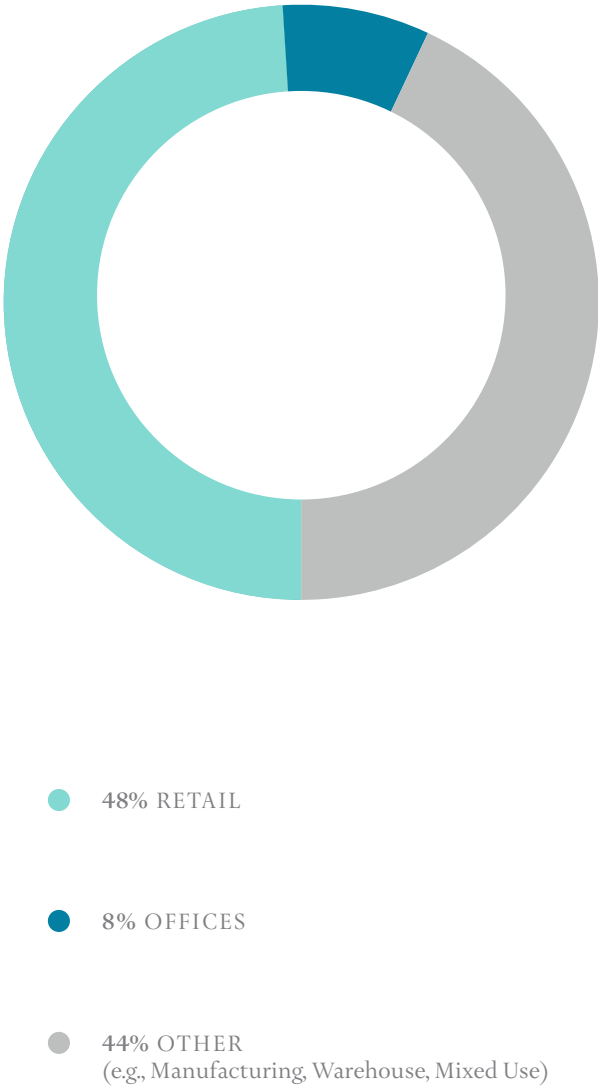
GLOBAL GREENHOUSE GAS EMISSIONS AND GOAL 2013-2020



*\*See the Report of Independent Accountants*

Although we are not a large greenhouse gas (GHG) emitter, we are committed to understanding and reducing our impacts on climate change. Our global GHG emissions inventory includes direct (Scope 1) and indirect (Scope 2) emissions from more than 307 stores, distribution centers, manufacturing and diamond division facilities, and domestic and international offices and repair facilities. For detailed information on our GHG emissions and reporting methodology, please see our response to the CDP Climate Change Request at [www.cdp.net](http://www.cdp.net).

GLOBAL GREENHOUSE GAS EMISSIONS BY BUILDING TYPE 2015



## ENERGY EFFICIENCY

In 2015, we took several steps to improve our energy efficiency, through retail lighting, energy management and office technology.

## RETAIL LIGHTING

Throughout 2014 and 2015, we retrofitted almost 100 Tiffany & Co. retail stores with LED lighting overhead or in display cases. On average, overhead LED retrofit projects reduce total store energy use by approximately 20% to 25%. Beginning in 2015, we began using LED lights in all new stores worldwide, and we plan to retrofit an additional 35–40 stores in 2016. In making this transition to energy-efficient lighting, we are pleased that we have been able to maintain the dazzling experience customers have in our stores, where the lighting creates an atmosphere of beauty and luxury by showcasing our jewelry in what is, quite literally, the best light.

## BUILDING UPGRADES AND RENOVATIONS

We look for opportunities to improve efficiency, such as replacing or servicing heating and cooling units during renovations and installing modern and efficient building energy management systems.

## OFFICE TECHNOLOGY

In 2014, the expansion of our data center capacity contributed to increased emissions; however, we reduced energy consumption through the consolidation and implementation of energy-efficient servers and by installing efficient cooling systems. We also consider efficiency settings and energy ratings like Energy Star® when purchasing and installing our computers.

## BUILDING GREEN

When we plan new facilities, we incorporate sustainable building design criteria, and we consider how these facilities will affect the local community and environment. For example, we look for specific ways to increase energy efficiency, improve water efficiency, use recycled materials and improve air quality. As we build or renovate global retail, office and manufacturing spaces, *LEED*® certification is one way we measure the environmental attributes of our facilities.

- 2011 The Tiffany & Co. Santa Monica retail store became our first LEED-certified facility. It is LEED Gold certified for Commercial Interiors.
- 2011 Our New York headquarters were consolidated into an office building that is LEED Platinum certified for Commercial Interiors. This consolidation reduced the emissions from our headquarters in 2012 by 23% compared to 2010.
- 2013 Our manufacturing facility in Kentucky was LEED Silver certified for New Construction.
- 2014 Laurelton Diamonds Cambodia was LEED Certified for New Construction, making it one of Cambodia's first LEED-certified buildings.

*Right: Our new store in Geneva, Switzerland where energy-efficient LED lights were installed.*





#### CASE STUDY

## A Beautiful (and Energy-Efficient) Customer Experience in Our New York Flagship Store

Our New York Flagship store attracts customers from all over the world to indulge in the Tiffany experience, which made this location the perfect place to showcase our Company's commitment to energy efficiency.

In 2014, we replaced almost all of the lighting in the Flagship's retail spaces with LED bulbs. Throughout 2015, this reduced our electricity use by an average of 15% every month compared with the old lights. Best of all, visitors who came to our store were captivated by the beautiful lights and sparkling gems.

We also began replacing and upgrading HVAC systems and controls, including installing a modern building energy management system. The new system optimizes the performance of heating and cooling components, including motors, fans and pumps, which also helps to decrease energy consumption in our Flagship store.

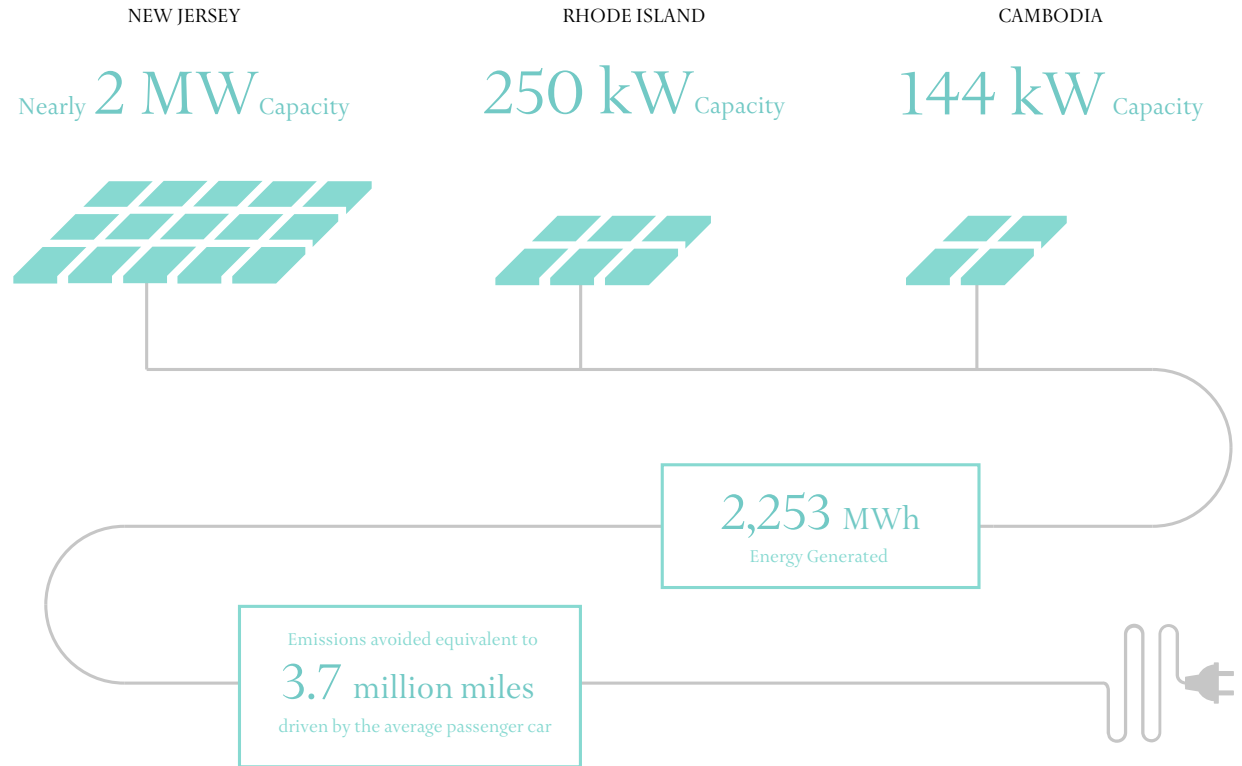
By making these improvements to our Flagship store, we are not only improving the efficiency of our operations—an essential part of meeting our 2020 goal—we are showing our customers and the world that we're committed to reducing our impacts and to a brighter future.

## EXPANDING OUR RENEWABLE ENERGY PORTFOLIO

Increased use of renewable energy is an essential part of the transition to a net-zero economy. Beginning in 2006, we installed solar arrays to reduce carbon emissions from electricity generation and contribute to our facilities' electricity needs.

Currently, renewable electricity represents 1.5% of our electricity portfolio, and we are beginning to implement changes that we expect will significantly increase that figure.

## ON-SITE SOLAR ENERGY GENERATION 2015



In 2015, we sold 1,018 MWh to third parties.

## RESPONSIBLE CLIMATE POLICY

As part of our commitment to protect future generations from the effects of climate change, Tiffany & Co. believes in consistent and positive business engagement with policymakers on climate issues.

Beginning in 2015, we added a question about climate policy advocacy to our annual Political Spending Disclosure questionnaire, sent to major trade associations, as defined in the *Tiffany & Co. Principles Governing Corporate Political Spending*. In addition to surveying the associations covered by this questionnaire, we screen all of our memberships against the Union of Concerned Scientists' list of groups that are known to reject climate science. Our intention is to avoid inadvertently supporting any organizations that oppose climate efforts. For example, we resigned from the U.S. Chamber of Commerce in 2009 to express our disappointment in the Chamber's approach to legislation and regulatory efforts to address climate change.



## WASTE AND WATER

Tiffany & Co. also works to improve our environmental-management practices.

We strive to collect waste and water data from our global non-retail locations. By 2018, we plan to improve data collection so that we can more accurately assess our waste and water impacts and report on our performance. We will use this baseline to identify conservation opportunities at high-use facilities and to align with best practices.

For example, corrugate waste from our warehouse and distribution facilities in New Jersey is diverted to a closed-loop recycling program. The material is refined and remanufactured into new cartons for use in our supply chain. By taking these actions, we have the potential to save 3,400 trees, 430 cubic yards of landfill space and nearly a million gallons of water annually (more than enough to fill an Olympic-sized swimming pool).



# OUR EMPLOYEES

Our Company is only as strong as our employees, and at Tiffany & Co., we strive to match the excellence of our products with a culture of excellence across our operations.

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We create this culture by recognizing and rewarding creativity, passion and collaboration, and we demonstrate our commitment to this culture by encouraging employee feedback, offering training and development opportunities at all levels, and supporting the health and well-being of our employees. Further, we believe diversity in our workforce leads to greater business success; and we are committed to building an inclusive workplace and recruiting individuals who will bring their diverse talents and perspectives to their roles.

## TIFFANY CULTURAL VALUES

At Tiffany & Co., we prioritize building and nurturing a culture of excellence. We have defined five *Tiffany Cultural Values* that represent the best elements of our past that we want to preserve, and that define the kind of company we need to be for the future. They articulate the beliefs and actions that fuel a culture of excellence:

### HONOR THE CUSTOMER

We build quality relationships by putting the needs of those we serve at the heart of every decision we make and action we take.

### LEAD WITH PASSION

We are visibly proud of what we bring to the world and approach every day with infectious energy, curiosity and optimism.

### THINK BOLDLY

We combine creativity and intuition with data and analysis to accomplish the extraordinary.

### DO THE RIGHT THING

We act with integrity no matter what the circumstances and take ownership of our actions.

### BE BRILLIANT TOGETHER

We find productive ways to harness our diverse talents and believe that alone we are smart but together we are amazing.

## DIVERSITY AND INCLUSION

Each one of our employees has unique talents, backgrounds, experiences and perspectives. We believe in leveraging difference to shape the way we do business for the benefit of our stakeholders (customers, employees, shareholders and business partners).

