



SUSTAINABILITY REPORT 2016



TIFFANY & Co.

NEW YORK SINCE 1837



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EXECUTIVE SUMMARY



Since the founding of our Company 180 years ago, Tiffany & Co. has taken pride in creating beautiful jewelry that our customers pass down for generations.

Our designs are a celebration of nature: Landscapes and wild creatures inspire the creativity of our designers and the craftsmanship of our skilled jewelers. We also rely on the Earth to provide the precious materials that give life and form to our jewelry.

Our Company values the planet, nature's abundance and people. We are committed to doing what we can as a business to sustain the natural environment and our global communities.

We seek to further integrate sustainability throughout our business, from our approach to vertical integration and ethical sourcing—through which we maintain environmental and social integrity in sourcing, processing and crafting jewelry—to our climate goals. The steps we are now taking will contribute to reaching our long-term aim of net-zero greenhouse gas emissions by 2050.

We also believe we have an opportunity to use our voice as a leader in the luxury industry to raise awareness about critical environmental and social issues. We publicly support the protection of landscapes and seascapes; we advocate for improved industry standards and other reforms where we believe such advances are in the public interest; and we raise awareness to galvanize more people to work with us toward a brighter future.

Our 2016 Sustainability Report—which aligns with the Global Reporting Initiative (GRI) G4 and United Nations Global Compact reporting frameworks—details progress toward our most material¹ sustainability objectives and highlights how we adapt our programs for greater impact. We are proud of our achievements to date and will continue to evolve our responsible business practices to make more positive contributions to nature and our global communities. We believe we can always do more, and this drives our commitment to continuous improvement.

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

At Tiffany & Co., we welcome the views of diverse groups—including our employees, shareholders, nongovernmental organizations (NGOs), industry members and supply chain partners—to help inform our practices and identify opportunities for improvement across the jewelry sector.

Over the years, we have developed relationships with leaders from NGOs, mining companies, the luxury sector, local communities and industry associations, whose insights help improve our understanding of environmental and labor issues affecting the industry. We value our dialogue with different organizations, each of which contributes in a unique way: the NGOs provide context and meaningful feedback, along with input on best practices; industry groups help extend our influence to make changes more broadly, beyond our Company alone; and mining companies deepen our understanding about relevant environmental and social issues and trends in the 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 the supply chain.

¹For 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.



Message from the Chairman of the Board

For the leader of any American company who genuinely believes in the responsibility of business to build a more sustainable future, these are especially difficult times.

Tragically, many members of Congress are intent on undoing decades of environmental progress, they deny the devastating costs of climate change and are unwilling to protect our public lands for the benefit of all citizens. This should compel business leaders to speak and act more directly, and with greater urgency than ever before.

I believe that the vast majority of our stakeholders—customers, employees, shareholders, business partners and the communities in which we operate—care deeply about these issues. I also know that speaking and acting to address these issues is both a business and a moral imperative.

Responsible behavior is an implicit part of the Tiffany brand promise. Along with artful design, great craftsmanship and gracious service, it is a critical dimension of our competitive advantage and defines the relationship with our customer. We design and craft our jewelry and objects to stand the test of time. Clearly we owe the same commitment to the natural world that inspires our work and provides the precious materials we use. That is why we are absolutely committed to operating a rigorously controlled, transparent and ethical supply chain that can assure that promise of responsibility.

Fortunately, Tiffany & Co. is not alone. A growing number of companies are joining together to make it clear to our elected officials that we stand with the majority of America's citizens—and the world—who believe in a shared responsibility to address the environmental threats we face. We categorically reject the fiction, created by those who stand to gain from inaction or retrenchment, that there is any meaningful conflict between jobs and economic prosperity on the one hand and environmental responsibility on the other. For the past 20 years, we at Tiffany have demonstrated that we can grow our company, create thousands of manufacturing jobs and behave with integrity.

Even though the political landscape has changed, our approach to running a socially and environmentally responsible business has not. We are proud to do our part to help contain greenhouse gas emissions, and given the catastrophic consequences of failing to address global warming, we must do more. That's why we raised our voice even louder this year, joining with many companies in an appeal to President Trump not to abandon the Paris Agreement. With other companies, we added our name to an open letter outlining the importance of the climate agreement to U.S. businesses, and we punctuated this request with our own ad in *The New York Times*. We are backing this advocacy with a renewed focus on reducing impacts on climate change in our business and value chain.

Tiffany also remains committed to protecting our public lands from destructive mining activities. We oppose the proposed rollback of national monument designations for the financial benefit of a few and to the detriment of the many who value the extraordinary natural and cultural treasures these lands contain. We believe the mining industry should embrace a new, thoughtful approach to public lands, and we support legislative reform that holds mines accountable for responsible closure and ensures the cleanup of abandoned mines. Tiffany also continues to oppose mining in special places like Bristol Bay, Alaska, where the Pebble Mine threatens one of the world's greatest remaining wild salmon fisheries.

Despite these challenges, we have many reasons for optimism. We are making great progress on our work to build a genuine, independent certification system for responsible mine development and operation. Together with a committed group of mining companies, downstream users and civil society representatives, we have collectively crafted a set of robust standards that, when implemented, will ensure a more responsible mining future. The work that remains is to enlist the support of our peers in the jewelry space and beyond, to incorporate these standards. Under such a system, we believe mining can take its rightful place as an environmentally responsible engine of social and economic development. In the absence of meaningful regulations, voluntary standards and collaboration across sectors are the best means to advance change and improve practices in the long term.

Our work is not done. Today, our task is bigger than that of any one company or any one industry. The business community must exercise the full strength of its voice to advocate for the protection of this planet's natural resources and for action that will lead to a stable climate. This advocacy, coupled with long-term action, can demonstrate that the protection of the environment and a growing economy are not mutually exclusive. We all have the opportunity to demonstrate the true power of business as a force for social and environmental good, and change the course of the planet for generations to come.



MICHAEL J. KOWALSKI
CHAIRMAN OF THE BOARD AND
INTERIM CHIEF EXECUTIVE OFFICER
TIFFANY & CO.



HOW WE SUPPORT THE SUSTAINABLE DEVELOPMENT GOALS

Tiffany & Co. contributes to progress on many of the 17 United Nations Sustainable Development Goals, and our core business and social purpose align most closely with the five goals described below. We hope to drive progress on this shared global agenda through our work as a company and through our collaboration with other businesses, our industry, civil society and government.



GENDER EQUALITY

DIVERSITY

We work to promote a culture of excellence and diversity in the workplace and are proud that our global workforce is composed of

69%*



women, with 60%* of manager and above roles held by women.

TRAINING & DEVELOPMENT

Our manufacturing facilities in developing countries employ a predominantly female workforce, and we provide good jobs with a living wage—as well as opportunities for training and development—to skilled, full-time diamond polishers and jewelry manufacturers.

WOMEN'S EMPOWERMENT

In March 2017, we formally affirmed our commitment to women's rights, human rights, and diversity and inclusion by signing the United Nations Women's Empowerment Principles (WEPs).



RESPONSIBLE CONSUMPTION AND PRODUCTION

INTEGRITY

Our vertical integration model for sourcing materials, processing and crafting jewelry helps to incorporate environmental and social integrity along the way.



SOCIAL & ENVIRONMENTAL STANDARDS

We emphasize exceptional quality and craftsmanship, while striving to maintain high social and environmental standards in our operations and supply chain.

PRESERVING RESOURCES

We carefully source our products and materials—from precious metals and diamonds to paper and packaging—in an effort to uphold ethical principles and preserve nature's resources.

ADVOCACY

We use our position as a leader in sustainable luxury to improve standards for the mining industry and to advocate for the protection of human rights and the Earth's precious natural resources.



CLIMATE ACTION

NET-ZERO EMISSIONS

We have set a goal to achieve net-zero greenhouse gas (GHG) emissions by 2050.

ENERGY EFFICIENCY

In the short term, we are taking steps to ensure energy efficiency, reduce energy use and follow sustainable building design principles, making progress toward our goal to reduce absolute GHG emissions from our operations by 15% from 2013 to 2020.

RENEWABLE ENERGY

We are expanding our renewable energy portfolio to ultimately use 100% renewable energy for our electricity.



GREEN FUND

In 2015, we launched an internal Green Fund to help catalyze investments and innovations in efficiency and renewable energy projects.



LIFE BELOW WATER

MARINE CONSERVATION

Tiffany was one of the first jewelers to stop using coral over 10 years ago, and the Foundation has awarded nearly

\$20 million

in grants for coral and marine conservation since its first year of giving in 2000.



CREATING PROTECTED AREAS

The Tiffany & Co. Foundation supports the creation and expansion of marine protected areas around the world, through organizations such as Oceans 5 and the Wildlife Conservation Society.



50 REEFS

In 2016, The Tiffany & Co. Foundation partnered with fellow funders to support the launch of 50 Reefs, an initiative to identify, protect and promote the 50 Reefs most important to the future of coral reefs.



LIFE ON LAND

OUR RESPONSIBILITY

We consider it our responsibility to help preserve the natural beauty that inspires so many of our jewelry designs.

SOURCING RAW MATERIALS

We are thoughtful about which raw materials we use—and which we don't—and we carefully consider how these materials are procured and crafted.

PROTECTING WILDLIFE

We advocate for the protection of special places from mining and against the use of endangered species in jewelry.

REVERSING DEFORESTATION

To do our part in reversing global forest loss, Tiffany & Co. seeks to remove commodity-driven deforestation from its key supply chains by 2020.



*See the Report of Independent Accountants

2016 HIGHLIGHTS

Reaffirmed our commitment to the Paris Agreement

by signing an open letter from the business sector to the new U.S. administration and global leaders during the 2016 UN Climate Change Conference.

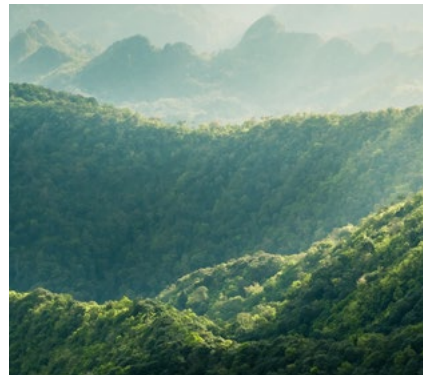


Announced the creation of our Jewelry Innovation Center

to advance innovation excellence in jewelry design, including embedding sustainability principles and encouraging collaboration across our R&D, design, manufacturing, quality and supply chain teams.

Created rigorous Sustainable Wood and Paper Sourcing Guidance

to support our 2020 responsible forestry goal.



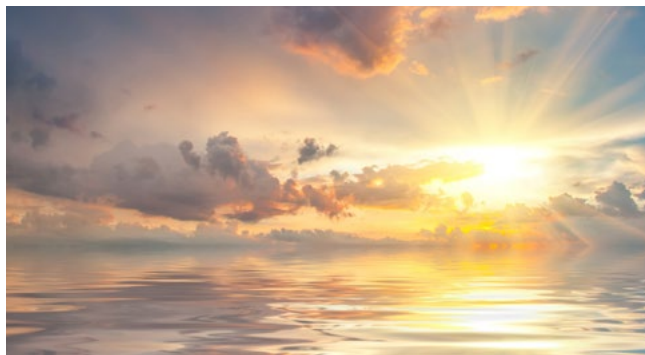
Strengthened our Supplier Code of Conduct

to promote Tiffany & Co.'s expectations for human rights, labor practices, environmental protection and ethical business.



Earned an A- score for CDP Climate Change Response

indicating leadership in management of issues related to climate change.



Selected our first Green Fund projects

to boost carbon savings by approximately 2,000 metric tons.

Established our Sustainability Leadership Council

to increase collaboration and innovation on sustainability across Tiffany.

Supported the #KnotOnMyPlanet campaign

to raise funds for the Elephant Crisis Fund to help stop poaching, trafficking of and demand for elephant ivory.

2016 BY THE NUMBERS



100%*

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

>\$34 million*

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

60%*

of managers and above are women.



Tiffany & Co. Foundation grantees supported the protection of an additional **3.6 million** square kilometers of the ocean.

44%

improved U.S. safety rate from 2011 to 2016.

Approximately **60%** of our jewelry is made in Tiffany & Co. manufacturing facilities.



99.8%* of raw precious metals procured by our internal manufacturing facilities traced either directly to a mine or recycler.

Tiffany Blue® bags were made with **50%** post-consumer recycled content.

TIFFANY & CO.



5% greenhouse-gas emissions reduction since 2015 while adding six new stores.

97%*

of our international manufacturing workforce is hired from local communities.



87% of Tiffany employee survey respondents are proud to work for Tiffany.

TIMELINE OF SUSTAINABILITY LEADERSHIP



1995

Tiffany urges the U.S. Department of the Interior not to allow the construction of a gold mine that threatens Yellowstone National Park.



Danvik Mine ©2017 Aso Tinto

2000

The Tiffany & Co. Foundation is established to focus the Company's philanthropic efforts.



2003

The Company stops buying gemstones of Burmese origin in support of the U.S. Burmese Freedom and Democracy Act and to protect human rights.



1999

Tiffany leads effort for U.S. participation in the Kimberley Process Certification Scheme.

2002

Tiffany establishes Laurelton Diamonds, a wholly owned subsidiary that manages its worldwide diamond supply chain.



2004

Tiffany stops selling coral jewelry, as coral and reef communities are under siege, and aims to raise consumer awareness of the issue by urging other jewelers to do the same.

Tiffany urges the U.S. Forest Service to deny a permit for the proposed Rock Creek Mine in the Cabinet Mountains Wilderness in Montana.



TIMELINE OF SUSTAINABILITY LEADERSHIP



2005

Tiffany is the first jeweler to embrace Earthworks' No Dirty Gold campaign, which established aspirational social, human rights and environmental standards for the extraction of gold.



2006

Tiffany installs first solar projects at two of the Company's New Jersey facilities.