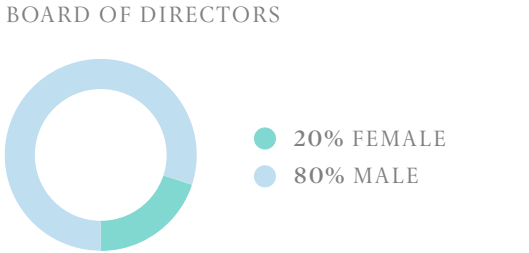
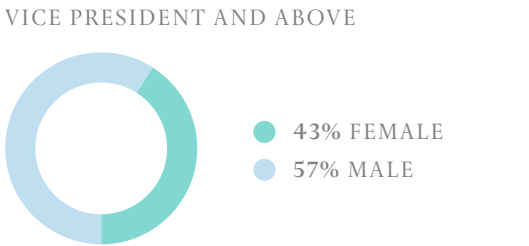
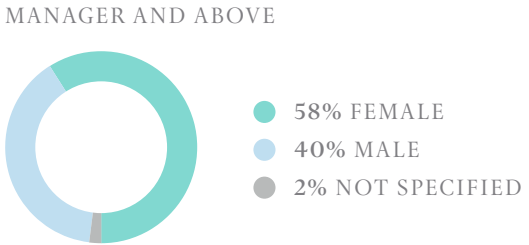
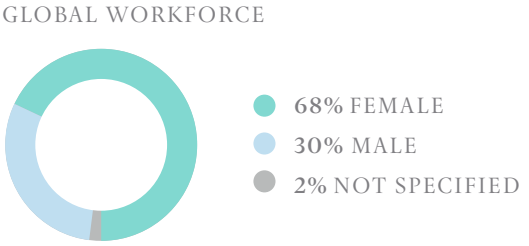
Our company-wide recruitment, development and retention programs are designed to build a diverse, inclusive workforce and culture. We support equal opportunities for employment and the elimination of discrimination in all forms. We believe that all employees—and all people—should be treated fairly and with respect. When complaints of discrimination do arise, we investigate and take action when warranted.

Although our approach is global, each of our local business teams is empowered to focus on activities that support their unique needs. For example, our Cumberland, Rhode Island manufacturing facility collaborates with the National Technical Institute for the Deaf to provide skilled employment opportunities for individuals with hearing impairments, and with The Trudeau Center to provide manufacturing and shipping jobs for adults with significant learning disabilities. Our Dominican Republic facility works with Fundación Sur Futuro, a private nonprofit organization that provides employment opportunities to individuals facing difficult economic conditions.

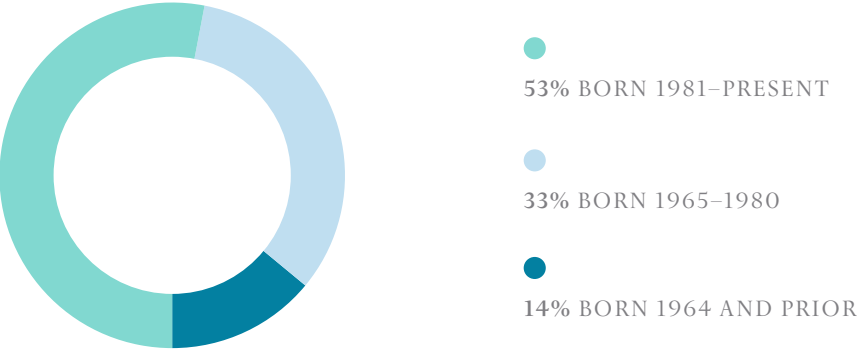
Although there are many aspects to diversity, Tiffany & Co. currently reports the diversity of our global workforce by gender and generation, and additionally by ethnicity for U.S. employees; the diversity of our workforce remained relatively consistent between 2014 and 2015.



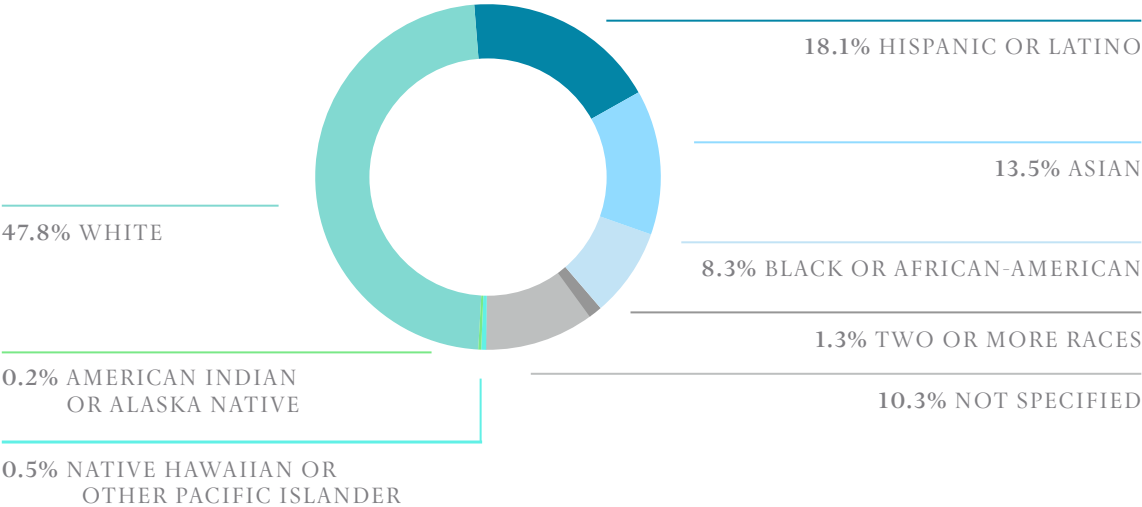
# EMPLOYEE GENDER DIVERSITY BY MANAGEMENT LEVEL<sup>†\*</sup> 2015



# EMPLOYEE DIVERSITY BY GENERATION<sup>†\*</sup> 2015



# U.S. EMPLOYEE ETHNIC DIVERSITY<sup>†\*</sup> 2015



<sup>†</sup>As self-disclosed by employees    <sup>\*</sup> See the Report of Independent Accountants



#### CASE STUDY

## Developing the Next Generation of Leaders

In 2015, Tiffany & Co. launched the Tiffany Academy for Excellence and Diversity in Leadership, a new program to give high-potential early- to mid-career professionals the opportunity to build rewarding careers with Tiffany & Co.

The Academy is designed to attract, retain and advance high-potential talent from a wide variety of industries and diverse backgrounds. Each spring, we select a cohort of aspiring leaders—people who demonstrate flexibility, agility, integrity, good judgment and the courage to take risks to drive results—for an immersive, 18-month program that features six-month rotations in retail management, merchandising and marketing activities.

Throughout the Academy, we also provide participants with high-impact opportunities including executive mentoring, participation in projects that are critical to our business, world-class leadership-development training and ongoing one-on-one coaching. Upon completing the Academy, participants will continue their career at Tiffany & Co., whether in retail management or one of our corporate groups.

The first cohort of Academy participants is currently positioned with key departments headquartered in the U.S., but as we continue the program, we will explore opportunities to expand its reach to our global locations.

## EMPLOYEE DIALOGUE AND ENGAGEMENT

Tiffany & Co. has an open-door policy, encouraging every employee to speak frankly with his or her direct supervisors or leadership. We regularly share information using a variety of print, electronic and in-person communications, and we conduct employee surveys at different points during our staff members' employment: when they join the Company, during regularly scheduled global surveys and when they decide to leave the Company.

More than 90% of our staff participated in our 2014 Global Employee Survey, which was refreshed in 2016. We collect feedback from the global workforce on a variety of topics, including leadership, manager effectiveness (operations, communications and working relationships), job characteristics, development, openness and risk, goal clarity, teamwork, fairness and respect, and engagement.

## EMPLOYEE DEVELOPMENT AND TRAINING

Our philosophy is simple: When an employee grows as a professional, we grow as a company. There is no better asset than a skilled, engaged and productive workforce.

Each of our employees participates in annual performance reviews, where we focus on work goals and performance expectations, give and receive constructive feedback, and recognize and reward our staff members' contributions.

At all levels of the organization, Tiffany & Co. employees enjoy a variety of career-development opportunities to expand their skills, knowledge and professional qualities. Our employees enroll in training and education programs covering topics such as leadership, sales and the development of critical skills. We provide these offerings in multiple languages to meet the diverse needs of our workforce. We offer in-house as well as external educational programs, including tuition-reimbursement and loan-forgiveness for eligible U.S. employees who pursue a graduate degree.

We also have a number of executive- and leadership-level programs, including opportunities for executives to participate in councils with external peers from other organizations.

In many of our manufacturing facilities, we provide our unskilled workers with an extensive training program, giving them the opportunity to develop skills that will provide them with a lifelong career while supporting local community development.

*Right: Laurelton Diamonds cutting and polishing facility in Mauritius.*



HEALTH, WELLNESS AND  
WORKPLACE SAFETY

We place great importance on the health, well-being and safety of our employees and their families. Tiffany & Co. maintains a rigorous focus on eliminating workplace hazards, and we provide a variety of on-site educational and activity-based programs designed to help employees live healthy and productive lives.

Our Healthy Tiffany program provides both at-work and off-site programs ranging from meditation to nutritional counseling to fitness to encourage holistic wellness among our employees.

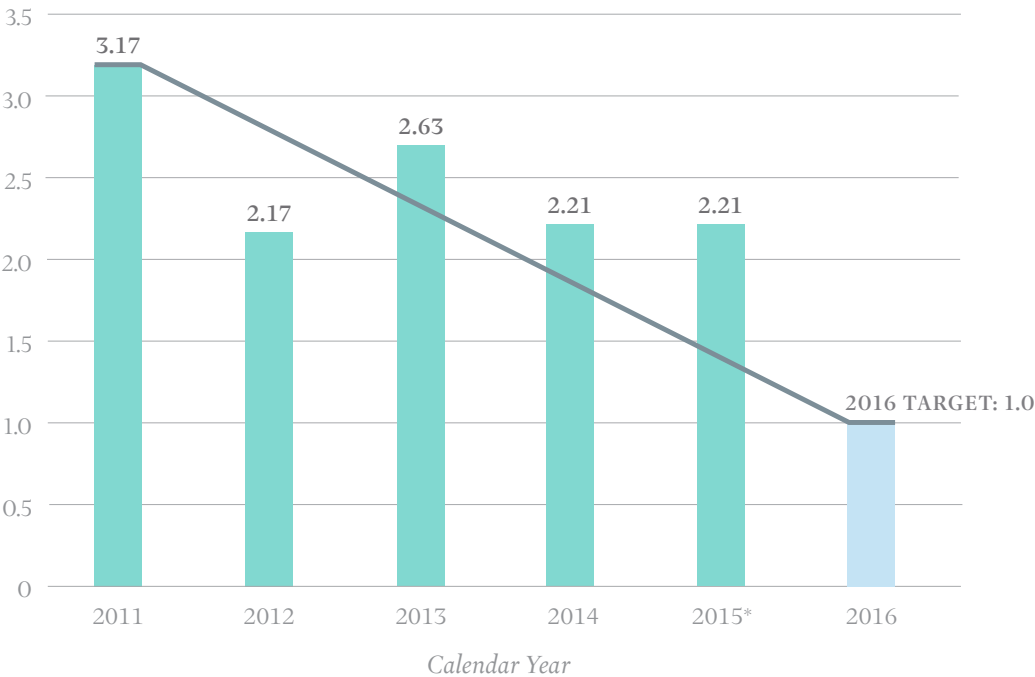
Through our global Everyday Resources program, Tiffany & Co. also provides support to employees undergoing emotional, family, financial or legal challenges. This program gives employees and their dependents free access to professional counseling services as well as online resources.

When it comes to workplace safety, Tiffany & Co. is committed to safeguarding all of our employees, customers and the visiting public. We continually improve our management systems and set high standards for our programs to provide an environment that is free from recognizable safety hazards. The chart below details our progress on reducing workplace injuries; a large majority of recorded incidents result in injuries that are not serious in nature and from which employees fully recover.

U.S. TOTAL RECORDABLE  
INCIDENCE RATE AND TARGET  
2011–2016

The number of recordable injuries or illnesses per 100 full-time equivalent U.S. employees from Calendar Years 2011–2015 and the progress towards meeting our reduction target.

*\* See the Report of Independent Accountants*



The background of the left half of the page is a solid teal color. Two white ribbons are draped across it in large, loose loops. One loop is in the upper right, and another is in the lower left. The text 'CHARITABLE GIVING' is centered in the middle of the page in a white, serif, all-caps font.

# CHARITABLE GIVING

Tiffany & Co. is guided by the belief that a successful company has a responsibility to the greater community.

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While there are a great number of ways Tiffany & Co. can benefit people and the planet through our business operations, we are equally proud of our long legacy of supporting nonprofit organizations and civic institutions in the cities and communities where we work.

We provide this support through our corporate charitable giving programs and The Tiffany & Co. Foundation. Tiffany & Co. seeks to annually donate a minimum of 1% of pre-tax earnings to charitable purposes, including local community investments and contributions to The Tiffany & Co. Foundation's endowment. While in 2015, our corporate contributions totaled 0.5% of pre-tax earnings, we are working to meet our target in 2016.



## CASE STUDY

### New York City: Art and Culture

Our home in New York City is blessed with an abundance of cultural institutions, and Tiffany & Co. has a long history of supporting institutions in this and other great cities—through financial contributions as well as the Company’s donation of archival pieces and through participating in world’s fairs and expositions in the 19th century.

Both Charles Lewis Tiffany, the founder of Tiffany & Co., and his son, Louis Comfort Tiffany, were actively engaged at The Metropolitan Museum of Art, and many of Louis Comfort Tiffany’s works can be seen there today. More recently, we were instrumental in the expansion of the Tiffany-Morgan Collection of Gems at the American Museum of Natural History.

In 2015, Tiffany & Co. entered into a long-term engagement with the Whitney Museum of American Art to sponsor the Whitney Biennial in 2017, 2019 and 2021. Through this sponsorship, we share the museum’s mission to give contemporary artists and their work exposure on a global scale. At the same time, we continue our heritage of supporting cultural experiences that enrich the lives of people around the world.

*Left: The Whitney Museum of American Art and the Tiffany & Co. Foundation Overlook on the High Line, New York City.*

## CORPORATE GIVING

*We address community needs and priorities by making local charitable contributions in locations where Tiffany & Co. has a presence.*

Our support for local nonprofit organizations includes merchandise donations and financial contributions that span the fields of arts, education, health and human services, the environment and other civic causes. In 2015, Tiffany & Co. provided more than \$3.2 million to nonprofit organizations through our global corporate giving program.

As we expand to new cities and countries, we are dedicated to supporting these communities. We strive to build relationships with the people and institutions that form the heart of a community, and raise awareness about local organizations and their great work.

## EMPLOYEE GIVING

One of the best ways we can support local institutions in the United States is by engaging with the causes about which our U.S. employees are most passionate. Tiffany & Co.'s Employee Giving and Volunteer Matching programs provide matching contributions when U.S. employees donate personal funds or their time to 501(c)(3) nonprofit organizations. We are grateful for our employees' dedication and passion, and Tiffany & Co. is pleased to be able to help support the issues that are important to them.

Our Employee Giving program matches U.S. employees' charitable donations dollar for dollar. In addition, through the Volunteer Matching program, for every 10 hours an employee volunteers with an eligible nonprofit, Tiffany & Co. donates \$100 to the organization. The Employee Giving and Volunteer Matching programs award up to \$1,000 per employee for charitable purposes per year, whether the employee donates time or money.

In 2015, 6% of U.S. employees participated in the Employee Giving program, resulting in more than \$100,000 in matching monetary donations. Our employees volunteered more than 2,800 hours to eligible nonprofits, which the Company matched with approximately \$19,000 in monetary donations through the Volunteer Matching program. These figures are consistent with prior years, showing our employees' continued dedication to their favorite causes.

We are proud of all that our employees do in their communities, and are pleased to support their efforts. At the same time, we believe there is significant room for growth, and we encourage employees to take advantage of these programs to provide even more support for important institutions in our local communities.



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*“The Tiffany & Co. Foundation has long supported organizations that champion responsible mining, coral and marine conservation, and the preservation and revitalization of urban parks. Grantmaking is a vital part of our sustainability efforts and we’re proud of the positive impact we have on communities around the world.”*

ANISA KAMADOLI COSTA  
CHIEF SUSTAINABILITY OFFICER, TIFFANY & CO. AND  
CHAIRMAN AND PRESIDENT,  
THE TIFFANY & CO. FOUNDATION

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## The Tiffany & Co. Foundation

*The Tiffany & Co. Foundation seeks to preserve the world’s most treasured landscapes and seascapes.*

The Tiffany & Co. Foundation was established in 2000 to help focus our philanthropic efforts. The Foundation, which is a separate legal entity from the Company, with its own governing board, awards grants from its endowment to nonprofit organizations working in three environmental program areas: responsible mining, coral conservation and urban parks. Since the Foundation’s inception, Tiffany & Co. has contributed approximately \$60 million to the Foundation’s endowment, resulting in more than \$65 million in grants awarded through 2015.





#### CASE STUDY

## 2015: The Year of Marine Protected Areas (MPAs)

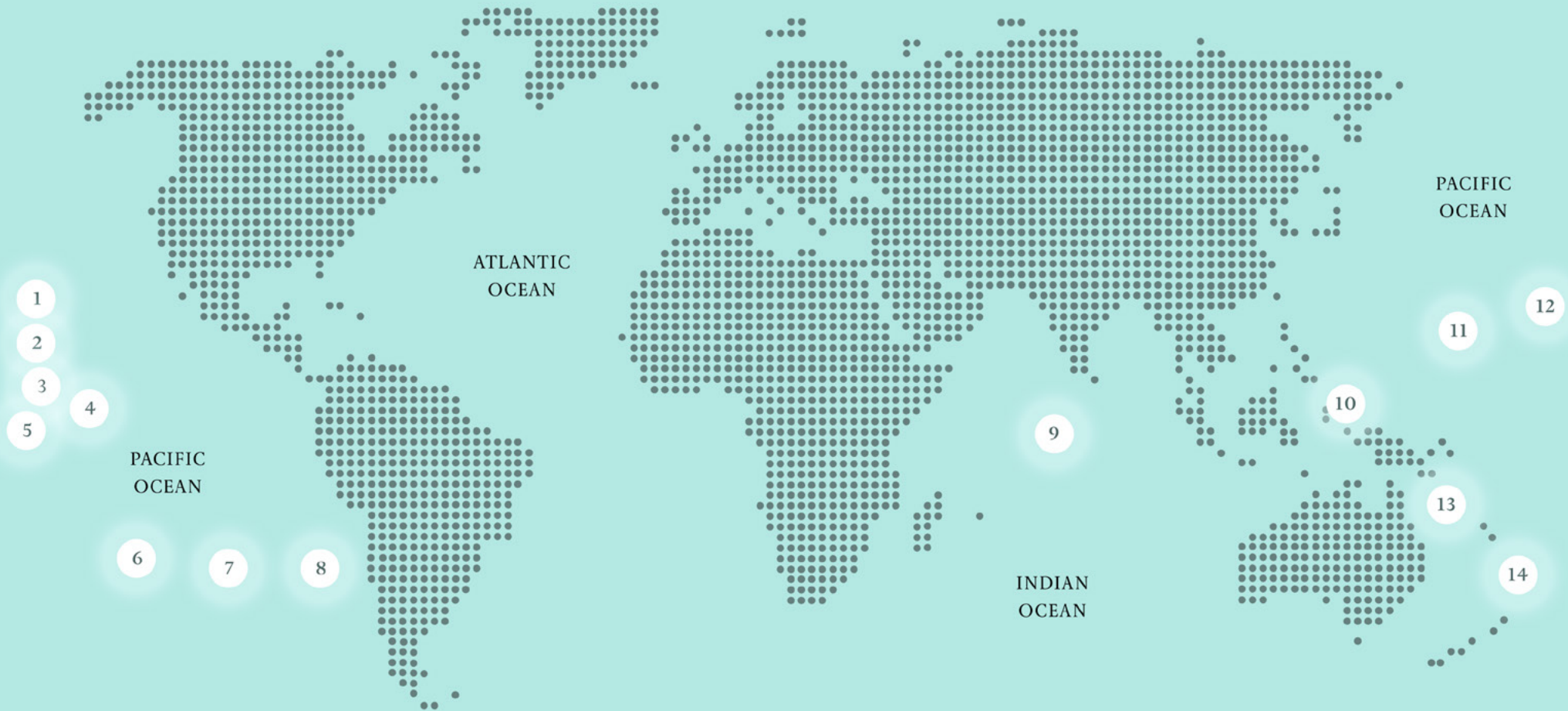
The Tiffany & Co. Foundation has a long history of supporting marine conservation, starting with grants to protect coral in 2000, our first year of giving.

Despite noteworthy progress in recent years, only about 2% of the world's oceans are fully protected. Protecting oceans requires a truly global effort, and The Tiffany & Co. Foundation is proud to support organizations working to create MPAs and protecting coral reefs through research, preservation and education.

One example of the Foundation's support is its participation in The Pew Charitable Trusts' Global Ocean Legacy program, a partnership of philanthropic leaders who share a vision: to protect the world's oceans for future generations by creating 15 fully protected marine reserves—all at least 200,000 square kilometers (75,000 square miles) in area—by 2022.

2015 marked a significant year for marine conservation with increased global attention on the need to protect our oceans. Over the past year, with the assistance of organizations such as Pew and others, countries from Chile to New Zealand to Palau have made strides in allocating their surrounding seas as Marine Protected Areas (MPAs), which is akin to dedicating national parks on land. Since 2014, this effort has protected more than 4 million square kilometers (about 1.5 million square miles) of ocean—an area greater than twice the size of Mexico.

TIFFANY & CO. FOUNDATION GRANTEES HAVE SUPPORTED THE DEVELOPMENT  
OF 14 OF THE LARGEST MARINE PROTECTED AREAS (MPAS)



- |  |                         |                                    |   |                                   |                                   |                             |
|--|-------------------------|------------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------|
| 1 Papahānaumokuākea Marine National Monument | 2 Johnston Atoll        | 3 Palmyra Atoll and Kingman Reef   | 4 Jarvis Island                             | 5 Howland Island and Baker Island | 6 Pitcairn Islands Marine Reserve | 7 Easter Island             |
| 8 Nazca-Desventuradas Marine Park            | 9 Chagos Marine Reserve | 10 Palau National Marine Sanctuary | 11 Marianas Trench Marine National Monument | 12 Wake Atoll                     | 13 Coral Sea Marine National Park | 14 Kermadec Ocean Sanctuary |

As of December 2015



## CASE STUDY

# Protecting Parks and Open Spaces Nationwide

The Tiffany & Co. Foundation believes that parks are the natural treasures of cities and play an essential role in the urban landscape. The Foundation has funded the creation and beautification of parks in major cities around the world, two of which opened to the public in 2015.

In our home of New York City, the \$1 million grant awarded to The Battery Conservancy in 2007 came to fruition with the summer 2015 opening of the Tiffany & Co. Foundation Woodland Gardens. As part of an overarching project to rejuvenate The Battery, acclaimed landscape artist Piet Oudolf designed the Woodland Gardens to seamlessly incorporate a variety of native plants into the surrounding landscape. The new green space beautifully complements the meandering paths and vibrant meadows that currently make up Manhattan's southernmost park. The Gardens surround the custom-built SeaGlass carousel, which features artistic renderings of sea life and echoes the history of The Battery, the first home of the New York Aquarium.

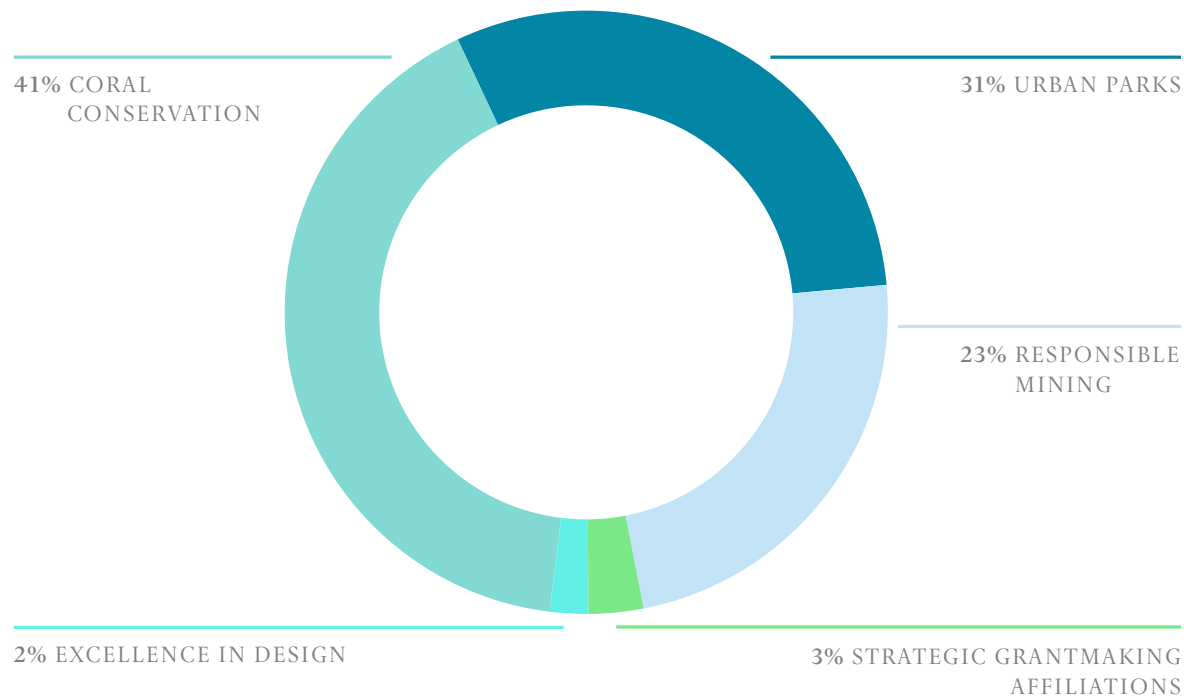
On the opposite coast, 2015 marked the opening of the renovated Battery East Vista in San Francisco's historic Presidio. Funded by a \$1 million grant awarded to the Golden Gate National Parks Conservancy in 2012, the enhancements to the park include new picnic areas, improved bicycle and automobile parking, and revitalized connections to two of the Presidio's hiking trails, all with breathtaking panoramic views of the iconic Golden Gate Bridge.