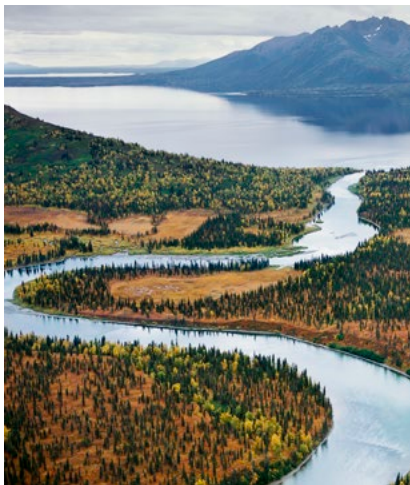
2013

Tiffany sets a second-generation greenhouse gas goal for 15% reduction from 2013 to 2020.



2016

Tiffany joins the U.S. Wildlife Trafficking Alliance and supports the #KnotOnMyPlanet fundraising and awareness campaign for the Elephant Crisis Fund.



2009

Tiffany first speaks out to vigorously oppose the proposed Pebble Mine in Alaska's Bristol Bay, raising awareness in the jewelry industry and beyond about the need to protect this ecosystem.

The Tiffany & Co. Board of Directors establishes the Corporate Social Responsibility Committee.

2015

Tiffany joins other leading companies in pledging net-zero greenhouse gas emissions by 2050.

Tiffany appoints the Company's first chief sustainability officer.



FISCAL YEAR 2016 TIFFANY & CO. FINANCIAL HIGHLIGHTS[†]

Tiffany & Co.[‡], a holding company that operates through its subsidiary companies, sells jewelry and other items that it manufactures or has made by others to its specifications. The Company's principal product category is jewelry (representing 92% of worldwide net sales in Fiscal Year 2016); it also sells timepieces, leather goods, sterling silver goods (other than jewelry), china, crystal, stationery, fragrances and accessories. The Company manufactures jewelry in New York, Rhode Island and Kentucky, polishes jewelry in the Dominican Republic and crafts silver hollowware in Rhode Island. The Company also has diamond processing operations in Belgium, Botswana, Cambodia, Mauritius and Vietnam that prepare and/or cut and polish rough diamonds for its use. In total, these internal manufacturing facilities produced approximately 60% of the jewelry sold by the Company. At the end of Fiscal Year 2016, there were 313 Tiffany & Co. stores across more than 20 countries and approximately 11,900 Tiffany & Co. employees around the world.

[†]Information, data and graphs in this Financial Highlights section are from the Company's Annual Report on Form 10-K filed on March 17, 2017. To view the Company's financial filings, please visit the [Tiffany & Co. Investor Relations](#) website.

[‡]For the purposes of this Report, the terms "Tiffany & Co.," "Tiffany," 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.

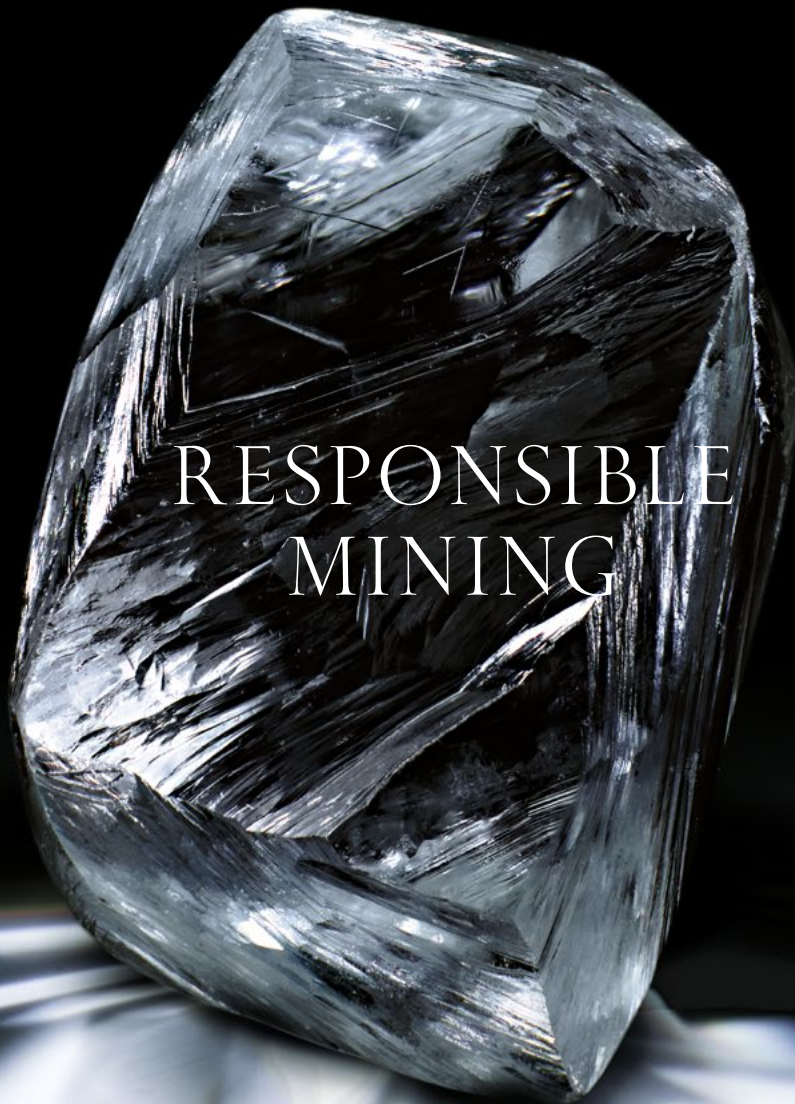
SELECTED FINANCIAL DATA

(in millions, except per share amounts and employees)

	2015	2016
EARNINGS DATA		
Net sales	\$4,104.9	\$4,001.8
Gross profit	\$2,491.3	\$2,490.3
Selling, general & administrative expenses	\$1,731.2	\$1,769.1
Net earnings	\$463.9	\$446.1
Net earnings per diluted share	\$3.59	\$3.55
OTHER DATA		
Number of employees	12,200	11,900

OUR RETAIL LOCATIONS

	AMERICAS						TOTAL
	U.S.	CANADA & LATIN AMERICA	ASIA- PACIFIC	JAPAN	EUROPE	EMERGING MARKETS	
2015	95	29	81	56	41	5	307
2016	95	30	85	55	43	5	313



RESPONSIBLE MINING

Tiffany & Co. strives to set the standard for sustainable luxury, which we believe requires unparalleled artistry as well as leadership in social and environmental practices.

Excellence begins with sourcing high-quality raw materials and continues through the creation of the world's most extraordinary jewelry. Our vertical integration model is unique in our industry and it helps to incorporate environmental and social integrity in sourcing, processing and crafting jewelry.

We are committed to reducing environmental impacts, respecting human rights and contributing in a positive way to the communities where our jewelry is made. We work closely with our supply chains and leaders from industry, civil society and government to improve and help set rigorous global mining standards and raise awareness about the importance of responsible sourcing.

A MODEL OF RESPONSIBLE SOURCING

Jewelry supply chains can be both complex and opaque, making it difficult to trace the origin of diamonds, gemstones and precious metals. By understanding the path of raw materials used in our products, we can gain a more holistic picture of our supply chain's environmental and social impacts. We have implemented a strategy that gives us a strong chain-of-custody over raw materials, direct oversight of our manufacturing and a platform to help improve global standards and conditions.

RAW METALS

The raw silver, gold and platinum used in our facilities come from two principal sources: in-ground, large-scale deposits of metals in the United States, and metals from recycled sources.
(See more on p. 23)



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. 18)



MANUFACTURING

We manufacture approximately 60% of our jewelry 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 suppliers to help ensure that they follow the exacting standards that we are proud to uphold.

CUTTING & POLISHING

We cut and polish 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 suppliers that adhere to our stringent standards.

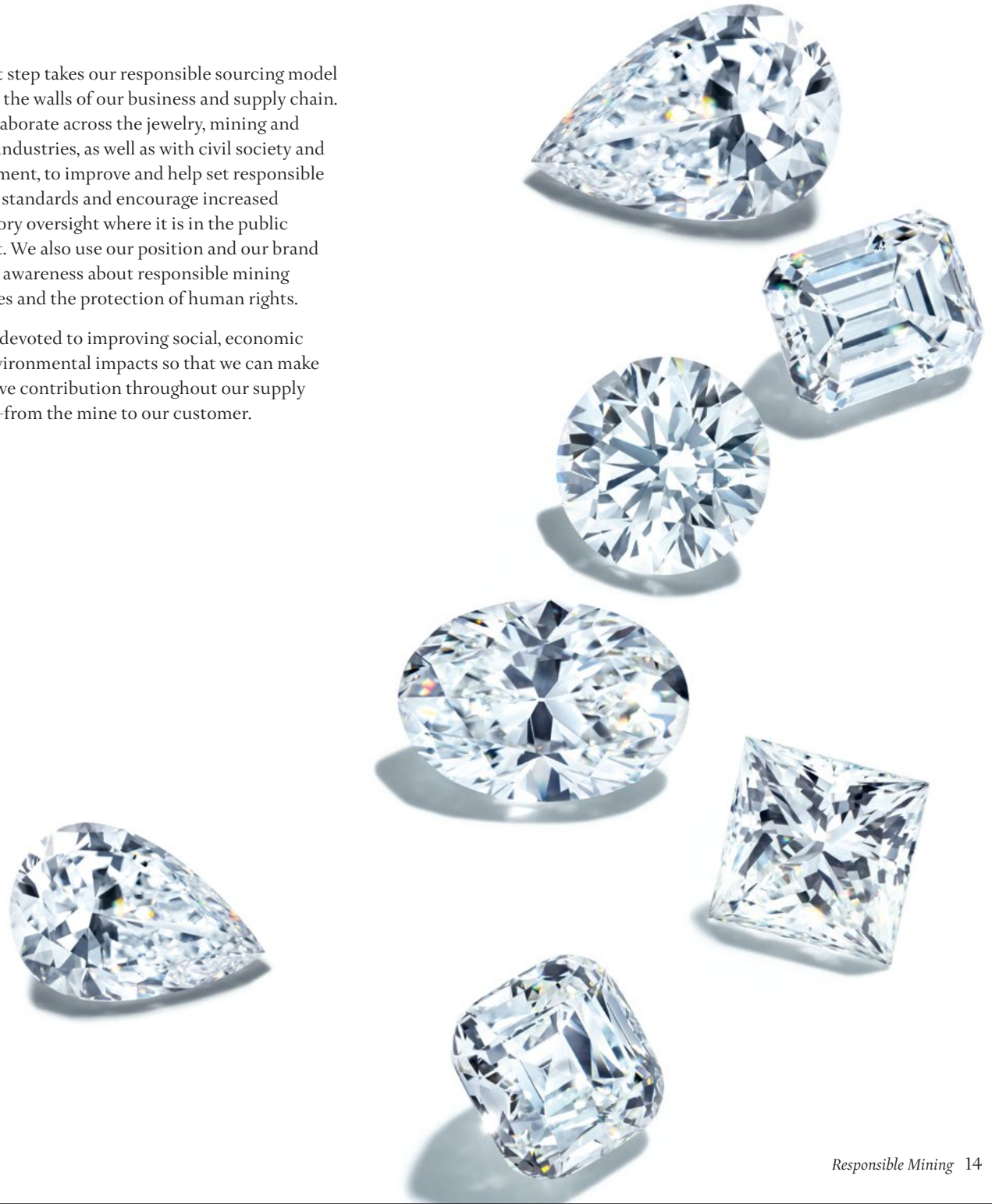
For Tiffany, responsible mining is about integrity. We want our customers to know that the jewelry they purchase from us is created by a company that honors the Earth and values the artisans who craft our wares. We focus our efforts on minimizing negative impacts on the planet while positively contributing to the communities where we operate. We are careful about how we run our operations, and we take great care in choosing our suppliers.

The sustainability journey begins with the unique way we source raw materials. We acquire the majority of our metals directly from mines that we know and from recycled sources. We also source the majority of our diamonds as rough diamonds, directly from mines or from suppliers with a limited number of known mines. These relationships help us build a deeper understanding of their approach to human rights, labor and the environment.

The next step is crafting raw materials into works of art. We manufacture approximately 60% of our jewelry at our own state-of-the-art manufacturing facilities, where we maintain safe, healthy and welcoming work environments. We invest in our employees to help strengthen local economies. We hire craftspeople from the community, pay a living wage to skilled workers and invest in job training and development so that our employees have the opportunity to learn new skills and advance in their careers. Tiffany also works with its suppliers to help ensure that they uphold our standards of quality as well as social and environmental responsibility. (Learn more in the Ethical Sourcing chapter.)

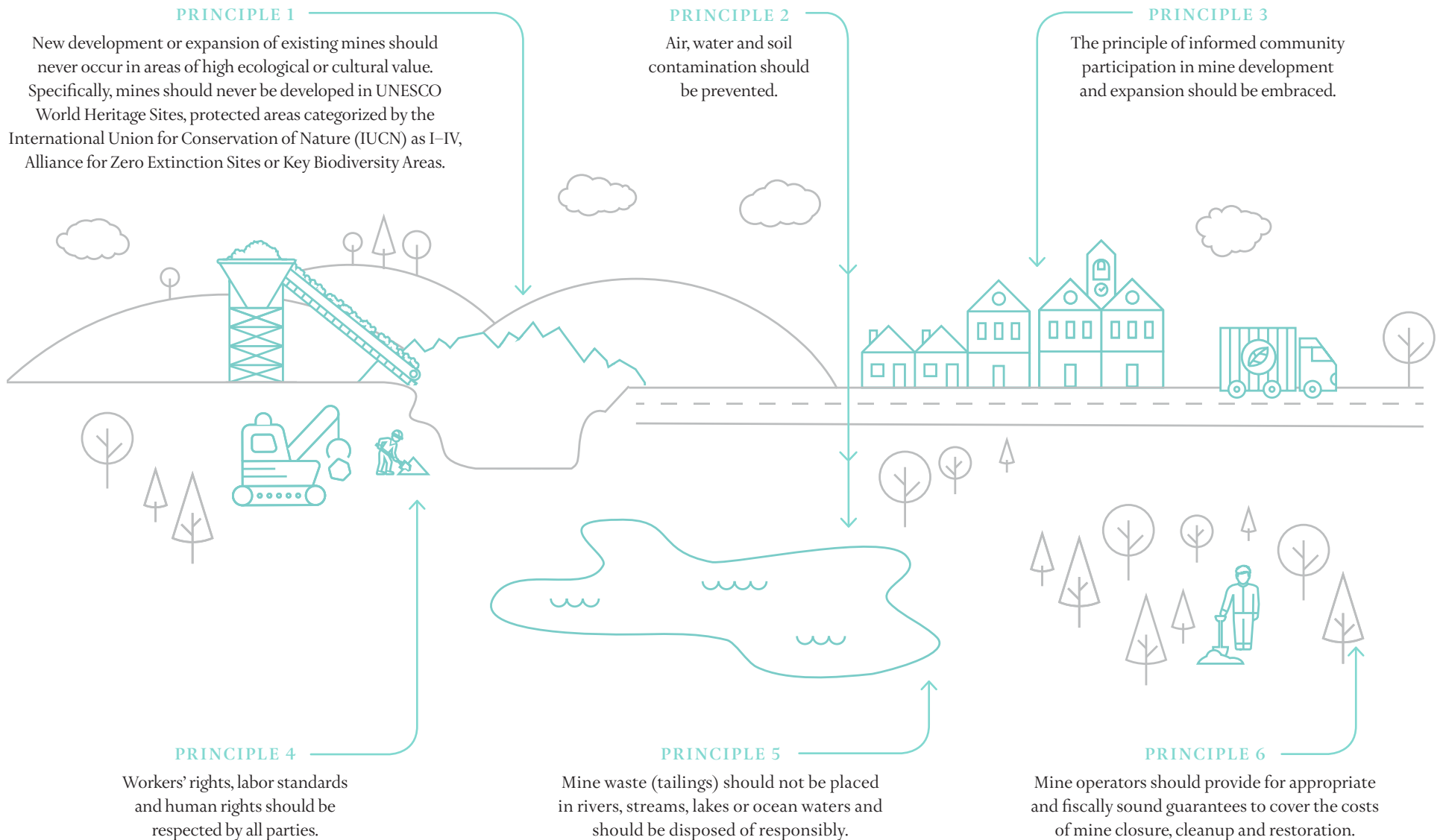
The last step takes our responsible sourcing model beyond the walls of our business and supply chain. We collaborate across the jewelry, mining and luxury industries, as well as with civil society and government, to improve and help set responsible mining standards and encourage increased regulatory oversight where it is in the public interest. We also use our position and our brand to raise awareness about responsible mining practices and the protection of human rights.

We are devoted to improving social, economic and environmental impacts so that we can make a positive contribution throughout our supply chain—from the mine to our customer.



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

While Tiffany & Co. does not own or operate any mines, as a jewelry company we aim to improve mining standards globally by working with leaders in industry, civil society and government. We believe these six principles are essential for responsible mining:



“Companies need to take full responsibility for the environmental impacts of their products at every point of the value chain if we are to reverse losses in global biodiversity. This is why IUCN is pleased to note Tiffany’s commitment to biodiversity conservation as part of its core principles for ethical sourcing. Additionally, Tiffany’s support and backing of ambitious, industry-wide responsible mining standards makes this company a true leader in responsible production.”

INGER ANDERSEN, DIRECTOR GENERAL
INTERNATIONAL UNION FOR CONSERVATION OF NATURE (IUCN)[†]

COLLABORATING ON RESPONSIBLE MINING STANDARDS

One of our most effective tools in creating a responsible mining industry is collaboration: We work with our suppliers, employees and others to create positive change. We value our collaboration with industry and nongovernmental organizations, such as *Earthworks* and *Human Rights Watch*. We also lend our expertise through multistakeholder initiatives that are setting higher responsible mining standards—efforts we have advanced since 2003.



DIAVIK MINE ©2017 RIO TINTO

[†]International Union for Conservation of Nature & Natural Resources – United States is a grantee of The Tiffany & Co. Foundation.

Left: Diavik Diamond Mine, Canada.

“Tiffany’s strong leadership stance on responsible sourcing of precious metals and diamonds has been important in catalyzing action in the mining industry. We look forward to continuing to work with Tiffany & Co. to advance this important agenda.”

MARK CUTIFANI, CHIEF EXECUTIVE
ANGLO AMERICAN

INITIATIVE FOR RESPONSIBLE MINING ASSURANCE (IRMA)

Tiffany & Co. helped launch *IRMA* in 2006 to develop an independent certification system that promotes a common set of expectations for the mining industry to protect human rights, provide safe and respectful workplaces, and minimize environmental harm. We are pleased that IRMA is now in the final stages of refining the world’s first multi-commodity mining certification system, which will serve the broader jewelry industry, as well as technology, construction, automobile and other sectors reliant on mining.

As a voluntary initiative that incorporates the perspectives and expertise of multiple stakeholder groups, IRMA is in the process of finalizing a rigorous standard against which a mine’s performance can be independently verified. We believe IRMA will address a current gap in the mining industry by providing an independent certification system that consumers can trust and that sets a high bar for social and environmental performance.

Today, we work with IRMA as a member of the Steering Committee, along with representatives from other organizations and businesses, including Anglo American, Microsoft, Human Rights Watch, First Nations Women Advocating Responsible Mining and IndustriALL Global Union, among others. By including civil society groups at IRMA’s table—and ensuring they have an equal seat—we believe all interested parties potentially impacted by mining are represented and given a voice to address the issues most important to them.

RESPONSIBLE JEWELLERY COUNCIL

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

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 gold extraction. We encourage our suppliers to use No Dirty Gold’s Golden Rules when selecting sources and mines of origin for gold.



CASE STUDY

The Tiffany & Co. Foundation: Helping Improve the Artisanal Mining Sector

By gathering input from all sides of the sector, we believe it is possible to improve global standards that advance progress for large- and small-scale miners alike.

It is estimated that at least 25 million people are engaged in artisanal and small-scale mining (ASM), where they often experience difficult living and working conditions.

To complement our Company's efforts to promote responsible large-scale mining, *The Tiffany & Co. Foundation's* Responsible Mining program supports nonprofit organizations helping artisanal mining communities improve their work environments, livelihoods and ability to participate in setting global mining standards.

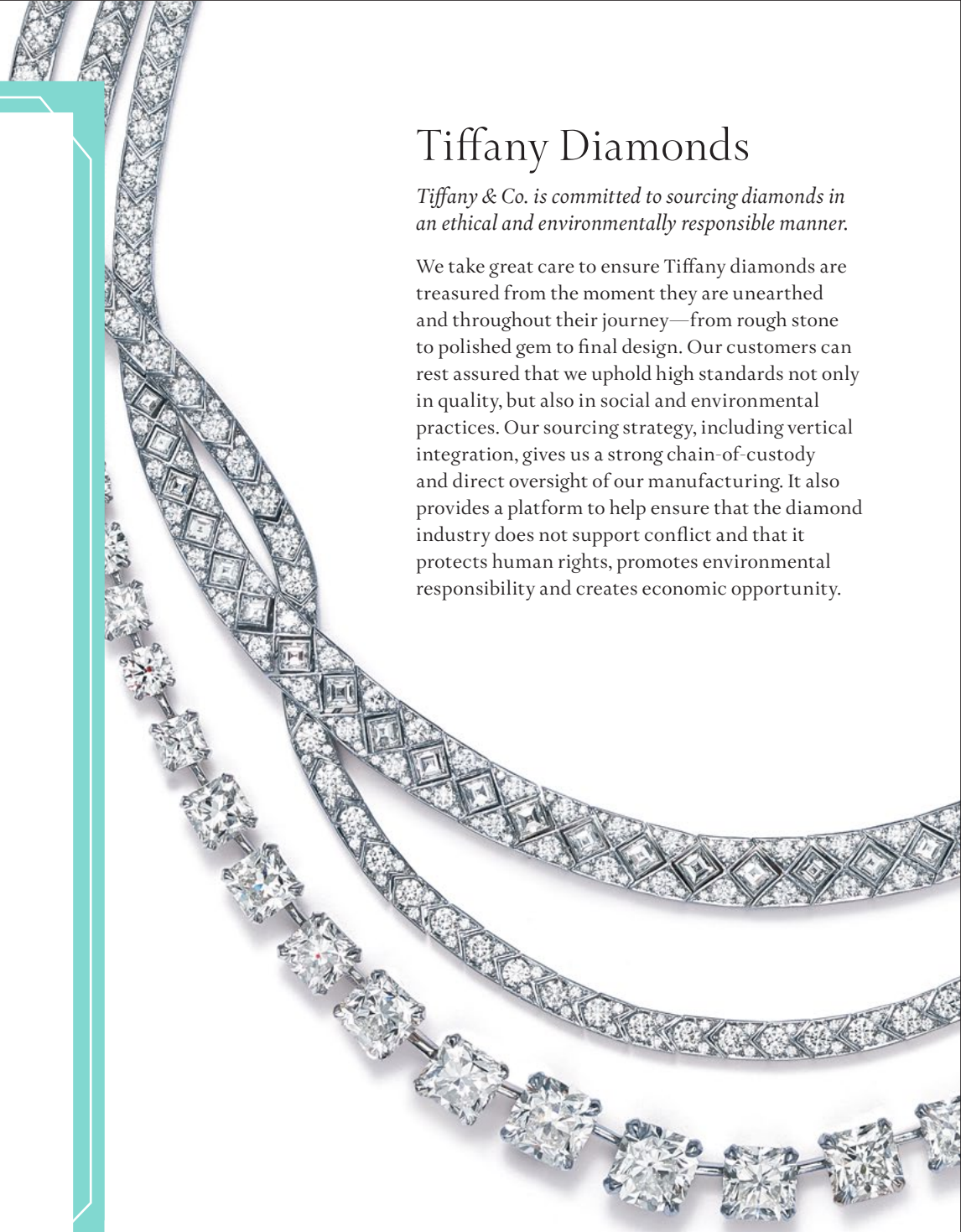
For the past three years, the Foundation has supported the International Institute for Environment and Development (IIED) in leading dialogues between artisanal mining communities, large-scale mining companies and government. By hosting a much-needed neutral space for collaboration, IIED creates a setting that builds trust and enables collective action among the three groups, whose cooperation is vital to improving the ASM sector worldwide.

IIED's pilot program in Ghana gathered 55 representatives from local and national governments, ASM and large-scale mining, as well as civil society and academia, for a two-day learning experience at the mine site and a two-day workshop examining solutions to the challenges facing artisanal and small-scale gold miners. We are now supporting IIED's second ASM dialogue program in Tanzania, focused on colored gemstones and gold, as well as IIED's broader efforts to build a global forum for collaboration that promotes better governance, a greater voice for artisanal miners, and safe and productive working conditions in mining communities.

Tiffany Diamonds

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

We take great care to ensure Tiffany diamonds are treasured from the moment they are unearthed and throughout their journey—from rough stone to polished gem to final design. Our customers can rest assured that we uphold high standards not only in quality, but also in social and environmental practices. Our sourcing strategy, including vertical integration, gives us a strong chain-of-custody and direct oversight of our manufacturing. It also provides a platform to help ensure that the diamond industry does not support conflict and that it protects human rights, promotes environmental responsibility and creates economic opportunity.



JOURNEY OF A TIFFANY DIAMOND

Tiffany diamonds are beautiful in more ways than one. These diamonds dazzle the eye because we select only high-quality gems, and they also radiate an inner beauty: The path these stones follow—from Earth to the customer—is guided by our Company’s core values and commitment to sustainability.

In 2002, the Company established a wholly owned subsidiary, Laurelton Diamonds, to procure rough diamonds and manage our worldwide supply chain that sources, cuts, polishes and supplies finished stones to Tiffany—a vertically-integrated approach that bolsters responsible practices. Follow the journey of Tiffany diamonds selected for our engagement rings to learn more:

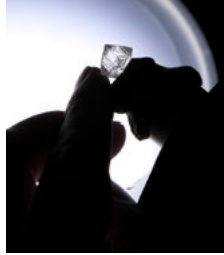


STEP 1 RESPONSIBLE MINING

We source approximately 65–75% of the diamonds we use in jewelry as rough diamonds, primarily from Botswana, Canada, Namibia, Russia, Sierra Leone and South Africa.

In 2016, 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.

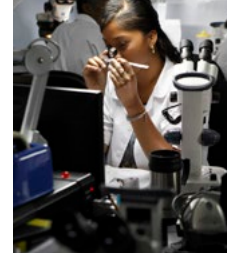


STEP 3 CUTTING AND POLISHING

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 pay a living wage to skilled workers and provide a safe, welcoming workplace.

We also purchase select polished diamonds procured from legitimate suppliers who comply with our warranty of origin requirements, the World Diamond Council’s System of Warranties and our Supplier Code of Conduct.

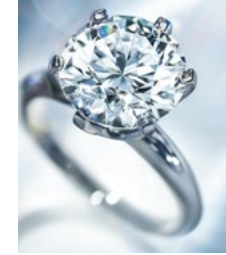


STEP 4 GRADING

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 and 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 our 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 materials.

[VIEW VIDEO ▶](#)

The Journey of a
Tiffany Diamond

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.

* See the Report of Independent Accountants

“Having worked on business and human rights issues for many years, it’s safe to say that Tiffany’s action on behalf of Rafael Marques de Morais was extraordinary and courageous; but most importantly, it was effective. By publicly calling for Rafael’s release, Tiffany & Co. at once sided with justice; helped clean up the diamond industry’s supply chain dark spots; and strengthened the hand of human rights advocates inside and outside business.”

MAURICIO LAZALA, DEPUTY DIRECTOR
BUSINESS & HUMAN RIGHTS RESOURCE CENTRE

BEYOND THE KIMBERLEY PROCESS

Established in 2003, the Kimberley Process aims to address a critical challenge in the global diamond supply chain. As an organization representing 81 countries, the Kimberley Process is helping eliminate the flow of “conflict diamonds” sold by rebel movements to finance wars against legitimate governments. To date, the process accounts for approximately 99.8% of the global production of rough diamonds.

While we believe in the importance of this initiative and commend its successes, it is time to expand the Kimberley Process mandate to protect against human rights, environmental and labor abuses. 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.