These two projects, years in development, mark great progress for The Tiffany & Co. Foundation's work to provide public access to, and inspiration from, the country's open spaces and public parks.

*Left: The Tiffany & Co. Foundation Woodland Gardens at The Battery, New York City.*

## GRANTMAKING BY PROGRAM AREA

The Tiffany & Co. Foundation | Calendar Year 2015



## 2015 GRANTMAKING

In Calendar Year 2015, The Tiffany & Co. Foundation awarded grants totaling \$5,810,000.\* The Foundation's 990-PF, the United States Internal Revenue Service's Return of Private Foundation, can be found on [GuideStar](http://www.guidestar.org).

For more information, including program guidelines and a listing of the Foundation's grantees, please visit [Tiffanyandcofoundation.org](http://tiffanyandcofoundation.org).

\* See the Report of Independent Accountants



# GOVERNANCE

Tiffany & Co. adheres to sound corporate governance principles and is structured to support the continued execution of, and leadership on, our sustainability priorities. Our Directors, officers and employees are committed to the ethical principles embodied within our Company practices and standards.

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*“Corporate social responsibility is key to employee engagement, customer satisfaction and the sustainable growth of the business. The Board of Directors and its Corporate Social Responsibility Committee are dedicated to continuously enhancing our environmentally and socially responsible practices.”*

LAWRENCE K. FISH, CHAIRMAN  
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE  
TIFFANY & CO. BOARD OF DIRECTORS

## CSR COMMITTEE OF THE BOARD OF DIRECTORS

Established in 2009, the CSR Committee reviews and evaluates Management's goals, initiatives and practices for social responsibility and recommends goals, initiatives and practices for social responsibility to the full Board of Directors.

FREDERIC CUMENAL  
CHIEF EXECUTIVE OFFICER

ANISA KAMADOLI COSTA  
CHIEF SUSTAINABILITY OFFICER

Sets the strategic sustainability agenda, and develops corporate responsibility initiatives for the Company to better ensure continuous improvement of social and environmental performance, and alignment with long-term business objectives.

To view the full charter of the CSR Committee, visit the [\*Tiffany & Co. Investor Relations\*](#) website.

## INTEGRATING SUSTAINABILITY

Tiffany & Co. has long prioritized responsible business practices. We continue to monitor best practices for corporate responsibility as they evolve, enhancing our management structure and advancing internal processes to support continued improvement and leadership on key sustainability issues.

In 2015, Tiffany & Co.'s CEO, Frederic Cumenal, appointed Anisa Kamadoli Costa as the Company's first Chief Sustainability Officer (CSO) to underscore the important role sustainability plays in our business and our commitment to leadership on our most critical social and environmental issues. With leadership from the CSR Committee of the Board of Directors, the CEO, CSO and senior management team, Tiffany continues to integrate and align environmental and social efforts even further into our long-term business objectives and practices.

## POLICIES AND PROCEDURES

At Tiffany & Co., we have developed a number of policies and practices to help ensure that our operations are guided by our values of ethical behavior, environmental protection and social responsibility.

The Tiffany & Co. Code of Business and Ethical Conduct details the principles to which we expect our Directors, the Chief Executive Officer, the Chief Financial Officer and all other members of the senior management team to adhere to and advocate for in the performance of their corporate duties. In addition, these officers and other key management complete an annual Officer's Questionnaire to identify potential conflicts of interest.

The *Tiffany & Co. Business Conduct Policy* sets forth the expectations we have of our employees, including compliance with all applicable laws and regulations. It prohibits payment of bribes and the acceptance of inappropriate payments and gifts. The policy also sets expectations in areas such as potential conflicts of interest and use of Company funds for political contributions. All employees review the policy when they are hired and receive training as part of an annual review of the policy. Except where prohibited by local law, employees must confirm their understanding of the policy and either confirm their compliance with this policy or commit to report any exceptions or violations of which they are aware.

Tiffany & Co. provides employees with the means to anonymously report ethical and other concerns. Reporting mechanisms are available globally, except where prohibited or limited by local law. Reports are evaluated and, if necessary, issues are investigated and remediated. These matters are shared with the Audit Committee of the Board of Directors.

We have established additional policies, procedures and training programs to help ensure that employees are operating in an ethical fashion. This includes annual training on the Foreign Corrupt Practices Act and other applicable anti-corruption laws for employees whose responsibilities are likely to involve interactions with government officials.

The Tiffany & Co. Internal Audit Department, the head of which reports to the Audit Committee of the Board of Directors, provides independent, objective assurance and control advisory services to the Company to evaluate the effectiveness of risk management, control and governance processes. The Internal Audit Department, in collaboration with other key departments, also provides oversight and guidance related to applicable laws, regulations and Company policies to foster a positive and ethical work environment for employees.

## POLITICAL CONTRIBUTIONS AND LOBBYING

Company policy strictly limits corporate political spending. The Tiffany & Co. Board of Directors adopted the *Tiffany & Co. Principles Governing Corporate Political Spending* in 2011. These principles apply globally to Tiffany & Co. and its controlled affiliates. A report on the Company's *Annual Political Spending Disclosure* is provided during the first CSR Committee of the Board of Directors meeting of each year and can be found on the *Tiffany & Co. Investor Relations* website.





# ABOUT THIS REPORT



The Tiffany & Co. Sustainability Report is based on our performance for Fiscal Year 2015 (February 1, 2015–January 31, 2016) unless otherwise specified. This is our sixth annual Sustainability Report, and we plan to continue to report on our progress annually.

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Our goal is to be open, transparent and honest in our reporting and to improve it over time. The content of this report was derived in accordance with the *Global Reporting Initiative (GRI) G4* framework and the *United Nations Global Compact*.



Tiffany & Co. chooses to voluntarily report on our sustainability performance and has designed processes to collect and/or estimate, assess and report on this data. Tiffany & Co. Management is responsible for the completeness, accuracy and validity of the information contained in the 2015 Sustainability Report. We engaged PricewaterhouseCoopers LLP (PwC), an independent registered public accounting firm, to review and report on Management's Assertion on select sustainability metrics set forth in this report. Items with an asterisk (\*) are part of Management's Assertion on select sustainability metrics, which PwC has performed limited assurance over, as indicated in the Report of Independent Accountants. PricewaterhouseCoopers LLP's Report of Independent Accountants on Management's Assertion is included herein.

All of the consolidation and calculation rules are defined in the *Fiscal Year 2015 Tiffany & Co. Corporate Responsibility Metric Collection Criteria Document* (Criteria Document), which is updated annually. The Criteria Document provides global guidance on the data and information collected, including definitions, scope, units of measure, reporting period, calculation methodology and potential information sources. Corporate responsibility data can be measured using various measurement techniques. The selection of different but acceptable measurement criteria can result in materially different measurements. Standardized calculations have been used to convert units of measure where appropriate. Data was collected from all Tiffany & Co. global locations including retail stores, offices, manufacturing, distribution and warehousing locations. Data used in the calculation of metrics is obtained from direct measurements, third-party invoices or industry- and geographic-specific estimates. A summary of the information in the Criteria Document can be found in the Definition of Metrics section for metrics included within this report. Unless otherwise specified, the report covers Tiffany & Co. and its subsidiary operations; figures are rounded to the nearest whole number; and data is reported based on the Fiscal Year (February 1, 2015 to January 31, 2016).



## UNDERSTANDING OUR MOST MATERIAL ENVIRONMENTAL AND SOCIAL ISSUES

Tiffany & Co. reports on the sustainability aspects of our business that we deem most material<sup>1</sup> to our business and stakeholders.

Our sustainability efforts focus on our most material social and environmental issues such as responsible mining and sourcing of raw materials. Tiffany & Co. is committed to obtaining precious metals, diamonds and colored gemstones and crafting our jewelry in ways that are socially and environmentally responsible. We have long understood that these are our most material issue areas and have worked for many years to advance responsible mining practices.

We regularly analyze the issues facing our business and industry and monitor trends in our fields, striving to remain a leader in sustainable luxury. We conducted our most recent materiality assessment in 2013, which reaffirmed the most important issues that we continue to focus on as a company. The framework for the analysis included a review of business risks and opportunities, priorities, industry benchmarks, CSR leader benchmarks, comparisons with leading reporting frameworks and stakeholder engagement. As a publicly traded U.S. company, Tiffany & Co. reported its 2015 financial performance and material risk factors in the *Tiffany & Co. 2015 Form 10-K* and its *quarterly filings on Form 10-Q*.

In accordance with the Global Reporting Initiative's G4 reporting framework, we describe our approach for identifying and responding to our most material social and environmental issues within the contents of this report. The key pillars of Tiffany & Co.'s sustainability efforts include:

- Responsible Mining
- Ethical Sourcing
  - Paper & Packaging
  - Supply Chain Responsibility
- Energy and Climate Change
- Our Employees
- Charitable Giving
- Governance

Each pillar, where appropriate, incorporates environmental, social and economic considerations.

All impact boundaries are global and apply to Tiffany & Co. and its subsidiaries unless otherwise stated throughout the content of this report or reports mentioned therein. Below we discuss the Company's economic, environmental and social impact boundaries. Specific information about the boundaries of key metrics can be found in the Definition of Metrics section.

### ECONOMIC IMPACT BOUNDARIES

Our economic impacts can be measured across Tiffany & Co. global operations, including all of our subsidiaries and the communities in which we work. Indirectly, our supply chain has impacts outside our organization, including impacts from our suppliers and original raw material sources around the world.

### ENVIRONMENTAL IMPACT BOUNDARIES

Our environmental impacts can be measured across all Tiffany & Co. global facilities and the facilities operated by our subsidiaries, including those of our operations in the communities in which we work, and our supply chain, where relevant. Indirectly, our supply chain has impacts outside our organization, including impacts from our suppliers and original raw material sources around the world. We focus on the traceability of raw materials used in our products in order to evaluate our environmental impacts throughout the supply chain.

### SOCIAL IMPACT BOUNDARIES

Our social impacts can be measured internally across Tiffany & Co. global operations, including all subsidiaries, as well as externally in the communities in which we work. Tiffany & Co. employees include all regular, seasonal, temporary and part-time employees, except where otherwise stated. Indirectly, our supply chain has impacts outside our organization, including impacts from our suppliers and original raw material sources around the world. We focus on the traceability of raw materials used in our products in order to help ensure they are sourced ethically throughout our supply chain.

*<sup>1</sup>For the purposes of this Sustainability Report, materiality is defined as that which is most important to the Company and reflects our most significant environmental and social impacts, as well as that which most substantively influences the assessments and decisions of our stakeholders.*

## DEFINITION OF METRICS

This table defines the sustainability metrics reported in this report or used as a basis for the statements made.

Items with an asterisk (\*) are part of Management's Assertion on sustainability metrics which has been assured, as indicated in the Report of Independent Accountants.

TERM	DEFINITION
RESPONSIBLE MINING	
Metals Purchased	The weight in troy ounces of silver, gold and platinum procured by Tiffany & Co. either as a direct purchase from a mine, metal recycler, metal refiner or included in third-party manufactured components or finished goods.
METAL TRACEABILITY	
Traceable to Mine (Direct Metals Purchased*)	The weight in troy ounces of silver, gold and platinum procured directly from a mine as a percentage of the total weight of metals received as evidenced by the contractual terms with the supplier(s) or the details listed on the invoice received.
Traceable to Recycler (Direct Metals Purchased*)	The weight in troy ounces of silver, gold and platinum procured directly from a recycler as a percentage of the total weight of metals received as evidenced by the contractual terms with the supplier(s), the details listed on the invoice received or a statement on the recycler's website stating that the metal is 100% recycled.
Rough Diamonds Purchased	The weight in carats of rough diamonds purchased by Tiffany & Co. in Botswana and Namibia in the calendar year and in Belgium in the fiscal year as evidenced by the supplier invoice. This includes all rough diamonds directly procured by Tiffany & Co.
ROUGH DIAMOND TRACEABILITY	
Traceable to Mine*	The weight in carats, expressed as a percentage, of rough diamonds purchased by Tiffany & Co. in Botswana and Namibia in the calendar year and in Belgium in the fiscal year which was purchased directly from a mine as indicated by either the contractual terms with the supplier which requires the diamonds to be purchased from a specific mine, the details listed on the invoice received or information available on the specific supplier's website with respect to mining location.
Traceable to Source*	The weight in carats, expressed as a percentage, of rough diamonds purchased by Tiffany & Co. in Botswana and Namibia in the calendar year and in Belgium in the fiscal year which was purchased directly from a supplier that sources from multiple known mines, but is not traceable to a specific mine as indicated by either the contractual terms with the supplier which requires the diamonds to be purchased from specific mines, the details listed on the invoice received or information available on the specific supplier's website with respect to mining locations.