Our standards for a Tiffany diamond go above and beyond the Kimberley Process to better safeguard human rights and the environment. For example, due to concerns over human rights abuses in Zimbabwe and Angola, we refuse to

purchase rough or polished diamonds from those countries, despite the fact that they comply with the Kimberley Process. To that end, we require a majority of suppliers of polished diamonds to provide a warranty that those polished diamonds were not obtained from Zimbabwean or Angolan mines. We continue to review our execution of the Diamond Source Warranty Protocol in an effort to expand coverage and receive improved assurances of diamond origins from suppliers.

Even though we don’t source from those countries, we do use our position in the industry to call for change. In 2015, we signed a letter condemning the human rights abuses in Angola’s diamond sector and calling for the government to drop charges against activist and journalist Rafael Marques de Morais, who exposed these abuses.

As a jewelry company, we envision a global supply chain that is free of human rights abuses, and we support actions to improve social and environmental conditions in the diamond sector. We also encourage others to follow our example of creating policies that go beyond the Kimberley Process.





CASE STUDY

Providing Skilled Jobs and a Sustainable Income in Botswana

One of the diamond industry's greatest opportunities is supporting local social and economic development.

In Gaborone, the capital of Botswana, our diamond cutting and polishing facility provides skilled jobs, sustainable incomes, and training and development programs for approximately 130 employees. In fact, 96% of the polishers employed in our Botswana facility are hired from the local community.

By supporting a thriving local industry, we are helping to boost the economic potential of the broader community through payroll and benefits, community donations, taxes and payments to local suppliers for rough diamonds, materials and services. In Calendar Year 2016, we provided more than \$34 million* in beneficitation to Botswana's economy.

**See the Report of Independent Accountants*

Left: Laurelton Diamonds cutting and polishing facility in Botswana.



Colored Gemstones

Part of what makes colored gemstones so alluring is their variety, rarity and individuality. Some stones have rich histories that involved exciting discoveries, like tanzanite, which Tiffany & Co. introduced in 1968 after it was found in Tanzania, and tsavorite, a bright green garnet Tiffany introduced in 1974 after its discovery near Kenya's Tsavo National Park. In communities around the world, mining and trading colored gemstones is also a cultural tradition passed down for generations.

Colored gemstones change hands multiple times around the world before reaching retailers. Although these varied mining and trading journeys make for fascinating stories, the colored gemstone industry's highly fragmented nature can also make it more difficult to trace their origins. Approximately 80% of the world's colored gemstones come from small-scale, artisanal mines in more than 40 countries.

Because of this complex supply chain, we use strict protocols for sourcing the approximately 60 varieties of colored gemstones we sell.

Over the past few years, we have made a concerted effort to achieve greater transparency and improve the responsible sourcing of colored gemstones by engaging more deeply with stakeholders at all levels of the supply chain, including miners, traders, cutters and polishers. We also regularly communicate with our colored gemstone suppliers about our desire for traceability. Where we can, we are enhancing our due diligence and starting to gain further insight into our colored gemstone supply chain, including in select cases, from the mines.

We also recognize that we cannot act alone. In collaboration with many stakeholders, we are identifying opportunities for increased due diligence. We are also working to help set standards that account for the realities of the supply chain while seeking to enhance transparency and advance the industry as a whole. We believe that the colored gemstone sector can help support sustainable livelihoods for the communities that depend on the mining and trading of these stones, and we will continue to work collaboratively toward this vision.

BURMESE GEMSTONES

Prized as gemstones, many rubies are mined in Myanmar (Burma), whose human rights violations were so severe that in 2003 the United States passed the U.S. Burmese Freedom and Democracy Act, forbidding the importation of products from the country. In 2008, the passage of the Tom Lantos Block Burmese JADE Act strengthened the original act, prohibiting the import of jadeite and rubies from Myanmar, even if the gems were processed in, and exported from, another country. In recent years, efforts toward democratic reform in Myanmar, including historic elections in 2015, resulted in the U.S. lifting sanctions in October 2016.

As a company that chooses to go above and beyond government regulations to uphold our own high standards for corporate social responsibility, Tiffany has not purchased any gemstones from Myanmar since the original Act was adopted in 2003. Despite the fact that the U.S. sanctions have been lifted, we are not sourcing from Myanmar.

Precious Metals

We believe that a sustainable future for precious metal consumption ultimately depends on the responsible development of three sources of metals: large-scale mines, artisanal mines and recycled sources.

The raw silver, gold and platinum used in our manufacturing facilities come from two main 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 artisanally mined metals that have been certified by third parties as responsibly managed. As described on page 18, we believe advances in the artisanal mining sector have the potential to dramatically improve working conditions and wages for miners.

SILVER

In 2016, we purchased the raw silver used in our own manufacturing facilities from two U.S. sources: 43%* came from Utah's Bingham Canyon Mine and 57%* came from recycled sources (up from 45% in 2015).

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 current mine's owners deserve recognition for acting responsibly and aggressively to address these issues.

GOLD

In 2016, we purchased the raw gold used in our own manufacturing facilities from two U.S. sources: 27%* came from Utah's Bingham Canyon Mine (also as a by-product of open-pit copper mining) and 73%* came from recycled sources (up from 66% in 2015).

PLATINUM

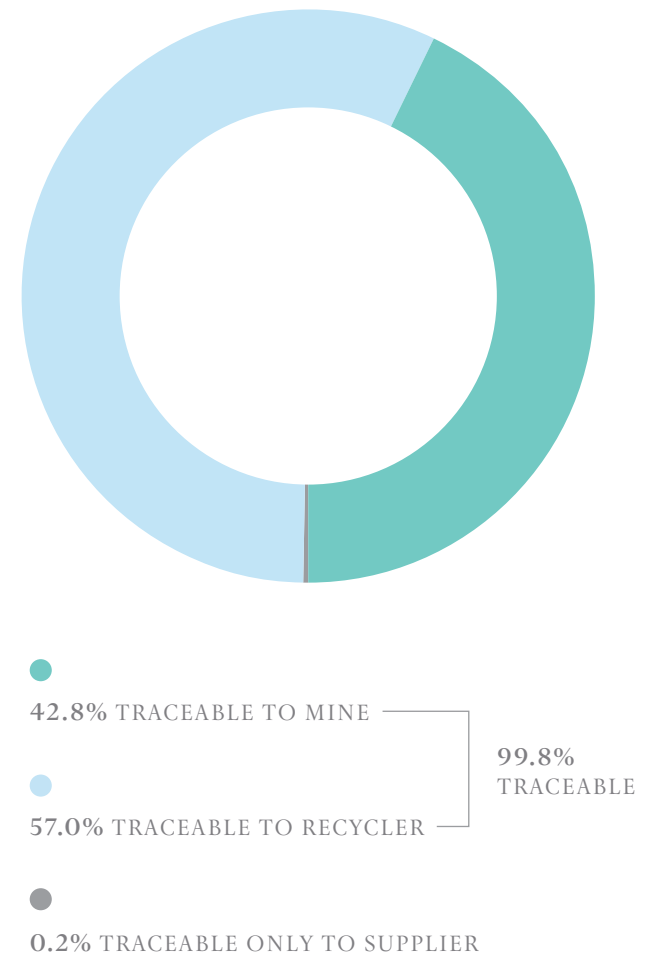
In 2016, we purchased the raw platinum used in our own manufacturing facilities from two U.S. companies: 94%* came from Montana's Stillwater Mining Company and 6% came from a refiner that sources platinum from a mixture of mined and recycled sources (down from 32% in 2015).

WORKING WITH SUPPLIERS TO UPHOLD OUR STANDARDS

Although we manufacture most of our jewelry in our own facilities and predominantly purchase raw precious metals directly, we also purchase components from third parties for use in internal manufacturing and finished goods (including most non-jewelry items). The silver, gold and platinum in these components and finished goods are largely independently sourced by these third-party suppliers.

To uphold our high environmental and social standards, we work closely with these suppliers through the Tiffany & Co. Social Accountability Program. (Read more about this program in the Ethical Sourcing chapter.)

TRACEABILITY OF RAW METALS DIRECTLY PURCHASED* 2016



* 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 abuses and environmental degradation. However, when managed responsibly, mining can be a source of social and economic development. The situation in the Democratic Republic of the 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 suppliers and we manufacture approximately 60% of our jewelry 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 suppliers 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 suppliers, employees and others to report concerns regarding potential policy violations.

The Tiffany & Co. Conflict Minerals Policy does not ban our suppliers 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. While we intend to maintain the guiding principles of our Policy, regardless of regulation, we firmly believe that the continued existence of federal regulation that addresses the sourcing of conflict minerals provides an important framework for industry, laying the foundation for protection of human rights and responsible sourcing efforts in the DRC and beyond. 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 suppliers. 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 suppliers, and employees who liaise with these suppliers, which helps to ensure an understanding of the Tiffany & Co. Conflict Minerals Policy.





PHOTOGRAPH ©2017 ROBERT GLENN KETCHUM

Mining and the Environment

Tiffany has always had a powerful relationship with nature, which both inspires our designs and serves as the source of the precious materials that give life and form to our iconic collections. We are deeply committed to leaving behind a world as beautiful and abundant as the one we inherited. We actively support mitigating the environmental impacts of mines before, during and after their useful life, and we advocate for the preservation of places with high ecological and cultural significance.

PRESERVATION

In some places, preserving natural beauty means protecting the landscape from mining activity. After 180 years in the industry, we know there are certain places where mining cannot be done without forever destroying landscapes, wildlife and communities.

Many years ago, we decided to start using our voice to help protect places that have a high value to the environment, the cultural traditions of indigenous peoples or the economy of local communities. We began this advocacy in 1995, when we opposed a proposed gold mine that threatened Yellowstone National Park. Since then, we have raised our voice in public forums to call for the permanent protection of other special places, from Montana to Alaska.

Left: Bristol Bay, Alaska.

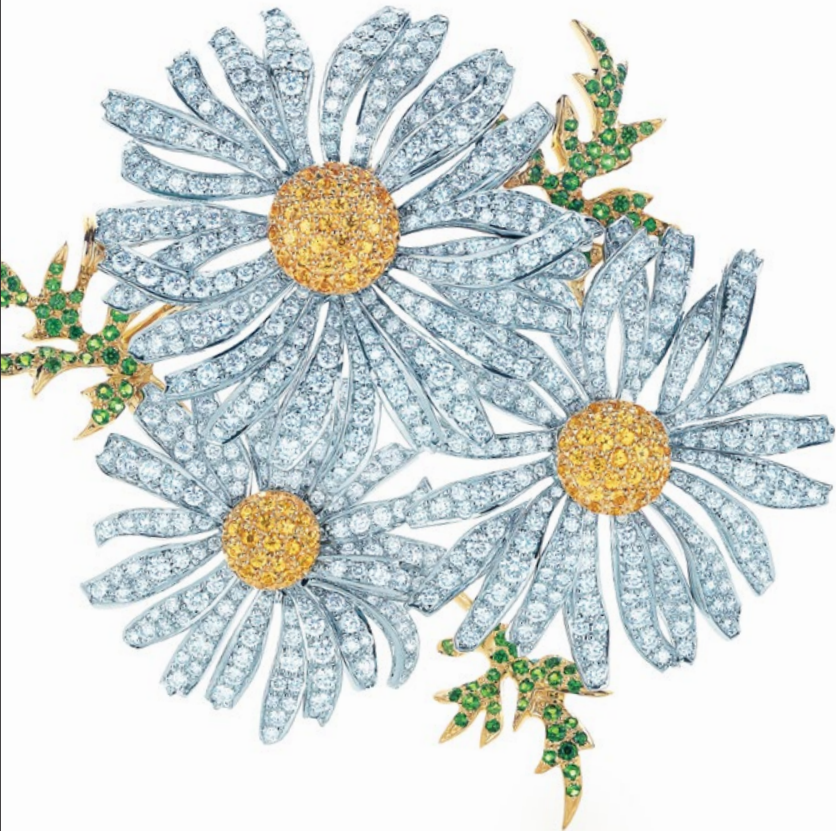
One of these places is Alaska's Bristol Bay, home to one of the world's greatest remaining wild salmon watersheds. This area has been under threat from the proposed Pebble Mine, which would be one of the largest open-pit gold and copper mines, sitting at the headwaters of this watershed. Tiffany & Co. 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.

A diverse set of allies—including indigenous people, sport and commercial fishermen, many of our fellow jewelers, and other local and national leaders from a variety of sectors—have expressed resounding support for the protection of Bristol Bay, and we are hopeful our unified efforts to halt the mine will prevail. We believe that protecting Bristol Bay and its salmon fishery will have significant long-term benefits, including sustainable jobs and supporting the economy and culture of this region. The ecosystem, and the thousands of jobs it provides, are simply too precious and too valuable to be put at risk by developing a mine.

MINING ON PUBLIC LANDS

As natural resources become more scarce, we must be thoughtful about how public lands are used. Mining on public lands should be weighed against the significant benefits these places provide through their ecological, cultural and recreational value. For generations, public lands have been protected in national parks and conservation areas based on their own intrinsic value.

Our long history with the mining industry has taught us that certain impacts cannot be undone. Irresponsible practices have scarred beautiful landscapes and abandoned mines have left behind toxic legacies.



Now is a pivotal time for the protection of public lands from mining. It is imperative that society maintain protection for places that have been designated as wildlands. Some of these places received this designation more than a century ago, and these lands are simply not suited for resource extraction. Their long-term cultural or ecological value is greater than the short-term worth of the metals that could be mined.

At Tiffany & Co., we support the protection of public lands, and we value the perspectives of local communities—particularly indigenous communities—about the best use of these lands. We also support legislative reform that holds mines accountable for responsible closure. Like many leaders in the environmental community, the mining industry and Congress, we would like to see the federal government make critical changes to the antiquated U.S. General Mining Law of 1872 and enact legislation to assist in cleaning up abandoned hard rock mines.

Three elements are essential in the success of these reforms:

1. Taxpayers must be fairly compensated for minerals taken from public lands.
2. These reforms must increase protection of the environment.
3. These reforms must improve business certainty for companies and communities that depend on mining.

We believe the mining industry should embrace a new, thoughtful approach to public lands and advocate for changes to legislation to protect them. If this happens, we can save these special places for people to enjoy long into the future.

THE TIFFANY & CO. FOUNDATION: ABANDONED MINE RECLAMATION

More than 150 years after the fact, it is still possible to see how the 19th-century mining boom affected the American West. But it did not stop there. Because mining was largely unregulated until the 1970s, more recent mining activity—including tens of thousands of shuttered mines that were never properly cleaned up—has also contributed to significant environmental issues. Chemicals that leaked into the earth and water systems still threaten sensitive ecosystems and native species.

We are greatly concerned about the ruinous legacy of abandoned mines in the American West, and *The Tiffany & Co. Foundation's* Responsible Mining program supports nonprofit organizations as they remediate land and watersheds affected by historic mining. We also support the work of “Good Samaritans”—government entities, NGOs, private parties and other organizations—who voluntarily clean up mine-related pollution.

The organizations we support through the Foundation 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 can once again be returned to safe, healthy ecosystems.



CASE STUDY

Protecting Landscapes Through the Conservation Lands Foundation

Since 2011, The Tiffany & Co. Foundation has contributed more than \$1 million to the Conservation Lands Foundation (CLF), an organization founded in 2007 to protect, restore and expand the National Conservation Lands, America's newest collection of protected public lands, rivers and trails.

The National Conservation Lands include 36 million acres of ecologically rich and culturally significant lands across the United States. Managed by the Bureau of Land Management and owned by all Americans, these places stand alongside the U.S. National Parks, National Forests and National Wildlife Refuge systems.

In the absence of reform to the General Mining Law of 1872, the National Conservation Lands afford protections to iconic and pristine places that face a myriad of threats, including new mining proposals. For example, the California Desert and Bodie Hills, two of California's environmentally and culturally rich landscapes, have drawn the interest of mineral exploration companies and come under threat when proposals are put forth to lift their protected status. It is only by continuing to raise our voices that we can ensure these special places are protected now and for generations to come.

Through support of CLF and others, the Foundation helps to preserve and protect some of the most important landscapes, cultural landmarks and wilderness areas in the United States. Our support of these organizations reflects our belief that public lands are an essential part of our national heritage and worth protecting.

Left: The Bodie Hills of California's Eastern Sierra Mountains.



ETHICAL SOURCING

Our strong ethical sourcing and supplier responsibility programs reflect the values we hold for the Earth, its natural resources and our global communities.

As a company that celebrates nature in our jewelry designs, we aim to protect these resources. That's why we apply the same ethical principles to our products and packaging as we do to the sourcing of our diamonds and precious metals.

We are equally committed to supporting the communities where we operate, and we have brought much of our supply chain under our control, which allows us to provide good working environments and directly support sustainable livelihoods. At our manufacturing facilities in developing countries, we hire people locally, pay a living wage to skilled workers and give employees opportunities to learn new skills and advance in their careers.

“I have long known Tiffany to be both forward-thinking and an exemplary corporate citizen. Its efforts to develop and implement Sustainable Wood and Paper Sourcing Guidance alongside the Rainforest Alliance is another indication of its corporate leadership. Through this initiative, Tiffany is highlighting environmental and social issues related to paper and packaging sourcing and has taken time-based, measurable and transparent steps to prevent deforestation.”

DANIEL R. KATZ, FOUNDER AND BOARD CHAIR
RAINFOREST ALLIANCE

Wood & Paper

Forests are vital to humanity and our planet—providing clean air and water; mitigating climate change; reducing the impacts of floods; providing habitats for plants, animals and birds; and directly supporting 1.6 billion people who depend on forest ecosystems for food, fresh water, clothing, medicine and shelter.

Unfortunately, forests are threatened. Every minute, 85 acres are destroyed which means we lose millions of acres a year. To realize the full potential of global forests, deforestation and degradation must end.

We have a long track record of sourcing sustainable packaging and catalogues. Beginning in 2004, Tiffany started requesting third-party certifications for our blue bags, with a preference for Forest Stewardship Council® (FSC®) certification, which is considered the gold standard in responsible forest management. In 2014, we required all new global suppliers for print pieces to have FSC certification.



To help end forest loss, Tiffany & Co. set a goal in 2015 to remove commodity-driven deforestation from key supply chains by 2020.

Our goal is focused on areas where we are likely to have the biggest influence and opportunities to make a difference. This includes building on our strong foundation with catalogues and consumer packaging (e.g., our iconic Tiffany Blue Boxes and bags), as well as expanding to other priority materials, which we will define in 2017 based on a sourcing assessment.

Working closely with Rainforest Alliance, a leading international nonprofit organization, we formalized guidance and goals for sustainably sourcing wood and paper products in 2016. We are applying this guidance to inform how we achieve our goal and more broadly to provide a framework for how we source wood and paper throughout our business—from paper and packaging to store design and wood products.

With a strong preference for FSC certification, we seek recycled and virgin content from known, legally designated and well-managed forests where high conservation values, sustainable practices and human rights are respected. As part of our partnership with the Rainforest Alliance, in February 2017 we trained relevant staff and suppliers on our guidance and responsible sourcing expectations. This training highlighted the importance of addressing global deforestation and laid out our implementation plan to do so, including our preferred certification standards.

*FSC and the FSC logo are registered trademarks of the Forest Stewardship Council.

SUSTAINABLE WOOD AND PAPER SOURCING

Tiffany & Co. seeks to remove commodity-driven deforestation from key supply chains by 2020.

We worked with the Rainforest Alliance to build on our foundation of ethical sourcing by creating our rigorous Sustainable Wood and Paper Sourcing Guidance, with a strong preference for FSC certification, with Best and Better categories counting towards our deforestation-free goal.



DEFORESTATION FREE



BEST

FOREST STEWARDSHIP COUNCIL®-CERTIFIED

The gold standard in responsible forest management and chain-of-custody. Independent, third-party certification assures protection of biodiversity, water quality and the rights of local communities.



100% VERIFIED RECYCLED CONTENT



BETTER

FIBER FROM CONTROLLED SOURCES

Supplier's content is third-party assessed to meet controlled wood standards as defined by FSC, such as legal harvest and protection of high-conservation-value forests.

PEFC-CERTIFIED & GFR "LOW RISK"

Product is certified to regional Programme for the Endorsement of Forest Certification (PEFC) standard assuring legality and chain-of-custody, and the Global Forest Registry (GFR) deems country of origin as "low risk" for conversion and high conservation values.

CONTENT ORIGINALLY CERTIFIED

Product was manufactured using content originally certified (per FSC standards), but was not provided to Tiffany as certified by its direct supplier.

RECLAIMED, RECYCLED OR REPURPOSED

Reclaimed or repurposed wood and uncertified recycled paper. Excludes wood species protected by CITES or listed as Near Threatened or Threatened on the IUCN Red List.



KNOWN & LEGAL

GFR "LOW RISK" FOR LEGALITY

GFR deems country of origin as "low risk" for legality (e.g., United States).

VERIFIED LEGAL

Third-party verification assures legality (e.g., PEFC).

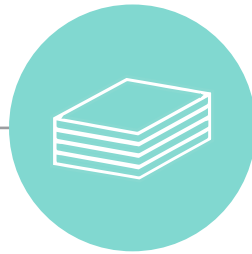
MAKING OUR ICONIC TIFFANY BLUE® BAG MORE GREEN

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.



2008

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



TODAY

Tiffany Blue® bags are made with sustainably sourced and 50% post-consumer recycled content and are recyclable.

Other Raw Materials

As a revered house of luxury that is committed to sustainability, we are thoughtful about which raw materials we use—and which we don't. We carefully consider how these materials are procured and crafted, and we pay special attention to organic or living materials, using as guidance the International Union for Conservation of Nature (IUCN) Red List and the Convention on International Trade in Endangered Species (CITES) Appendices. We are also proud to take a public stand on species that should be protected.

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 and, when possible, we source directly from suppliers and pearl farmers that share these same beliefs.

LEATHER

We are committed to tracing the source of the leathers we use. In 2016, we were able to trace the source of leathers in our accessories line to at least the tannery level. Additionally, Tiffany & Co. has been a member of the Leather Working Group since 2011 to promote sustainable practices across consumer goods companies, leather suppliers and tanners.

CORAL AND IVORY

Long ago, Tiffany & Co. decided not to use coral or ivory in our products. It was a simple choice given the profound threats to reefs and elephants worldwide. Poaching and habitat loss put elephants at great risk of extinction, and given the current pace of global warming, coral reefs may disappear by 2050. We are vocal in calling for others to stop their use of these precious species, and we actively promote their protection. We also use our participation in the U.S. Wildlife Trafficking Alliance to encourage the jewelry industry to eliminate illicit products from their supply chains. (Read more about our efforts to end the ivory trade and support marine conservation in the Charitable Giving chapter.)



Tiffany Manufacturing & Supplier Responsibility

In our operations, Tiffany & Co. champions a vertical integration model that helps us maintain a safe, healthy and welcoming environment; contribute to local economies; and improve traceability. To uphold our standards in quality and social and environmental responsibility, we also work with applicable suppliers through the Tiffany & Co. Social Accountability Program to help ensure that they follow our Supplier Code of Conduct.

TIFFANY MANUFACTURING

Our vertical integration strategy sets us apart as a leader in sustainable luxury. The stage was set for the development of this approach in the earliest days of our Company, with leadership by our founder, Charles Lewis Tiffany.

In the mid-1800s, Tiffany hired artisans to make our jewelry in-house, beginning in 1848 with a workshop above the Broadway store in New York City. By the late 1800s, Tiffany had also set up silversmith and diamond-cutting and polishing operations. By bringing jewelry manufacturing within the walls of our Company, Tiffany was setting an important precedent that allows the Company to embed our high standards throughout the production process today.

As our Company expanded, we also expanded our model of vertical integration. Today, Tiffany is unique because we cut, polish and grade diamonds internally. The majority of our diamonds are purchased as rough diamonds, and we manufacture the majority of our jewelry ourselves at our six state-of-the-art diamond workshops and five jewelry-making and polishing facilities. Managing our products from procurement to sales allows us to contribute in a positive way to local economies by creating jobs and training workers.

** See the Report of Independent Accountants*

LEADING THE WAY ON LIVING WAGES

We understand the important contributions manufacturing can make toward local economic development. Through Laurelton Diamonds, our wholly owned subsidiary established in 2002, we strive to create good jobs for our manufacturing workforce in developing countries—jobs that pay a living wage for skilled workers and jobs that give local employees opportunities to learn new skills and advance in their careers.

At our diamond and jewelry facilities abroad, we employ more than 2,300 employees from the local communities where these facilities are based. As of the end of 2016, local employees made up 97%* of Laurelton's global workforce.

Tiffany & Co. has been a pioneer in driving the development of a methodology to determine a location-specific living wage. A living wage goes beyond minimum wage requirements to provide pay that supports employees and their families, affords for some discretionary income and reflects the cultural expectations of each society.

Our efforts began in 2005, when Laurelton Diamonds was planning an expansion into Vietnam. At the time, there was no robust, independent way to determine a living wage. To overcome this challenge, we sought guidance from NGOs, such as Social Accountability International, and worked with leading economists to help develop a groundbreaking approach for calculating a living wage.

Based on these results, we have made a concerted effort to pay a living wage to skilled workers at our manufacturing locations in developing countries for nearly 10 years. We adjust the living wage annually based on changes to the local cost of living; we also work with experts to assess changes in basic needs and lifestyles in different locations over time.

“Tiffany has demonstrated real leadership through its commitment to rigorous measurement and collaboration with multiple stakeholders on its living wage program. We hope that more companies can apply these lessons for their operations and supply chains, so that workers, communities and businesses can thrive together.”

JANE HWANG, PRESIDENT AND CEO
SOCIAL ACCOUNTABILITY INTERNATIONAL (SAI)

We have seen how a living wage contributes to the lives of our employees, their families and their communities. We are also pleased to see that the methodology we helped create is being used far beyond our factory walls. Through the recently established Global Living Wage Coalition, seven of the world's most influential sustainability standards organizations joined together with the ISEAL Alliance, and are working to advance a living wage through their international standards for responsible operations and beyond.

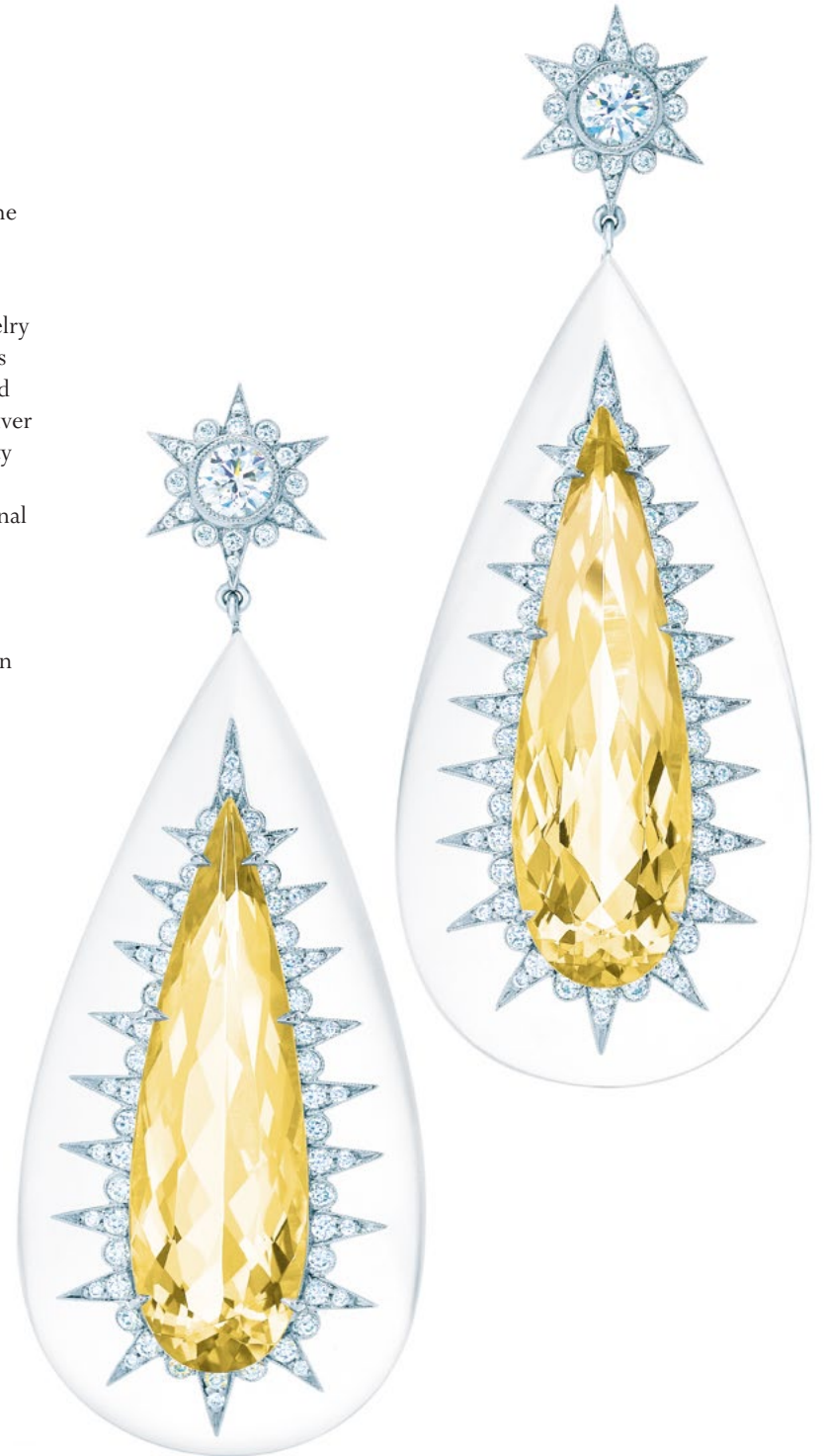
Another way we strive to create good manufacturing jobs is by investing in employee training and development. In Vietnam, where we employ around 1,300 people, we have a management training program; and, today, most of our supervisory and managerial staff are from the local community. In Cambodia, where we opened a facility in 2014, we brought in 40 of our workers from Vietnam to teach our newly hired workers in Cambodia how to cut and polish diamonds. Today, we have approximately 750 mostly local employees in Cambodia, and we have implemented a development program that has helped advance some of them to supervisory positions. (Read more about our global training efforts in the Our Employees chapter.)