\* See the Report of Independent Accountants

TERM	DEFINITION
Polished Diamonds Purchased	The weight in carats of polished diamonds (both serialized and melee sizes) purchased by Tiffany & Co. in the calendar year as evidenced by receipts and Laurelton Diamonds or third-party supplier invoices.
POLISHED DIAMOND TRACEABILITY	
Polished Diamonds from Internally Sourced Rough Diamonds	The percentage, by dollar value, of polished diamonds purchased by Tiffany & Co. in the calendar year from Laurelton Diamonds as indicated by receipts and Laurelton Diamonds invoices.
Third-Party Sourced Polished Diamonds	The percentage, by dollar value, of polished diamonds purchased by Tiffany & Co. in the calendar year from a third-party supplier as indicated by receipts and the supplier invoice.
Economic Beneficiation (Botswana)*	The U.S. dollar equivalent of beneficiation paid during the calendar year by Tiffany & Co. in Botswana (a diamond producing country whose government requires beneficiation). This amount includes payments to domestic suppliers for rough diamonds, materials and services, taxes, community donations and payroll and benefit costs related to the Laurelton Diamonds facility.
Worker Living Wage	Laurelton conducts living wage studies in each location where it operates to help ensure skilled workers are paid a fair wage for their work. Tiffany & Co. defines a living wage as the rate which is required to support an employee, meet financial obligations of the employee's dependents and provide some discretionary income.
ETHICAL SOURCING—PAPER & PACKAGING	
Packaging Use	The weight, expressed in short tons, of all packaging materials received by packaging type including blue bags, white bags, set-up boxes, C-fold boxes, corrugated boxes, tissue, flannels and pouches, protective bubble and other packaging materials.
Catalogue and Collateral Paper Use	The weight, expressed in short tons, of catalogue and printed collateral paper.
Paper Certification (Packaging)	The percentage of FSC®-certified paper suppliers of blue bags and boxes or catalogue and collateral paper, based on supplier status, as of year-end.
Recycled Content	The percentage of recycled and post-consumer recycled material in packaging and catalogue paper.
Recyclability	The percentage of packaging material that can be recycled by the end user.

\* See the Report of Independent Accountants

TERM	DEFINITION
ETHICAL SOURCING—OTHER RAW MATERIALS	
LEATHER TRACEABILITY	
Traceable to Tannery	The quantity of each leather type purchased that is traceable only to the tannery as a percentage of overall purchases as evidenced by a supplier invoice and contractual terms.
Traceable to Farm and Tannery	The quantity of each leather type purchased that is traceable to the farm and tannery as a percentage of overall purchases as evidenced by supplier invoices and contractual terms.
ETHICAL SOURCING—MANUFACTURING	
Local Employee Ratio*	The diversity of the Laurelton global workforce according to local or expatriate status as evidenced by Human Resources records, as of the end of the year.
ETHICAL SOURCING—SUPPLY CHAIN RESPONSIBILITY	
Percentage Vendor Code of Conduct Signatures	The percentage of vendors providing finished goods, components, leather, polished diamonds, colored gemstones and packaging materials to Tiffany & Co. in the Social Accountability Program who have signed the Vendor Code of Conduct as of the end of the year.
Vendor Self-Assessment	The percentage of Tiffany & Co. vendors in the Social Accountability Program who have completed a self-assessment against the Tiffany & Co. Vendor Code of Conduct during the two-year audit cycle (2014–2015).
Vendor Risk Level	The percentage of vendors in the Social Accountability Program at each risk level (High, Medium, Low, Unrated) during the two-year audit cycle. The vendor risk level is calculated through a multilayered risk assessment process based on the vendor's self-assessment, industry and geographic location.
Audits	The percentage of high-risk vendors in the Social Accountability Program that have undergone either an internal or third-party audit during the two-year audit cycle.
Vendor Compliance Status	The number of vendors in the Social Accountability Program in each compliance level (Satisfactory, Minor Nonconformance, Major Nonconformance, Critical) at the conclusion of the year.

\* See the Report of Independent Accountants

TERM	DEFINITION
Noncompliance	Supplier incidents of noncompliance by type of noncompliance (compliance with applicable laws, hours of work, wages and benefits, health and safety, freedom of association and collective bargaining, child labor, forced labor, harassment or abuse, disciplinary actions, discrimination, environmental requirements or other) as determined by Tiffany & Co. or third-party audits during the two-year audit cycle.
<b>ENERGY AND CLIMATE CHANGE</b>	
Energy Use	The actual and estimated energy use by Tiffany & Co., expressed in MWh, including electricity, natural gas, fuel oil, heavy oil, steam, chilled water, propane, acetylene, wax, vehicle fuel and refrigerants.
Greenhouse Gas Emissions*	The quantity in metric tons of carbon dioxide equivalent greenhouse gas emissions, including both direct (Scope 1) and indirect (Scope 2 location based) emissions. Direct and indirect emissions include electricity, natural gas, fuel oil, heavy oil, steam, chilled water, propane, acetylene, wax, vehicle fuel and refrigerants.
Carbon Intensity: Building Area*	The quantity in pounds of carbon dioxide equivalent greenhouse gas emissions per square foot of operated space, including both direct (Scope 1) and indirect (Scope 2 location based) emissions.
Carbon Intensity: Revenue	The quantity in metric tons of carbon dioxide equivalent greenhouse gas emissions per U.S. dollar of revenue (\$MM), including both direct (Scope 1) and indirect (Scope 2 location based) emissions.
<b>OUR EMPLOYEES</b>	
Ethnic Diversity (United States*)	The diversity of the Tiffany & Co. U.S. workforce, including temporary and seasonal employees, according to ethnicity as self-reported and recorded by employees in the Company's Human Resources systems from July 18–July 31.
Gender Diversity by Management Level*	The diversity of the Tiffany & Co. global workforce, including temporary and seasonal employees, according to gender as self-reported and management level as recorded in the Company's Human Resources systems, where permitted by local law and excludes the Board of Directors which is separately presented as of the end of the year.
Generation Diversity*	The diversity of the Tiffany & Co. global workforce, including temporary and seasonal employees, according to date of birth as self-reported and recorded in the Company's Human Resources systems, where permitted by local law as of the end of the year.
Total Recordable Incidence Rate (United States*)	The number of recordable injuries or illnesses (based on the OSHA definition of a recordable incident) per 100 full-time equivalent United States employees, during the calendar year, as of February 16, 2016.

\*See the Report of Independent Accountants

TERM	DEFINITION
CHARITABLE GIVING	
Charitable Giving as a Percentage of Pre-Tax Earnings	Total contributions by Tiffany & Co. through our corporate giving program, Employee Giving and Volunteer Matching programs and to The Tiffany & Co. Foundation endowment, as a percentage of fiscal year pre-tax earnings.
Foundation Grantmaking*	The U.S. dollar amount of grantmaking that The Tiffany & Co. Foundation paid to United States nonprofit organizations during the calendar year.
Corporate Giving	The total U.S. dollar contribution by type of donation (monetary, merchandise) and charity area of focus (e.g., arts, health) to local charitable organizations globally.
Employee Giving Program	Total Tiffany & Co. contributions through the U.S. Employee Giving program, tracked by the matching monetary donations, the number of unique employees participating in the program and the number of charities to which donations have been made.
Volunteer Matching Program	Total Tiffany & Co. monetary contributions through the U.S. Volunteer Matching program made to charities where U.S. employees have volunteered their personal time, tracked by the matching monetary donations, the number of unique employees participating in the program, the number of hours volunteered and the number of charities to which donations have been made.
GOVERNANCE	
Business Conduct Policy Signatures	The percentage of Tiffany & Co. employees who have signed and returned the <u><i>Tiffany &amp; Co. Business Conduct Policy</i></u> acknowledgement and Officer's Questionnaire on time. All employees are required to review the Business Conduct Policy annually and select officers of the Company and other key management complete the Officer's Questionnaire on an annual basis.
Ethical Incidence	The number of ethics concerns raised internally by type and rate of resolution.

\*See the Report of Independent Accountants

## GLOBAL REPORTING INITIATIVE (GRI) INDEX

This report was developed in accordance with the Global Reporting Initiative's G4 framework, reported to the 'In accordance – Core' level. For further information on the Global Reporting Initiative, please see [www.globalreporting.org](http://www.globalreporting.org). For further information on Tiffany & Co.'s materiality process, data collection methodology or external assurance, please see the About This Report section of this report.

Tiffany & Co. is reporting on the metrics that we deem material based on the materiality process described in the About This Report section of this report. Tiffany & Co. voluntarily reports on sustainability performance and designed processes to collect and/or estimate, assess and report on this data. Tiffany & Co. Management is responsible for the completeness, accuracy and validity of the information contained in the 2015 Sustainability

Report. We engaged PricewaterhouseCoopers LLP (PwC), an independent registered public accounting firm, to review and report on Management's Assertion on select sustainability metrics which are set forth in this report. A copy of their findings can be found within the Report of Independent Accountants.

## GENERAL STANDARD DISCLOSURES

INDICATOR	DESCRIPTION	RESPONSE
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### STRATEGY AND ANALYSIS

G4-1	Statement from most senior decision-maker	CEO Message
G4-2	Description of key social and environmental impacts, risks and opportunities	For information on material risks to Tiffany & Co., please see the <a href="#">Tiffany &amp; Co. 2015 Form 10-K</a> . Description of key sustainability impacts, risks and opportunities can be found throughout the content of this report, and detailed in the About This Report – Understanding our Most Material Environmental and Social Issues section of this report.

### ORGANIZATIONAL PROFILE

G4-3	Name of the organization	Tiffany & Co.
G4-4	Primary brands, products and services	<a href="#">Tiffany &amp; Co. 2015 Form 10-K</a>
G4-5	Location of organization's headquarters	New York, New York, U.S.A.
G4-6	Number and name of the countries where the organization operates	<a href="#">Tiffany &amp; Co. 2015 Form 10-K</a>
G4-7	Nature of ownership and legal form	<a href="#">Tiffany &amp; Co. 2015 Form 10-K</a>
G4-8	Markets served	<a href="#">Tiffany &amp; Co. 2015 Form 10-K</a>
G4-9	Scale of the organization	<a href="#">Tiffany &amp; Co. 2015 Form 10-K</a>

INDICATOR	DESCRIPTION	RESPONSE
G4-10	Employees by employment contract and gender	<u>Tiffany &amp; Co. 2015 Form 10-K</u> Our Employees
G4-11	Percentage of employees covered by collective bargaining agreements	Not disclosed
G4-12	Description of organization's supply chain	Please see the <u>Tiffany &amp; Co. 2015 Form 10-K</u> , as well as the Responsible Mining and Ethical Sourcing sections of this report.
G4-13	Significant structural and organizational changes during the reporting period	<u>Tiffany &amp; Co. 2015 Form 10-K</u> <u>Tiffany &amp; Co. 2015 Proxy Statement</u>
G4-14	Addressing the precautionary approach or principle	Tiffany & Co. supports the precautionary approach to environmental challenges.
G4-15	External economic, environmental and social charters, principles or initiatives subscribed to or endorsed by the organization	Tiffany & Co. has integrated, and is working to improve, many external, third-party initiatives that relate to the economic, environmental and social impacts of Tiffany & Co. Information on these initiatives can be found in the Responsible Mining, Energy and Climate Change and Ethical Sourcing sections of this report. Since 2011, Tiffany & Co. has been a member of the United Nations Global Compact. Please see the About This Report – United Nations Global Compact – Communication on Progress 2015 section of this report.
G4-16	List memberships of associations and national or international advocacy organizations	Selected memberships are listed in the Responsible Mining section and throughout the content of this report. The 2015 <u>Annual Political Spending Disclosure</u> can be found on the <u>Tiffany &amp; Co. Investor Relations</u> website.

#### IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	Entities included in the organization's financial statements and those not covered in the report	<u>Tiffany &amp; Co. 2015 Form 10-K</u> This sustainability report covers Tiffany & Co. and its subsidiary operations unless otherwise specified.
G4-18	Process for defining report content and Aspect Boundaries	About This Report – Understanding our Most Material Environmental and Social Issues
G4-19	List all material Aspects, as the GRI defines materiality	About This Report – Understanding our Most Material Environmental and Social Issues
G4-20	Aspect Boundaries within the organization	We explain our process for assessing materiality in the About This Report – Understanding our Most Material Environmental and Social Issues section of this report. The scope and boundary of the Sustainability Report are defined in the About This Report section of this report. Any metric with a limited scope is defined in the discussion of that specific metric.

INDICATOR	DESCRIPTION	RESPONSE
G4-21	Aspect Boundaries outside of the organization	We explain our process for assessing materiality in the About This Report – Understanding our Most Material Environmental and Social Issues section of this report. The scope and boundary of the Sustainability Report are defined in the About This Report section of this report. Any metric with a limited scope is defined in the discussion of that specific metric.
G4-22	Effects of restatements of information provided in previous reports	This report does not include any corrections or restatements of information provided in previous reports.
G4-23	Significant changes in Scope or Aspect Boundaries from previous reporting periods	Any explanation of significant changes from previous reporting periods is described in the discussion of that specific metric in the report, with the discussion of that Aspect in this GRI Index.