A NEW CENTER FOR DESIGN INNOVATION

In 2017, we are launching a new center to gather the top technical minds from across Tiffany in one location to focus on one thing: innovation.

Based in the world's creative capital and our Company's hometown of New York City, our Jewelry Innovation Center will provide a place for experts from our R&D, design, manufacturing, quality and supply chain teams to collaborate on ways to deliver new jewelry designs, with speed and sustainability embedded throughout the process. By exploring the use of new materials, technologies and artisanal processes, the Center will support Tiffany's creative vision.

This Center marks another important milestone in the evolution of our unique vertical integration strategy, which allows Tiffany & Co. to lead in innovation, quality and sustainability.



TIFFANY & CO. DIAMOND AND JEWELRY MANUFACTURING



1 PELHAM, NEW YORK
Tiffany Gemological Laboratory; final diamond grading and inscription.

2 ANTWERP, BELGIUM
Diamond headquarters; rough sourcing, preparation, large stone cutting, polishing and engineering.

3 GABORONE, BOTSWANA
Diamond cutting and polishing, medium size.

4 ROSE BELLE, MAURITIUS
Diamond cutting and polishing, medium size.

5 HAI DUONG, VIETNAM
Diamond preparation, cutting, polishing, grading and engineering, small size.

6 PHNOM PENH, CAMBODIA
Diamond preparation, cutting and polishing, small size.

A NEW YORK, NY
Jewelry making, setting and polishing.

B PELHAM, NEW YORK
Jewelry making, setting, polishing and model making.

C LEXINGTON, KENTUCKY
Jewelry making, setting and polishing.

D CUMBERLAND, RHODE ISLAND
Jewelry making, setting, polishing, casting, model making, hollowware and trophy craftwork.

E SANTO DOMINGO, DOMINICAN REPUBLIC
Jewelry assembly and polishing.

**THE TIFFANY & CO.
SUPPLIER CODE OF CONDUCT**

Our sustainability strategy is rooted in our responsible sourcing practices. Not only do the strong social and environmental practices of our supply chain represent a moral imperative, they are important to our brand and our performance as a global business. We strive to hold our suppliers to the same ethical principles to which we hold ourselves.

For years, the Tiffany & Co. Vendor Code of Conduct and Social Accountability Program have helped us uphold our basic expectations with many direct goods and packaging suppliers. To align with the evolution of our business and global supply chain, we updated our Supplier Code of Conduct in 2016. It expands on and clarifies our expectations related to human rights, fair and safe labor practices, environmental protection and ethical business conduct. In particular, our new code asks suppliers to align with the United Nations Guiding Principles on Business and Human Rights and work conscientiously to operate within that framework. In 2016, we began the process of sharing the updated code of conduct with new and existing suppliers.

**THE TIFFANY & CO. SOCIAL
ACCOUNTABILITY PROGRAM**

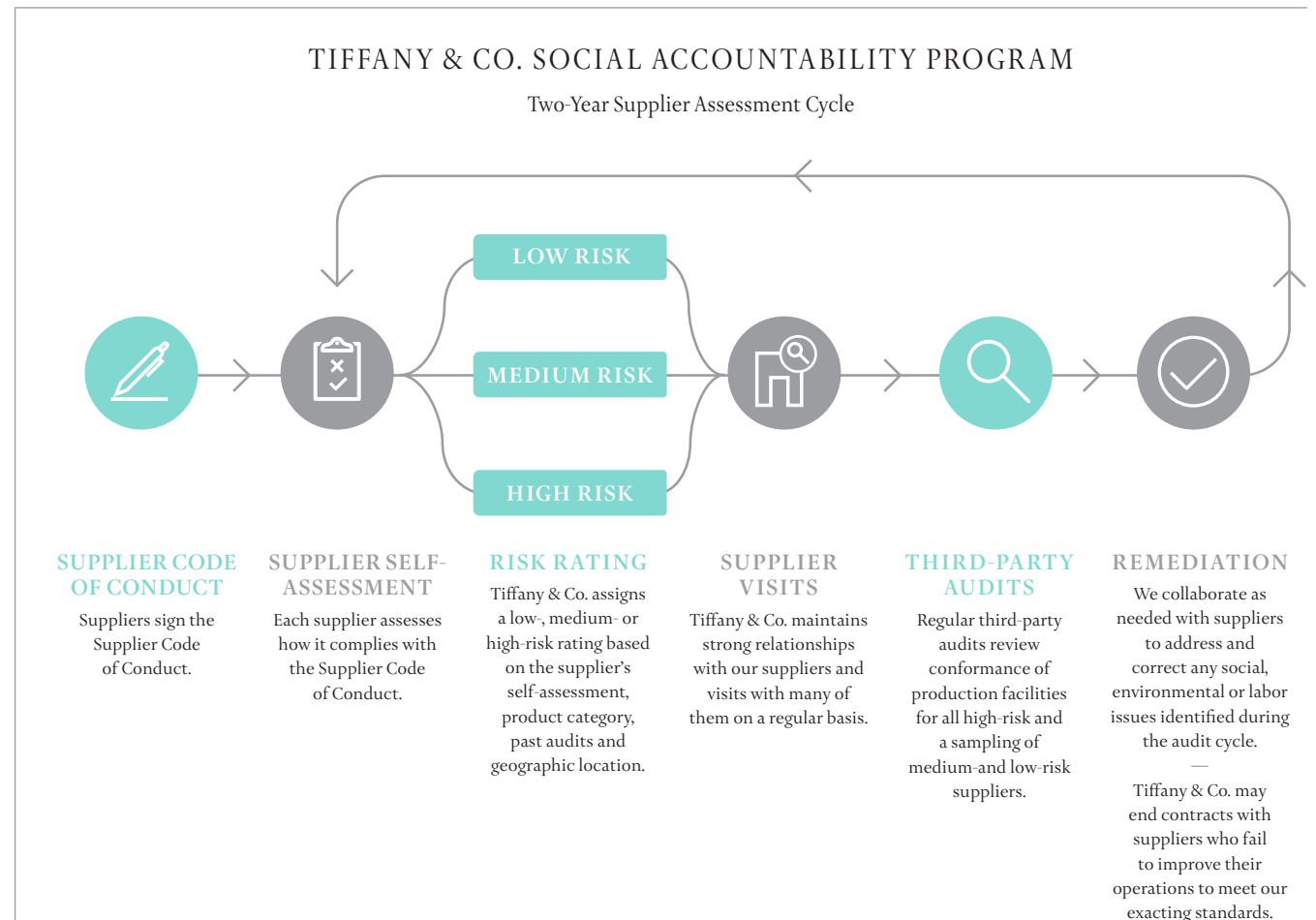
Through our Social Accountability Program, we work with a key subset of suppliers to review and improve their human rights, labor and environmental performance.

The program includes suppliers that provide us with our finished goods, components, leather goods, polished diamonds, colored gemstones and packaging materials, as well as service providers that repair and perform new sale alterations on Tiffany & Co. merchandise.

We perform regular audits on a targeted subset of these suppliers to review 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.

Building on our strong foundation, we will perform an assessment in 2017 to begin identifying opportunities to reimagine our supplier compliance and engagement efforts so that they keep pace with changes in our business and supply chain and allow us to seize opportunities to support positive social and environmental impacts.





ENERGY AND CLIMATE CHANGE

We support the global movement to act on climate change, and we are taking steps now to achieve our long-term goal of net-zero emissions by 2050. This goal—for our company, for business and for the global community more broadly—will help the world realize the Paris Agreement commitment to limiting global temperature rise to well below 2°C. To support our commitment, we conserve energy, build green, invest in renewables and use our voice to advocate for responsible climate policy.

“There are reasons for optimism as the global community bands together to address the challenges of climate change through the ingenuity, drive and dedication of businesses, governments and other collaborators. As a responsible corporate and global citizen, Tiffany remains committed to taking bold action.”

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

“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[†]

CLIMATE GOALS: STRIVING FOR NET ZERO

A recent assessment of scientific research and economic data indicates that significant decarbonization is needed now to reduce the likelihood of the worst impacts of global warming, including the loss of tropical coral reefs and even more frequent and extreme weather events. We believe it is critical that world leaders and businesses work toward a net-zero carbon economy by 2050. We aligned our own climate goal with this global vision to demonstrate our commitment to ambitious action.

In establishing our net-zero commitment, we joined with *The B Team*, a nonprofit coalition of business leaders, as well as other global companies in setting long-term climate change goals. Together, we also are asking world leaders to support a transition to a thriving, net-zero 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.

While our 2050 goal is long term, we are not waiting to take action. We also have a near-term goal to reduce emissions by 15% from 2013 to 2020, regardless of how much our business grows. We are actively taking steps to reduce energy and emissions in our own operations and invest in renewable energy. We are also beginning to explore the emissions of our value chain and opportunities to collaborate on reductions. One example of this is our work to conserve forests—ecosystems that serve an important role in reducing global warming by absorbing carbon dioxide from the atmosphere. (Read more about our responsible forestry goal in the Ethical Sourcing chapter.)

REDUCING ENERGY AND EMISSIONS

We established our goal to reduce total global emissions by 15% from 2013 to 2020 so that even as our business grows and we expand Tiffany’s retail presence and manufacturing and distribution capacity, we strive to continue our current trajectory of reducing our Company’s absolute climate impacts.

We are proud that between 2015 and 2016, we have been successful in this endeavor: Our global Scope 1 and 2 emissions decreased by 5%, even as our global footprint grew by nearly 2%. This means that due to recent and ongoing energy-efficiency initiatives, our emissions per square foot have decreased by 6% over the same period.

We are achieving this progress through a strategic program focused on energy efficiency, green building and renewable energy.

In 2015, we enhanced our energy-efficiency and renewable-energy programs by launching a dedicated Green Fund. This internal program helps us identify the best opportunities across the Company to generate cost, carbon and resource savings through innovative projects nominated by Tiffany employees. Any employee across our global retail, manufacturing and office locations can suggest projects, which are assessed separately from other investments. Our internal committee—which includes finance, sustainability and real estate employees, including the CFO and CSO—selects the final projects based on their ability to generate financial and environmental returns. We also aim to find innovative ideas that we can replicate in multiple locations for even greater impact.

[†]The B Team is a grantee of The Tiffany & Co. Foundation.

TAKING ACTION TO 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.



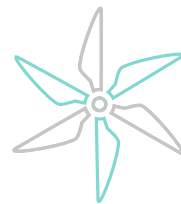
CLIMATE POLICY

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 ultimately procure 100% of our electricity from renewable sources.



RESPONSIBLE FORESTRY

Remove commodity-driven deforestation from our key supply chains by 2020.

Although the Green Fund is still in its early days, the program has already uncovered ideas that are inspiring conversations about possible new initiatives. In 2016, we selected our first five Green Fund projects to boost carbon savings by approximately 2,000 metric tons.

In addition, through our internal Greenhouse Gas Roundtable, facilities, finance and sustainability employees meet regularly to generate new ideas and share their lessons in piloting energy-efficiency projects in different locations.

In 2017, to build on the success of our current programs, we also plan to more comprehensively investigate renewable energy sourcing options and Scope 3 reporting.

ENERGY EFFICIENCY

In 2016, we took several steps to further improve our energy efficiency, through retail lighting and building energy-management upgrades.

RETAIL LIGHTING

In 2014, we began a program to roll out energy-efficient LED lighting in new and existing retail stores. In 2016 alone, we converted overhead or caseline lights to LEDs at over 30 of our existing stores in addition to installing them in all new stores worldwide. On average, replacing overhead lights with LEDs reduces total energy use by 20% year over year. We are pleased that this new energy-efficient lighting gives our customers the same dazzling 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

We consider efficiency settings and energy ratings like Energy Star® when purchasing and installing computers and office equipment. We are also transitioning some company servers from distributed systems to units that are able to achieve better energy efficiency through virtualization (which uses one physical server for hosting multiple virtual ones). Other efficiency improvements and energy reductions come from consolidating and using more efficient data storage units, installing efficient cooling systems in server rooms and utilizing cloud services.

BUILDING GREEN

When we plan new facilities, we seek to incorporate sustainable building design principles to improve energy and 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 facilities.

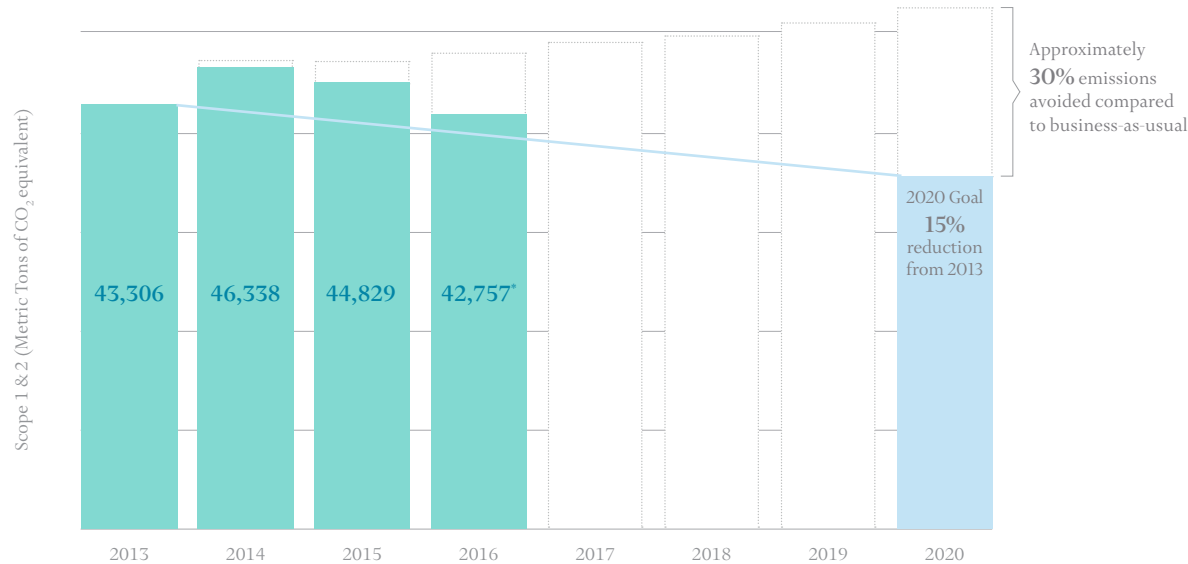
- 2011 The Tiffany & Co. Santa Monica retail store became our first LEED-certified facility. It is LEED Gold certified for Commercial Interiors.
- 2011 Our New York headquarters were consolidated into an office building that is LEED Platinum certified for Commercial Interiors. This consolidation reduced 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.
- 2016 Our Laurelton Diamonds Cambodia facility was LEED certified for New Construction, making it one of Cambodia's first LEED-certified buildings.[†]

[†]Updated. The 2015 Tiffany Sustainability Report stated 2014, the year the facility applied for certification, rather than 2016, the year it received certification.

GLOBAL ENERGY AND EMISSIONS PERFORMANCE SUMMARY

	2015	2016	PERCENT CHANGE 2015-2016
ENERGY USE (MWh)	114,446	112,980	1% ↓
SCOPE 1 AND 2 EMISSIONS (Metric Tons of CO ₂ e)	44,829	42,757*	5% ↓
Direct (Scope 1)	2,921	2,844*	
Indirect (Scope 2)	41,908	39,913*	
CARBON INTENSITY: REVENUE (Metric Tons of CO ₂ e / \$m Revenue)	10.9	10.7	2% ↓
CARBON INTENSITY: BUILDING AREA (Pounds of CO ₂ e / Square Foot)	32.3	30.3*	6% ↓

GLOBAL GREENHOUSE GAS EMISSIONS AND GOAL 2013-2020



*See the Report of Independent Accountants

Our global GHG emissions inventory includes direct (Scope 1) and indirect (Scope 2) emissions from more than 313 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.

GLOBAL GREENHOUSE GAS EMISSIONS BY BUILDING TYPE 2016



- 50% RETAIL
- 8% OFFICES
- 42% OTHER (e.g., Manufacturing, Warehouse, Mixed Use)



CASE STUDY

A Brighter Future for Our New York Flagship Store

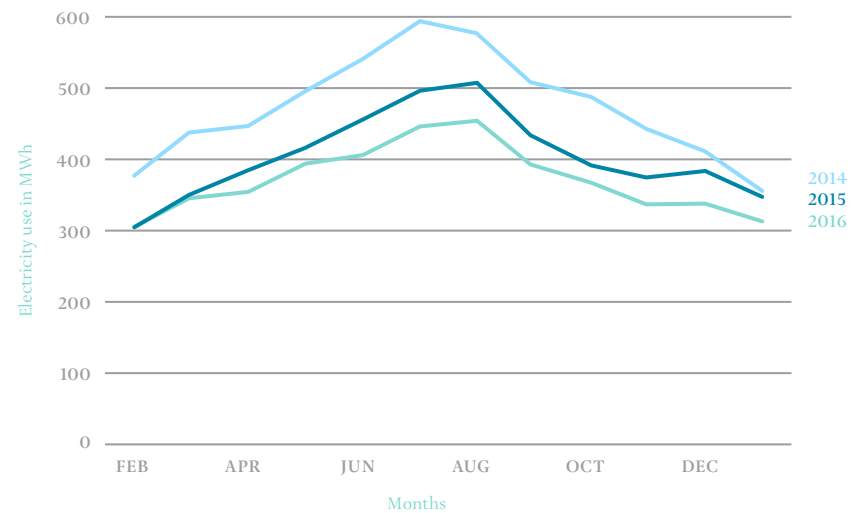
We are proud to showcase our Company’s commitment to energy efficiency at our most famous retail location: our New York flagship store.

For the past three years, we have been rolling out a series of efficiency improvements. Beginning in 2014, we replaced the lighting in our flagship’s retail spaces with LED bulbs and initiated the installation of a modern building energy-management system. The system optimizes performance of heating and cooling components such as motors, fans and pumps.

Improvements continued in 2015 and 2016. Today, all lights are LED, including retail and back-of-house operations, the energy management system is fully operational, and heating and cooling systems and controls are updated.

These improvements at our flagship store resulted in electricity reductions of more than 20% between 2014 and 2016 and help us meet our climate goals.

ELECTRICITY SAVINGS 2014–2016

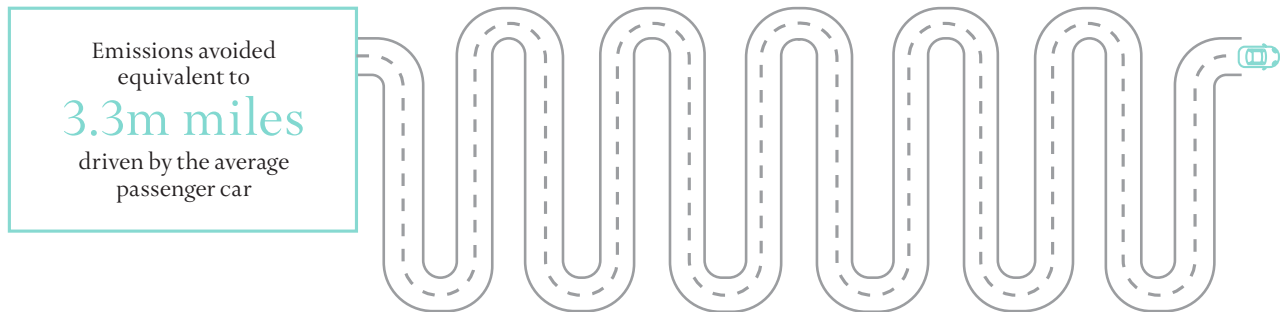
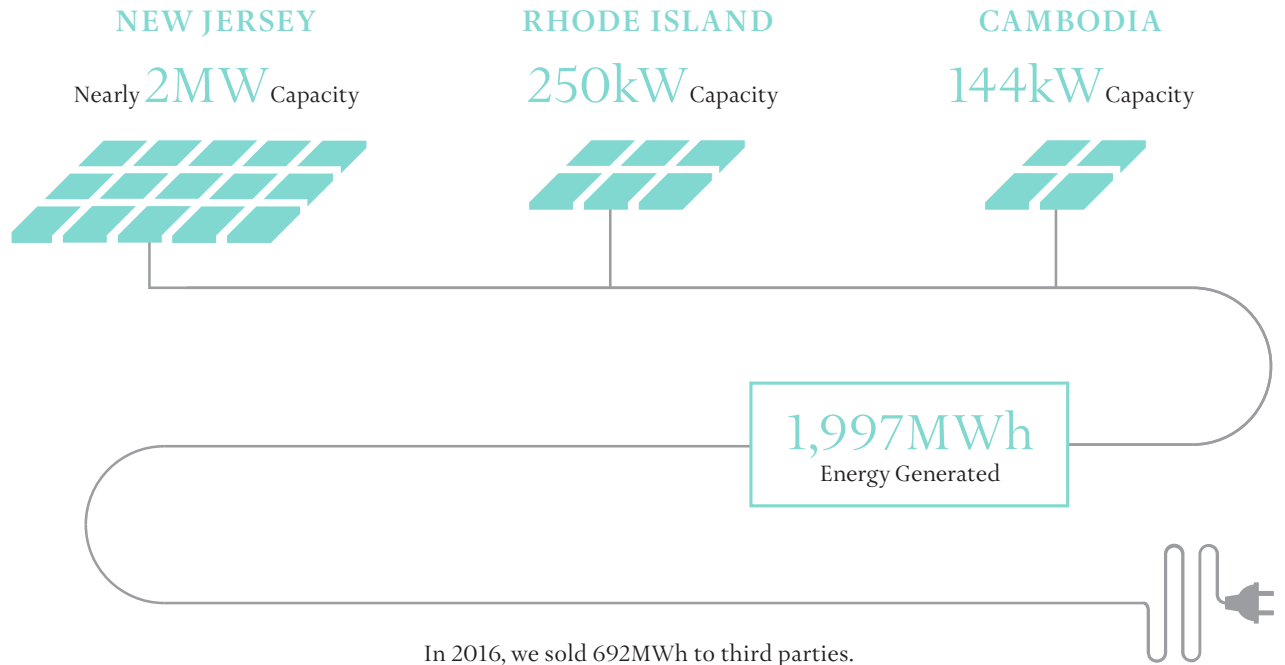


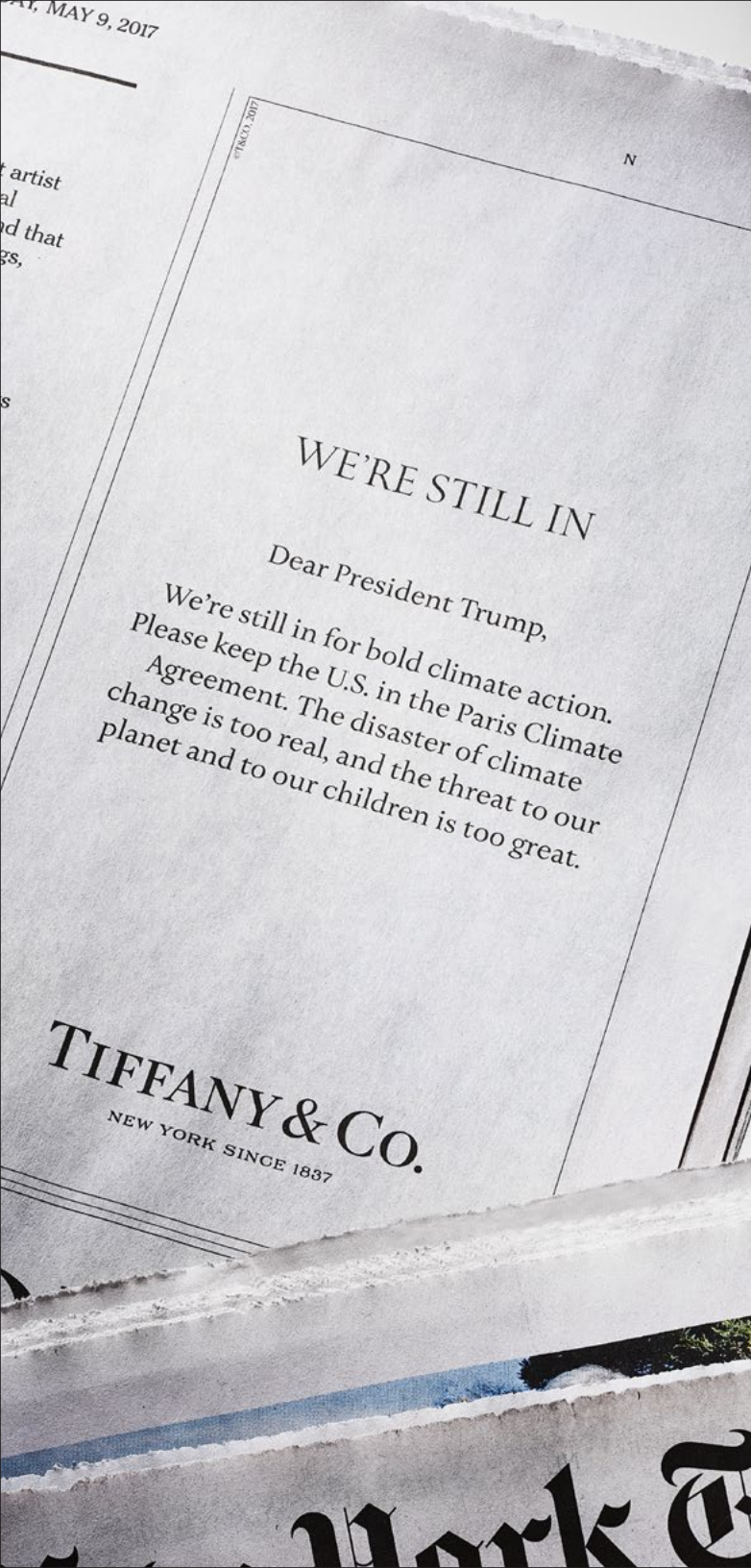
EXPANDING OUR RENEWABLE ENERGY PORTFOLIO

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 energy represents 1.5% of our electricity portfolio. We plan to build on our successes and more comprehensively investigate renewable energy sourcing and offset options toward our net-zero greenhouse gas vision.