#### STAKEHOLDER ENGAGEMENT

G4-24	Stakeholder groups engaged by the organization	We have long recognized and embraced the important role that stakeholders play in our business, including our employees, stockholders, nongovernmental organizations (NGOs), industry and supply chain partners. Information on Tiffany & Co. practices for stakeholder engagement can be found within the Executive Summary section and throughout the content of this report.
G4-25	Basis for identification	Information on Tiffany & Co. practices for stakeholder engagement can be found within the Executive Summary section and throughout the content of this report.
G4-26	Approach to stakeholder engagement	Information on Tiffany & Co.'s approach to stakeholder engagement can be found within the Executive Summary section and throughout the content of this report.
G4-27	Key topics and concerns raised through stakeholder engagement	This information is reported throughout the content of this report.

#### REPORT PROFILE

G4-28	Reporting period	Tiffany & Co. is reporting on Fiscal Year 2015 (February 1, 2015–January 31, 2016) unless otherwise specified.
G4-29	Date of most recent previous report	Tiffany & Co. publishes its Sustainability Report annually. The Company published its most recent previous report on Fiscal Year 2014 in August 2015.
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions	For information on how to contact Tiffany & Co., please see <a href="#"><i>Customer Service</i></a> .

INDICATOR	DESCRIPTION	RESPONSE
G4-32	GRI Content Index and 'In accordance' option	This report was developed in accordance with the GRI's G4 framework, reported to the 'In accordance – Core' level. For a more detailed description, please see the Report of Independent Accountants.
G4-33	Policy and practice on seeking external assurance	Tiffany & Co. engaged PricewaterhouseCoopers LLP (PwC) to provide limited assurance on select sustainability metrics set forth within the Tiffany & Co. Sustainability Report. A copy of the PwC Report and Tiffany & Co. Management Assertion can be found in the Report of Independent Accountants.

## GOVERNANCE

G4-34	Governance structure of the organization	A description of the governance structure of Tiffany & Co. as it relates to corporate responsibility can be found within the Governance section. Further information on governance at Tiffany & Co. can be found in the <u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> .
G4-35	Process for delegating authority for CSR topics from the highest governance body to senior executives and other employees	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> Governance
G4-36	Executive-level position with CSR responsibility	Tiffany & Co.'s Chief Sustainability Officer reports directly to the CEO, and liaises with the Corporate Social Responsibility Committee of the Board of Directors.
G4-37	Processes for consultation between stakeholders and governance body	Information on Tiffany & Co. practices for stakeholder engagement can be found within the Executive Summary section and throughout the content of this report. Further information about our stockholder communication processes can be found in the <u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> .
G4-38	Composition of the highest governance body and its committees	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> Our Employees
G4-39	Whether the chair of the highest governance body is also an executive officer	In 2014, Michael J. Kowalski served as Chairman of the Board and Chief Executive Officer of Tiffany & Co. As of March 31, 2015, Michael J. Kowalski retired as CEO and became the non-executive chair of the Board of Directors. Frederic Cumenal, who assumed the role of Chief Executive Officer of Tiffany & Co. on April 1, 2015, serves as a member of the Board of Directors.
G4-40	Nomination and selection processes for the highest governance body and its committees	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u>
G4-41	Processes for highest governance body to avoid and manage conflicts of interest	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u>

INDICATOR	DESCRIPTION	RESPONSE
G4-42	Highest governance body's and senior executives' roles in approving CSR values, strategies, policies and goals	<u>Tiffany &amp; Co. 2015 Proxy Statement</u> Governance
G4-43	Measures to develop the highest governance body's knowledge of CSR topics	For a description of the Corporate Social Responsibility Committee of the Board of Directors, please see the Governance section of this report.
G4-44	Evaluation processes of the highest governance body's performance on CSR	<u>Tiffany &amp; Co. 2015 Proxy Statement</u>
G4-45	The highest governance body's role in identifying CSR risks and opportunities	<u>Tiffany &amp; Co. 2015 Proxy Statement</u> Governance
G4-46	The highest governance body's role in reviewing CSR risk management	<u>Tiffany &amp; Co. 2015 Proxy Statement</u> Governance
G4-47	The frequency of the highest governance body's review of CSR impacts, risks and opportunities	<u>Tiffany &amp; Co. 2015 Proxy Statement</u> Governance
G4-48	Highest committee or position that approves the Sustainability Report	Tiffany & Co.'s annual Sustainability Report is developed through collaborative consultation with internal subject matter experts and reviewed and approved by the Chief Sustainability Officer and members of executive and senior management.
G4-49	Process for communicating critical concerns to the highest governance body	<u>Tiffany &amp; Co. 2015 Proxy Statement</u> Governance
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	Not disclosed
G4-51	Remuneration policies for the highest governance body and senior executives	<u>Tiffany &amp; Co. 2015 Proxy Statement</u>
G4-52	Process for determining remuneration	<u>Tiffany &amp; Co. 2015 Proxy Statement</u>
G4-53	Report how stakeholders' views are taken into account regarding remuneration	<u>Tiffany &amp; Co. 2015 Proxy Statement</u>
G4-54	Ratio of compensation for the highest-paid individual to the median compensation for all employees	Not disclosed

INDICATOR	DESCRIPTION	RESPONSE
G4-55	Ratio of percentage increase in compensation for highest-paid individual to the median percentage increase in compensation for all employees	Not disclosed

## ETHICS AND INTEGRITY

G4-56	Values, principles, standards and norms of behavior	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> Governance
G4-57	Mechanisms for seeking advice on ethical and lawful behavior	The <u><a href="#">Tiffany &amp; Co. Business Conduct Policy</a></u> sets forth expectations of our employees, including compliance with all applicable laws and regulations. All employees review the policy when they are hired and receive training as part of an annual review of the policy. For details about the Tiffany & Co. Business Conduct Policy and our confidential reporting mechanisms, please see the <u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> and the Governance section of this report.
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	<u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> Governance

## CATEGORY: ECONOMIC

G4-DMA	Economic	As a publicly traded U.S. company, Tiffany & Co. reports its economic performance in regular financial statements, all of which are available on the <u><a href="#">Tiffany &amp; Co. Investor Relations</a></u> website. Boundaries for reporting financial materiality are included within the <u><a href="#">Tiffany &amp; Co. 2015 Form 10-K</a></u> and the <u><a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a></u> . Tiffany & Co.'s indirect economic impacts are considered across the Company in our workplace and surrounding communities, throughout our supply chain and in the broader jewelry industry, including communities that host mining and manufacturing operations. Please see the Responsible Mining and Ethical Sourcing sections of this report.
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## ECONOMIC PERFORMANCE

G4-EC1	Direct economic value generated and distributed	Financial information can be found in the <u><a href="#">Tiffany &amp; Co. 2015 Form 10-K</a></u> . Information on Tiffany & Co. donations and The Tiffany & Co. Foundation's grantmaking can be found within the Charitable Giving section of this report. Information on Tiffany & Co.'s living wage practices can be found within the Manufacturing section of this report. The 2015 <u><a href="#">Annual Political Spending Disclosure</a></u> can be found on the <u><a href="#">Tiffany &amp; Co. Investor Relations</a></u> website.
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INDICATOR	DESCRIPTION	RESPONSE
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	For information on the financial implications and other risks and opportunities associated with climate change, please see the Tiffany & Co. response to the CDP Climate Change Request, publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EC3	Coverage of the organization's defined benefit plan obligations	<i>Tiffany &amp; Co. 2015 Form 10-K</i>
G4-EC4	Financial assistance received from government	None

#### MARKET PRESENCE

Based on the Indicators of this Aspect, Market Presence is not material to Tiffany & Co. as determined through our materiality review process, described in the About This Report section of this report.

#### INDIRECT ECONOMIC IMPACTS

G4-EC7	Development and impact of infrastructure investments and services supported	Please see the Tiffany Diamonds and Manufacturing sections of this report for information on the investments and impacts Tiffany & Co. makes in the communities in which we operate.
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Responsible Mining Ethical Sourcing The Tiffany & Co. Foundation

#### PROCUREMENT PRACTICES

G4-EC9	Proportion of spending on local suppliers	For information on the use of local suppliers by Tiffany & Co., please see the Responsible Mining section of this report.
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### CATEGORY: ENVIRONMENTAL

G4-DMA	Environmental	As a jewelry retailer and manufacturer, Tiffany & Co. relies on raw materials such as metals, diamonds and paper for our business. Therefore, we strive to reduce the impacts of our raw material use, where possible, as described in the Ethical Sourcing and Responsible Mining sections of this report. Management's approach to material sourcing is also discussed in the <i>Tiffany &amp; Co. 2015 Form 10-K</i> . For information on Tiffany & Co.'s process for evaluating suppliers across our global operations, please see the Supply Chain Responsibility section of this report.
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INDICATOR	DESCRIPTION	RESPONSE
		Although we are not a large energy consumer or greenhouse gas (GHG) emitter, we are committed to understanding and reducing our impact on climate change. Our energy and emissions management approach is defined in the Energy and Climate Change section of this report as well as in our response to the CDP Climate Change Request, publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
MATERIALS		
G4-EN1	Materials used by weight or volume	Tiffany & Co. does not disclose the exact quantity of materials that we use, as we find this information to be proprietary. However, traceability of raw materials is important to Tiffany & Co., as a way to understand and improve social and environmental practices along our supply chain.
G4-EN2	Percentage of materials used that are recycled input materials	Information on the recycled materials we use can be found within the Precious Metals and Paper & Packaging sections of this report.
ENERGY		
G4-EN3	Energy consumption within the organization	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN6	Reduction of energy consumption	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
WATER		
G4-EN8	Total water withdrawal by source	Tiffany & Co. plans to report water data from global non-retail locations by 2018. We do not report on this Indicator because we do not collect information to this level of detail at this time.
G4-EN10	Percentage and total volume of water recycled and reused	We do not report on this Indicator because we do not collect information to this level of detail at this time.
BIODIVERSITY		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Not disclosed

INDICATOR	DESCRIPTION	RESPONSE
G4-EN12	Description of significant impacts of activities, products and services on biodiversity	A description of the potential impacts to biodiversity by raw material sourcing, and how Tiffany & Co. works with our supply chain to minimize these impacts, can be found within the Responsible Mining and Ethical Sourcing sections of this report.
G4-EN13	Habitats protected or restored	Responsible Mining Ethical Sourcing The Tiffany & Co. Foundation

## EMISSIONS

G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN16	Indirect greenhouse gas (GHG) emissions (Scope 2)	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN18	Greenhouse gas (GHG) emissions intensity	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at <a href="http://www.cdp.net">www.cdp.net</a> .
G4-EN20	Emissions of ozone-depleting substances (ODS)	Tiffany & Co. does not have significant emissions of ozone-depleting substances.
G4-EN21	NOX, SOX and other significant air emissions	Tiffany & Co. does not have significant air emissions.

## EFFLUENTS AND WASTE

G4-EN22	Total water discharge by quality and destination	Tiffany & Co. plans to report water data from global non-retail locations by 2018. We do not report on this Indicator because we do not collect information to this level of detail at this time.
G4-EN23	Total weight of waste by type and disposal method	Tiffany & Co. plans to report waste data from global non-retail locations by 2018. We do not report on this Indicator because we do not collect information to this level of detail at this time.
G4-EN24	Total number and volume of significant spills	Tiffany & Co. did not have any significant spills within this reporting period.

INDICATOR	DESCRIPTION	RESPONSE
G4-EN26	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	Not applicable

#### PRODUCTS AND SERVICES

Based on the Indicators of this Aspect, Products and Services is not material to Tiffany & Co. as determined through our materiality review process, described in the About This Report section of this report.

#### COMPLIANCE

G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	Tiffany & Co. works to comply with applicable laws and regulations. Tiffany & Co. was not subject to any significant fines or significant non-monetary sanctions for noncompliance with environmental laws and regulations in 2015.
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#### TRANSPORT

Based on the Indicator of this Aspect, Transport is not material to Tiffany & Co. as determined through our materiality review process, described in the About This Report section of this report.

#### OVERALL

Tiffany & Co. does not currently disclose our total environmental protection expenditures and investments by type, as the costs are not material to our business.

#### SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-EN32	Percentage of new suppliers that were screened using environmental criteria	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.
G4-EN33	Significant negative environmental impacts in the supply chain and actions taken	For information about the environmental impacts in our supply chain, please see the Responsible Mining and Ethical Sourcing sections of this report.

#### ENVIRONMENTAL GRIEVANCE MECHANISMS

We do not report on this Aspect because we do not collect information to this level of detail for reporting externally at this time.

INDICATOR	DESCRIPTION	RESPONSE
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## CATEGORY: SOCIAL

G4-DMA	Social	<p>Tiffany &amp; Co. prioritizes building and nurturing a culture of excellence. We demonstrate our commitment to this culture by encouraging employee feedback, offering training and development opportunities at all levels, and supporting the health and well-being of our employees. Moreover, we believe diversity in our workforce is an important aspect of creating an inclusive workplace that recognizes and rewards creativity, passion and collaboration. Please see the <a href="#">Tiffany Careers</a> website for more information on our employment policies and practices.</p> <p>Tiffany &amp; Co. is a global jewelry retailer and manufacturer. A discussion of how Tiffany &amp; Co. interacts with the communities where we operate or source from can be found in the Energy and Climate Change and Responsible Mining sections of this report.</p> <p>Information on the Company's Business Conduct Policy and Code of Ethics is detailed in the <a href="#">Tiffany &amp; Co. 2015 Proxy Statement</a>. The Governance section of this report includes an overview of our business conduct and policy documents as they relate to Tiffany &amp; Co. sustainability initiatives.</p> <p>For information on Tiffany &amp; Co.'s process for evaluating suppliers across our global operations and their labor practices, please see the Supply Chain Responsibility section of this report.</p>
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## LABOR PRACTICES AND DECENT WORK

### EMPLOYMENT

G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	A description of benefits by region can be found on the <a href="#">Tiffany Careers</a> website.
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### LABOR/MANAGEMENT RELATIONS

Based on the Indicator of this Aspect, Labor/Management Relations is not material to Tiffany & Co. as determined through our materiality review process, described in the About This Report section of this report.

### OCCUPATIONAL HEALTH AND SAFETY

G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees	<p>Manufacturing and distribution locations have health and safety committees that participate in deployment of the location's proactive safety efforts.</p> <p>Each location has various tasks, department, ad hoc and other committees to develop and implement health and safety programs based on the location's strategic health and safety plan. These leadership groups include a cross-section of personnel from the facility.</p>
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INDICATOR	DESCRIPTION	RESPONSE
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender	For information about workplace health and safety, please see the Our Employees section of this report.

#### TRAINING AND EDUCATION

G4-LA10	Programs for skills management and lifelong learning	Please see the Our Employees section of this report and the <a href="#">Tiffany Careers</a> website for further information on training and career development programs.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Employees receive annual performance and career development reviews.

#### DIVERSITY AND EQUAL OPPORTUNITY

G4-LA12	Composition of governance bodies and breakdown of employees	Information on the composition of the Board of Directors can be found on the <a href="#">Tiffany &amp; Co. Investor Relations</a> website. Information on the diversity of our workforce can be found within the Our Employees section of this report.
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#### EQUAL REMUNERATION FOR WOMEN AND MEN

We do not report on this Aspect because we do not collect information to this level of detail for reporting externally at this time.

#### SUPPLIER ASSESSMENT FOR LABOR PRACTICES

G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.
G4-LA15	Significant negative impacts for labor practices in the supply chain and actions taken	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.

#### LABOR PRACTICES GRIEVANCE MECHANISMS

We report on our process for collecting information about labor practices grievances and taking corrective action in the Governance section of this report, but do not disclose quantitative information about these matters externally at this time.

INDICATOR	DESCRIPTION	RESPONSE
<b>HUMAN RIGHTS</b>		
<b>INVESTMENT</b>		
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations	Tiffany & Co. officers and employees perform an annual review of the <i>Tiffany &amp; Co. Business Conduct Policy</i> . Beginning in 2010, English-speaking employees received online training on the Business Conduct Policy and this program has been translated for use by the vast majority of the Company. In 2015, those employees who did not receive the online training performed an annual review of the Business Conduct Policy in their local language.
<b>NON-DISCRIMINATION</b>		
We report on our process for collecting information about incidents of discrimination and taking corrective action in the Governance and Our Employees sections of this report, but do not disclose quantitative information about these matters externally at this time.		
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Please see the Supply Chain Responsibility section of this report for an understanding of how this matter is reviewed within our supply chain.
<b>CHILD LABOR</b>		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Tiffany & Co. facilities are required to abide by our corporate standards and accordingly do not engage or participate in child labor. Information on the screening of our supply chain for these risks can be found in the Supply Chain Responsibility section of this report.
<b>FORCED OR COMPULSORY LABOR</b>		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	Tiffany & Co. facilities are required to abide by our corporate standards and accordingly do not engage or participate in forced labor. Information on the screening of our supply chain for these risks can be found in the Supply Chain Responsibility section of this report.

INDICATOR	DESCRIPTION	RESPONSE
SECURITY PRACTICES		
Based on the Indicator of this Aspect, Security Practices is not material to Tiffany & Co. as determined through our materiality review process, described in the About This Report section of this report.		
INDIGENOUS RIGHTS		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	Information on how Tiffany & Co. supports indigenous rights and affected communities can be found within the Responsible Mining section of this report.
ASSESSMENT		
G4-HR9	Total operations that have been subject to human rights reviews or impact assessments	Information about our human rights review practices can be found within the Responsible Mining, Ethical Sourcing and Governance sections of this report.
SUPPLIER HUMAN RIGHTS ASSESSMENT		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.
G4-HR11	Significant negative human rights impacts in the supply chain and actions taken	Information about our human rights review practices can be found within the Supply Chain Responsibility, Responsible Mining and Governance sections of this report.
HUMAN RIGHTS GRIEVANCE MECHANISMS		
We report on our process for collecting information about human rights grievances and taking corrective action in the Governance section of this report, but do not disclose quantitative information about human rights grievance mechanisms externally at this time.		
SOCIETY		
LOCAL COMMUNITIES		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs	For information on our operations' impact on the community, please see the Manufacturing section of this report.
G4-SO2	Operations with significant negative impacts on local communities	A discussion of how Tiffany & Co. interacts with the communities where we operate can be found in the Energy and Climate Change and Manufacturing sections of this report.

INDICATOR	DESCRIPTION	RESPONSE
ANTI-CORRUPTION		
G4-SO3	Total operations assessed for risks related to corruption and the significant risks identified	For information on our risk assessment processes, please see the Governance section of this report.
G4-SO4	Communication and training on anti-corruption policies and procedures	All employees are required to annually review the <i>Tiffany &amp; Co. Business Conduct Policy</i> . In addition, employees whose responsibilities are likely to involve interactions with government officials are required to annually undergo training on the Foreign Corrupt Practices Act. For further information, please see the Governance section of this report.
PUBLIC POLICY		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	The 2015 <i>Annual Political Spending Disclosure</i> can be found on the <i>Tiffany &amp; Co. Investor Relations</i> website.
ANTI-COMPETITIVE BEHAVIOR		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	None
COMPLIANCE		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	Tiffany & Co. was not subject to any significant fines or significant non-monetary sanctions for noncompliance with laws and regulations in 2015.
SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.
G4-SO10	Significant negative impacts on society in the supply chain and actions taken	For information on our Social Accountability Program, please see the Supply Chain Responsibility section of this report.

INDICATOR	DESCRIPTION	RESPONSE
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#### GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY

We report on our process for collecting information about grievances and taking corrective action in the Governance section of this report, but do not disclose quantitative information about grievance mechanisms for impacts on society externally at this time.

## PRODUCT RESPONSIBILITY

#### CUSTOMER HEALTH AND SAFETY

G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Tiffany & Co. places a high priority on product safety, with dedicated departments focused on evaluating and reviewing our merchandise based on quality and product safety.
G4-PR2	Incidents of noncompliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Tiffany & Co. did not have incidents of noncompliance with regulations and voluntary codes concerning the health and safety impacts of products in 2015.

#### PRODUCT AND SERVICE LABELING

Tiffany & Co. is not currently required to report on the sustainability impacts of our products. Further information on the sourcing of our products can be found within the Responsible Mining and Ethical Sourcing sections of this report.

#### MARKETING COMMUNICATIONS

G4-PR6	Sale of banned or disputed products	Tiffany & Co. works to comply with applicable laws and regulations, including those regarding the sale of banned or disputed products.
G4-PR7	Total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes	Tiffany & Co. did not have any incidents of noncompliance for marketing communications in 2015.

#### CUSTOMER PRIVACY

G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Not disclosed
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INDICATOR	DESCRIPTION	RESPONSE
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COMPLIANCE

G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products	Not tracked
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## UNITED NATIONS GLOBAL COMPACT—COMMUNICATION ON PROGRESS 2015

In 2011, Tiffany & Co. joined the United Nations Global Compact, a strategic policy initiative for businesses committed to aligning their operations and strategies with ten principles in the areas of human rights, labor standards, environment and anti-corruption.

The table below shows how we are communicating on progress for the Ten Principles. For further information on the UN Global Compact, please see [www.unglobalcompact.org](http://www.unglobalcompact.org).

PRINCIPLE	GLOBAL COMPACT PRINCIPLES	COMMUNICATION ON PRINCIPLES
HUMAN RIGHTS		
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Tiffany & Co. adheres to key policies and procedures in order to safeguard human rights within the Company and throughout our supply chain. These policies and procedures are detailed in the Governance section of this report. Within the Company, we welcome diversity and strive to offer all employees an equitable and respectful working environment (see Manufacturing and Our Employees). The Company's Social Accountability Program (see Supply Chain Responsibility) rigorously evaluates vendors to better protect human rights in our supply chain. Beyond these spheres of influence, Tiffany & Co. is committed to protecting human rights throughout the industry and seeks to advance high standards in responsible mining (see Responsible Mining).
2	Businesses should make sure they are not complicit in human rights abuses.	
LABOR STANDARDS		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Tiffany & Co. recognizes and respects the importance of stringent labor standards to protect workers worldwide. Tiffany & Co. provides oversight and guidance to enhance compliance with applicable laws and regulations to foster a positive and ethical work environment for Company employees (see Governance and Our Employees). The Company's Social Accountability Program carefully monitors vendor performance in relation to labor standards, specifically evaluating freedom of association and collective bargaining, forced labor, child labor and discrimination (see Supply Chain Responsibility). Additionally, Tiffany & Co. supports the strengthening of industry-wide labor standards beyond our immediate operations (see Responsible Mining).
4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	
5	Businesses should uphold the effective abolition of child labor.	
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	

PRINCIPLE	GLOBAL COMPACT PRINCIPLES	COMMUNICATION ON PRINCIPLES
ENVIRONMENT		
7	Businesses should support a precautionary approach to environmental challenges.	Tiffany & Co. draws on the natural world for both design inspiration and the precious materials used in our products. At the Company's core is a commitment to preserve, protect and responsibly manage the environment on which we rely for our long-term success. The Company promotes environmental responsibility by leveraging the Tiffany brand. For example, the Company plays a leadership role in industry-wide collaborative efforts to protect against environmental damage across the supply chain, raises awareness of risks associated with mining in ecologically sensitive areas and directly sources from mines that are committed to environmental stewardship. These efforts are strengthened by the Foundation's support of scientific research, conservation and multistakeholder collaboration to promote the most environmentally responsible standards in mining operations (see Responsible Mining). In addition to addressing the impacts of mining, we regularly look to reduce our environmental footprint in other ways, from using recycled content and FSC®-certified sources for our boxes and bags to reducing our greenhouse gas emissions (see Paper & Packaging and Energy and Climate Change).
8	Businesses should undertake initiatives to promote greater environmental responsibility.	
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	
ANTI-CORRUPTION		
10	Businesses should work against corruption in all its forms, including extortion and bribery.	<u>Tiffany &amp; Co. Business Conduct Policy</u> sets forth expectations for Tiffany & Co. employees, including compliance with relevant laws and regulations. This policy prohibits payment of bribes and the acceptance of inappropriate payments or gifts. All employees are required to review the policy upon hire and thereafter on an annual basis to make sure that they understand these standards (see Governance). In addition, employees whose responsibilities are likely to involve interactions with government officials are required to annually undergo training on the Foreign Corrupt Practices Act. Within our supply chain, Tiffany & Co. requires vendors in the Social Accountability Program to annually review the Vendor Code of Conduct, which outlines expectations for ethical conduct and legal compliance (see Supply Chain Responsibility).

# Forward-Looking Statement

This Tiffany & Co. Sustainability Report, including documents or reports incorporated herein by reference, contains certain “forward-looking statements” concerning Tiffany & Co.’s goals, plans and projections with respect to corporate responsibility, sustainability, employees, environmental matters, policy, procurement and business risks and opportunities. In addition, Tiffany & Co. makes other forward-looking statements concerning sustainability objectives and expectations. One can identify these forward-looking statements by the fact that they use words such as “believes,” “intends,” “plans,” “commits,” “pledges” and “expects” and other words and terms of similar meaning and expression in connection with any discussion of future sustainability initiatives and objectives. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements are based on Tiffany & Co.’s current plan and involve inherent uncertainties and assumptions that could cause actual outcomes to differ materially from the current or reported plan. Actual results may differ materially from any forward-looking statement.

Although Tiffany & Co. believes that we have been prudent in our plans and assumptions, no assurance can be given that any sustainability goal or plan set forth in forward-looking statements can or will be achieved and readers are cautioned not to place undue reliance on such statements. Tiffany & Co. undertakes no obligation to update any of the forward-looking information in this report, whether as a result of new information, future events, changes in sustainability objectives and expectations or otherwise.



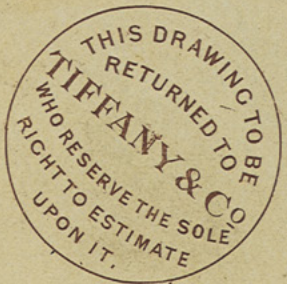


# APPENDIX: REPORT OF INDEPENDENT ACCOUNTANTS

Tiffany & Co. chooses to voluntarily report on our sustainability performance and has designed processes to collect and/or estimate, assess and report on this data.

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Tiffany & Co. Management is responsible for the completeness, accuracy and validity of the information contained in the 2015 Sustainability Report. We engaged PricewaterhouseCoopers LLP (PwC), an independent registered public accounting firm, to review and report on Management's Assertion on select sustainability metrics set forth in this report. A copy of their findings can be found within the Report of Independent Accountants.



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Eyermanii*



## Report of Independent Accountants

To the Board of Directors and Management of Tiffany & Co.

We have reviewed management's assertion, included in the accompanying Appendix A, that the selected sustainability metrics identified below and denoted by an asterisk (\*) within the Tiffany & Co. Sustainability Report for the periods as indicated below, are presented in conformity with the assessment criteria set forth in management's assertion in Appendix A (the "assessment criteria").

- Percentage raw direct metals traceable to mine – February 1, 2015 to January 31, 2016
- Percentage raw direct metals traceable to recycler – February 1, 2015 to January 31, 2016
- Percentage rough diamonds traceable to mine or source
  - Botswana and Namibia – January 1, 2015 to December 31, 2015
  - Belgium – February 1, 2015 to January 31, 2016
- Economic Beneficiation – Botswana – January 1, 2015 to December 31, 2015
- Local employee ratio – as of January 31, 2016
- Gender diversity by management level – as of January 31, 2016
- Generation diversity – as of January 31, 2016
- Ethnic diversity – United States – July 18, 2015 to July 31, 2015
- Total recordable incidence rate – United States – January 1, 2015 to December 31, 2015
- Greenhouse gas emissions – Scope 1 and scope 2 (location based) and total – February 1, 2015 to January 31, 2016
- Greenhouse gas emissions – Scope 1 and scope 2 (location based) per square foot – February 1, 2015 to January 31, 2016
- Foundation grantmaking – January 1, 2015 to December 31, 2015

Tiffany & Co. management is responsible for the assertion and for the assessment criteria which it has identified as an objective basis against which it assesses and reports on the selected sustainability metrics. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of selected data that is free from material misstatement, whether due to fraud or error.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is designed to provide limited assurance, and as such is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. The procedures we perform included inquiries of persons responsible for the selected sustainability metrics, understanding the processes for collecting and reporting the selected sustainability metrics, analytical procedures, and the inspection of documents.

Greenhouse gas (“GHG”) quantification is subject to inherent uncertainty because of such things as emission factors that are used in mathematical models to calculate emissions and the inability of those models, due to incomplete scientific knowledge and other factors, to precisely characterize under all circumstances the relationship between various inputs and the resultant emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques may result in materially different measurements.

Data related to certain of the other sustainability metrics is subject to inherent limitations given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements.

Based on our review, nothing came to our attention that caused us to believe that the selected sustainability metrics referred to above are not fairly stated, in all material respects, based on the corresponding assessment criteria set forth in Appendix A.

As discussed in Appendix A, the Company has estimated GHG emissions for all locations globally for which no primary electricity, natural gas or steam usage data is available using building intensity metrics from 2013 actual baseline data. We did not review the 2013 baseline information.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

June 24, 2016

## Appendix A

### **Management Assertion**

Tiffany & Co. is responsible for the completeness, accuracy and validity of the sustainability metrics contained in the Sustainability Report as of or for the periods indicated. The sustainability metrics presented include Tiffany & Co. and its subsidiary operations (hereinafter, “Tiffany & Co.”). Data was collected for Tiffany & Co. global locations and activities including manufacturing sites, offices, retail stores and distribution centers.

With respect to the sustainability metrics in the Tiffany & Co. Sustainability Report identified and denoted by an asterisk (\*), Management of Tiffany & Co. asserts that such sustainability metrics are presented in conformity with the assessment criteria set forth below. The figures included in this report have been rounded to the nearest whole number unless otherwise indicated.

Metric Description	Definition of Metric	Metric Quantity
Percentage raw direct metals traceable to mine	The weight in troy ounces, expressed as a percentage, of raw silver, gold and platinum procured by Tiffany & Co. manufacturing facilities directly from a mine during the period February 1, 2015 to January 31, 2016 as indicated by either (1) the contractual terms with the supplier, which require metals to be purchased from a specific mine(s) or (2) the details listed on the invoice received.	Total Precious Metals – 54% Silver – 55% Gold – 34% Platinum – 68%
Percentage raw direct metals traceable to recycler	The weight in troy ounces, expressed as a percentage, of raw silver, gold and platinum procured by Tiffany & Co. manufacturing facilities directly from a recycler during the period February 1, 2015 to January 31, 2016 as indicated by either (1) contractual terms with the supplier, which require a percentage of metals be recycled, (2) the details listed on the invoice received or (3) a statement on the recycler's website as of January 31, 2016 stating that the metal is 100% recycled.	Total Precious Metals – 45% Silver – 45% Gold – 66%
Percentage rough diamonds traceable to the mine or source	The weight in carats, expressed as a percentage, of rough diamonds received by Tiffany & Co. which were purchased directly from a supplier that sources from one mine or from a supplier that sources from multiple known mines, but is not traceable to a specific mine, during the period January 1, 2015 to December 31, 2015 in Botswana and Namibia, and February 1, 2015 to January 31, 2016 in Belgium as indicated by either (1) the contractual terms with the supplier, which require the diamonds to be purchased from a specific mine(s), (2) the details listed on the invoice received or (3) information available on the specific supplier's website with respect to mining location.	100%
Economic beneficiation – Botswana	The U.S. dollar equivalent of beneficiation paid during the period January 1, 2015 to December 31, 2015 by Tiffany & Co. in Botswana (a diamond-producing country whose government requires beneficiation). This amount includes payments to domestic suppliers for rough diamonds, materials and services, taxes, community donations and payroll and benefit costs related to the Laurenton Diamonds facility.	\$51,299,255
Gender diversity by management level	The diversity of the global workforce, including temporary and seasonal employees, according to gender as self-reported, and management level as recorded in the Company's Human Resources systems as of January 31, 2016, where permitted by local law and excludes the Board of Directors, which is separately presented.	<u>Board of Directors</u> Female – 20% Male – 80% <u>Vice President and Above</u> Female – 43% Male – 57% Not Specified – 0% <u>Manager and Above</u> Female – 58% Male – 40% Not Specified – 2% <u>Total Workforce</u> Female – 68% Male – 30% Not Specified – 2%

Generation diversity	The diversity of the global workforce, including temporary and seasonal employees, according to date of birth as self-reported and recorded in the Company's Human Resources systems as of January 31, 2016, where permitted by local law.	Born 1964 and Prior: 14% Born 1965–1980: 33% Born 1981–Present: 53% No Birthdate Listed: 0%
Ethnic diversity – United States	The diversity of the workforce, including temporary and seasonal employees, employed in the United States according to ethnicity as self-reported and recorded in the Company's Human Resources systems during the time period of July 18, 2015 to July 31, 2015.	White – 47.8% Hispanic or Latino – 18.1% Asian – 13.5% Black or African-American – 8.3% Two or More Races – 1.3% Native Hawaiian or Other Pacific Islander – 0.5% American Indian or Alaska Native – 0.2% Not Specified – 10.3%
Local Employee Ratio	The diversity of the Laurelton global workforce, including temporary, seasonal and intern employees, according to local or expatriate status as recorded in the Company's Human Resources records as of January 31, 2016.	Local Headcount - 97% Expatriate Headcount – 3%
Total recordable incidence rate – United States	The number of recordable injuries or illnesses (based on the OSHA definition of a recordable incident) per 100 full-time equivalent United States employees (designated as such in the Human Resources systems), during the period January 1, 2015 to December 31, 2015, as indicated on the Human Resources systems report as of February 16, 2016.	2.21 incidences per 100 full-time employees
Foundation grantmaking	The U.S. dollar amount of grant making that The Tiffany & Co. Foundation paid to United States nonprofit organizations during the period January 1, 2015 to December 31, 2015.	\$5,810,000
Greenhouse gas emissions – Scope 1 and Scope 2 (location-based) and total	The quantity in metric tons of carbon dioxide equivalent greenhouse gas emissions during the period February 1, 2015 to January 31, 2016. See below for additional information on GHG emission factors and estimates.  Note: The World Resources Institute and World Business Council on Sustainable Development issued additional guidance for Scope 2 emissions in 2015 (in GHG Protocol Scope 2 Guidance, an amendment to the GHG Protocol Corporate Standard), which sets forth reporting under both location-based and market-based methodologies, where the prior version of the GHG Protocol only addressed a location-based methodology. Tiffany & Co. is currently implementing a process which will allow for complete and accurate reporting under both location-based and market-based methodologies. However, for the 2015 GHG reporting, Tiffany & Co. is using the location-based approach only.	Total – 44,829 Scope 1 – 2,921 Scope 2 (location-based)– 41,908
Greenhouse gas emissions – Scope 1 and Scope 2 (location-based) per square foot	The quantity in pounds of carbon dioxide equivalent greenhouse gas emissions per square foot of operated space during the period of February 1, 2015 to January 31, 2016.	32.3 pounds per square foot

## ***GHG emission factors***

The carbon dioxide emissions and equivalents associated with the activities noted above have been determined on the basis of measured or estimated energy and fuel use, multiplied by relevant carbon emission factors. Published emission factors were used to calculate emissions from operations.

Emission Source	Emission Source Type	Emission Factor Employed
Scope 1, Global	Natural gas, propane and other fossil fuel use	Except where noted, GHG emissions from energy consumption are calculated using the emission factors from EPA's Mandatory Report Rule.
Scope 2 (location-based), United States	Electricity	Tiffany & Co. uses United States EPA eGRID sub-region emission factors for electricity purchased in the U.S. Electricity emission factors are updated annually based on the most current data available. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.
Scope 2 (location-based), Australia	Electricity	Tiffany & Co. uses state and territory emission factors for electricity purchased in Australia provided by the Australian Government Department of Climate Change and Energy Efficiency. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.
Scope 2 (location-based), United Kingdom	Electricity	Tiffany & Co. uses national emission factors for electricity purchased in the United Kingdom provided by the U.K.'s Department for Environment, Food and Rural Affairs. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.
Scope 2 (location-based), Brazil	Electricity	Tiffany & Co. uses national emission factors for electricity purchased in Brazil provided by the Brazilian Ministry of Science, Technology and Innovation. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.
Scope 2 (location-based), Canada	Electricity	Tiffany & Co. uses provincial emission factors for electricity purchased in Canada provided by the Canadian Government. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.
Scope 2 (location-based), Rest of the world	Electricity	For all other locations, Tiffany & Co. uses national emission factors provided by the International Energy Agency (IEA). Emissions for Guam and Mauritius are not covered by the IEA factor set, so Tiffany & Co. uses the IEA emission factors for Jamaica for both as a country with a comparable emissions profile. Tiffany & Co. used the most up-to-date sets of factors available as of April 1, 2016.

## ***Base data***

Base data utilized in the calculation of consolidated Scope 1 (direct) and Scope 2 (indirect) (location-based) GHG emissions is obtained from direct measurements, third-party invoices or estimates. Tiffany & Co. estimates are used where measurement data is not readily available.

### ***Estimation methodology for electricity, natural gas and other fossil fuel use***

If no primary electricity, natural gas or steam usage data is available for a given month, consumption is estimated based on the floor area occupied by Tiffany & Co. and the Company's regional average electricity, natural gas and steam use by building type (Laurelton Diamonds, warehouse, manufacturing, retail, mixed use, office). The building intensity metrics were established using 2013 data for all regions and building types. For each site that uses other fuels, such as acetylene, diesel, wax or propane, annual usage is estimated based on three-year annual averages from the 2010-2013 time period. Annual emissions due to refrigerant leakage are estimated for all facilities based on facility floor area. Emission intensity per square foot due to refrigerant leakage is estimated based on a three-year average from the 2010-2013 time period for all Tiffany & Co. sites for which primary refrigerant data was available. Approximately 22% of the Scope 1 and 2 emissions are estimated for the period February 1, 2015 to January 31, 2016.

Emission Source	Emission Source Type	Estimation Factor Employed per Facility Type
Scope 1, Global	Natural gas	<u>Therms/Square Foot/Month</u> Laurelton Diamonds – 0.02218 Warehouse – 0.02218 Manufacturing – 0.033512 Retail – 0.00989 Mixed Use – 0.2260 Office – 0.02218
Scope 2, Global	Electricity	<u>kWh/Square Foot/Month</u> Laurelton Diamonds – 1.166 Warehouse – 1.330 Manufacturing – 1.428 Retail – 3.075 Mixed Use – 2.550 Office – 1.147
Scope 2, Global	Steam	<u>Lbs/Square Foot/Month</u> All facility types – 3.993

### ***Organizational boundary***

In conformance with the GHG protocol, reported direct and indirect GHG emissions represent 100% of the emissions from the facilities where Tiffany & Co. has operational control.

### ***Uncertainty***

GHG quantification is subject to inherent uncertainty because of such things as emissions factors that are used in mathematical models to calculate emissions and the inability of those models, due to incomplete scientific knowledge and other factors, to precisely characterize under all circumstances the relationship between various inputs and the resultant emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques may result in materially different measurements.