ON-SITE SOLAR ENERGY GENERATION 2016





RESPONSIBLE CLIMATE POLICY

In 2016, we took a public stand and reiterated our pledge to global climate action by signing an open letter with other U.S. businesses encouraging the U.S. government and world leaders to maintain commitments made in the historic Paris Agreement of 2015. In May 2017, as it became clear the U.S. government was actively considering withdrawing from the Paris Agreement, Tiffany & Co. placed an ad in *The New York Times* and amplified the message on social media calling for the U.S. to remain in the agreement. At the same time, Tiffany & Co. added its name to another open letter with a short list of companies outlining the importance of the agreement to U.S. businesses. In response to the U.S. decision to leave the Paris Agreement, and in the spirit of collaboration which remains the hope for success, we signed a multi-sector letter with large coalitions of businesses, mayors, governors, faith leaders, university presidents and NGOs indicating that we will continue to support climate action. We believe that our Company and the economy will be stronger in a low-carbon future.

We also take steps to avoid inadvertently opposing climate efforts through our memberships. 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* (described in the Governance chapter). 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. 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

We strive to demonstrate responsible stewardship of operational waste and water. For example, in 2016, we expanded a project to reduce the resources used in the process to clean polishing compounds off jewelry. This project uses an automated wash line that carefully controls soap concentrations, which improves product quality, reduces soap use and saves energy by reducing how frequently the wash water is evaporated. Because we believe that our operational waste and water impacts are relatively low, we do not focus our environmental reporting on these issues at this time.



OUR EMPLOYEES

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

It is our privilege as a company to encourage and reward quality, imagination and collaboration. We do this by actively seeking employee feedback, offering training and development opportunities at all levels, and supporting the health and well-being of our workforce. We also place a high value on diversity and inclusion, with an aim toward building a workforce whose unique talents and perspectives contribute to our business success.

TIFFANY CULTURAL VALUES

Tiffany Cultural Values represent the best elements of our past and help define our culture of excellence today:

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

We value diversity and inclusion because we believe each of our employees can make a unique contribution to our Company and the Tiffany brand. We also believe these values help us make authentic connections with our customers. We want our employees and customers alike to feel valued and accepted, and we want our business to benefit from the opportunities presented by diverse perspectives and experiences.

We uphold these values globally so that we are well-positioned to acquire, retain and develop exceptional talent. We believe that all employees—and all people—should be treated fairly and with respect. We support equal opportunities for employment and the elimination of discrimination in all forms. When complaints of discrimination do arise, we investigate and take action when warranted.

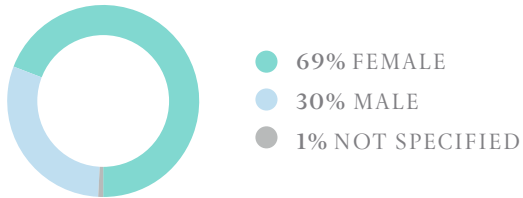
To complement this global strategy, each of our local business teams tailors activities to suit their needs. For example, our Cumberland, Rhode Island manufacturing facility collaborates with the National Technical Institute for the Deaf to provide skilled employment opportunities for individuals with hearing impairments, and with support from The Trudeau Center, employs adults with significant learning disabilities to perform general packaging jobs. Our Dominican Republic facility continues to work with Fundación Sur Futuro, a 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 2015 and 2016.

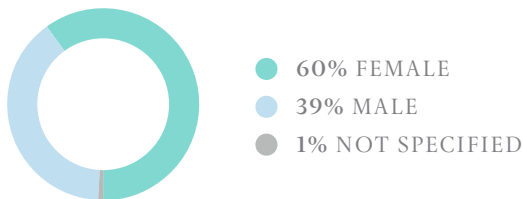


EMPLOYEE GENDER DIVERSITY BY MANAGEMENT LEVEL** 2016

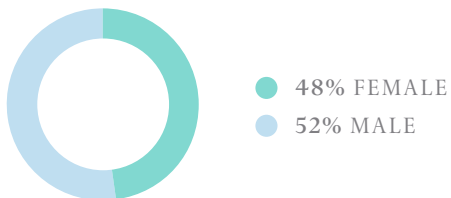
GLOBAL WORKFORCE



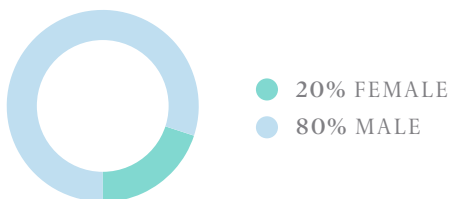
MANAGER AND ABOVE



VICE PRESIDENT AND ABOVE

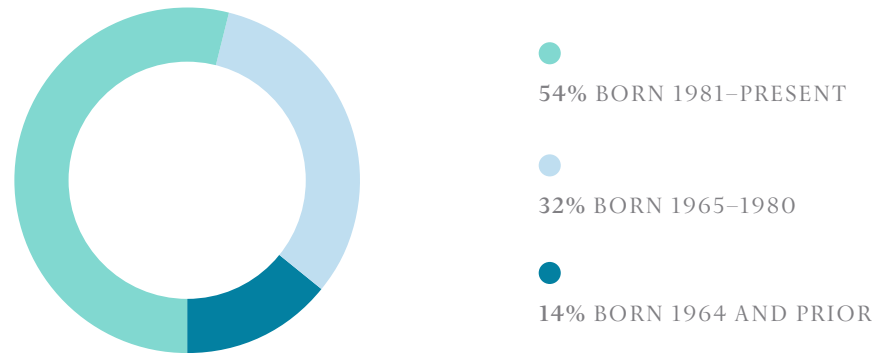


BOARD OF DIRECTORS

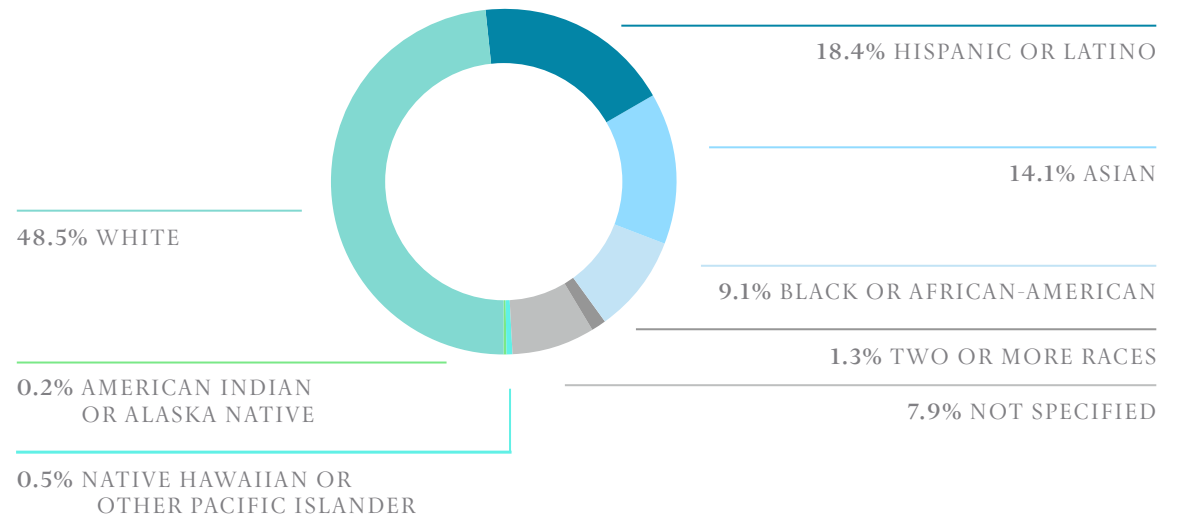


The figures above are as of January 31, 2016. As of the 2017 Tiffany & Co. Annual Meeting of Shareholders, the composition of the Board of Directors is 18% female, 82% male.

EMPLOYEE DIVERSITY BY GENERATION** 2016



U.S. EMPLOYEE ETHNIC DIVERSITY** 2016



**As self-disclosed by employees * See the Report of Independent Accountants

TIFFANY AND THE UNITED NATIONS WOMEN'S EMPOWERMENT PRINCIPLES

Tiffany & Co. is proud to champion women—
as customers, employees and leaders in our Company.



To advance our longstanding commitment to women's rights, human rights, and diversity and inclusion, Tiffany & Co. signed the UN Women's Empowerment Principles in March 2017. Using these principles as a guide, we aim to help empower women in the workplace, the marketplace and communities. Going forward, we will continue to build on our platform, identifying and prioritizing opportunities to support women throughout our Company and across the value chain.

We are proud to join companies from around the world that have signed on to these principles. By taking this step, we are reaffirming our commitment to women's empowerment globally; we are working to ensure that women and men are given equal opportunities to reach their full potential in the workplace; and, we are honoring the women who have chosen Tiffany as a powerful means of self-expression.

WOMEN'S EMPOWERMENT PRINCIPLES



Establish high-level corporate leadership for gender equality.



Treat all women and men fairly at work—respect and support human rights and nondiscrimination.



Ensure the health, safety and well-being of all women and men workers.



Promote education, training and professional development for women.



Implement enterprise development, supply chain and marketing practices that empower women.



Promote equality through community initiatives and advocacy.



Measure and publicly report on progress to achieve gender equality.

* See the Report of Independent Accountants

EMPLOYEE DIALOGUE AND ENGAGEMENT

An integral part of our collaborative culture at Tiffany & Co. is our ongoing and open dialogue with employees. We use a variety of tools to share information regularly, and we proactively seek feedback when employees join the Company, during our global employee surveys and when they decide to leave the Company.

Our engagement with employees helps us identify strengths and opportunities to make Tiffany an even better place to work. Based on the results of our 2016 Tiffany global employee survey, we were happy to see that the vast majority of employees feel engaged, even in a year of significant changes at our Company—including some transitions at the senior-leadership level. We also identified three main areas for action: career growth and development, enhanced levels of leadership communications and working together better to drive innovation. We are committed to using employee feedback to make positive changes and enhance their experience.

EMPLOYEE DEVELOPMENT AND TRAINING

As a company that values quality, imagination and innovation, we believe we achieve more by investing in the training and development of our workforce. We provide structured opportunities for feedback and recognition, and we offer career development programs for employees at all levels of the organization.

Our employees participate in training and education programs covering topics such as leadership, sales and the development of numerous other critical skills. We provide these offerings in multiple languages and formats to meet the diverse needs of our workforce. In 2016, the vast majority of both our retail and non-retail employees participated in different

job-related programs offered throughout the year, and had access to additional programs to enhance personal development. We also offer support for external educational programs, which have been popular among our employees. These include professional development, continuing academic education through tuition reimbursement and a graduate-degree forgivable loan program for eligible U.S. employees.

We launched the Tiffany Academy for Excellence and Diversity in Retail Leadership in 2015 to give high-potential early- to mid-career professionals the opportunity to build rewarding careers. Through the Academy, we select a diverse class of aspiring leaders for an 18-month program that features rotations in retail management, merchandising and marketing activities. This program further develops leadership using a combination of one-on-one coaching, executive mentoring and participation in critical projects. In 2016, the number of applicants for this program doubled from that of the previous year. In 2017, the Tiffany Academy began its third cycle, and the first class of Academy graduates started to take on permanent roles within the Company.

As described in our chapter on Ethical Sourcing, we also provide workers in our global manufacturing facilities with extensive training, giving them the opportunity to develop skills that will provide them with a lifelong career while supporting local community development.

We believe that when an employee grows as a professional, we grow as a company. To support this in 2017, we are launching a career development program, “Grow with Tiffany,” that will include a variety of mentorship opportunities, career mapping exercises and training programs aimed at helping our employees evolve in ways that make sense for their career aspirations and our future business objectives.

OUR GLOBAL EMPLOYEE SURVEY

Our employee survey measures a variety of workplace topics, including communication, leadership, management effectiveness, customer focus, professional development and collaboration.



93% of Tiffany employees participated.

87% of employees are proud to work for Tiffany.

In 2016, as part of our efforts to advance diversity and inclusion, we created an 11-question Inclusion Index, measuring the extent to which employees feel proud, accepted and valued at work. We are committed to generating greater awareness of the importance of an inclusive workplace and greater accountability from all leaders in creating and sustaining it.



The Inclusion Index was calculated for Tiffany & Co. employees only, as Laurelton employees received an abridged survey with a subset of these questions.

HEALTH, WELLNESS AND WORKPLACE SAFETY

As part of our commitment to the health, well-being and safety of Tiffany employees and their families, we have practices and programs to help eliminate workplace hazards and educate employees on how to live healthy, productive lives.

Our Healthy Tiffany programs include meditation, nutritional counseling, onsite fitness and holistic wellness events. Our global Everyday Resources program provides free professional counseling and online resources for employees who seek such assistance and are undergoing emotional, family, financial or legal challenges.

Workplace safety is also paramount. Tiffany & Co. is committed to safeguarding our employees, customers and the visiting public. In calendar year 2016, our U.S. total recordable incidence rate—the number of recordable injuries or illnesses per 100 full-time equivalent U.S. employees—was 1.76*. A large majority of recorded incidents resulted in injuries that were not serious in nature and from which employees fully recovered. Although we did not meet our ambitious goal of 1.0 in 2016, this represents an improvement of approximately 44% since 2011.

Over the past few years, with guidance from our internal Safety Committee—which includes senior representatives from across the Company—we have implemented many improvements to our management systems to set and uphold safety standards.

For example, we launched our global “Safe@ Work” program in 2014 to raise awareness and provide safety resources tailored for employees in our different work environments, from our manufacturing facilities to our retail stores.

Since then, we have seen employees use their new knowledge and tools on safety topics such as emergency response; slips, trips and falls avoidance; fire evacuation; and ergonomics. We also collaborated with engineers to optimize the ergonomics of the workstations used by our master jewelers.

In 2015, we launched a program to identify and prioritize environmental and safety improvements at our manufacturing facilities (following the ISO 14001 environmental management system model). We began with our U.S. facilities and we will perform assessments in our international locations in 2017 to continue our efforts to create work environments free from recognizable safety hazards. Going forward, we plan to update our corporate safety guidelines to provide even greater consistency and efficiency across our global facilities.

Right: Laurelton Diamonds cutting and polishing facility in Mauritius.



* See the Report of Independent Accountants



CHARITABLE GIVING

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

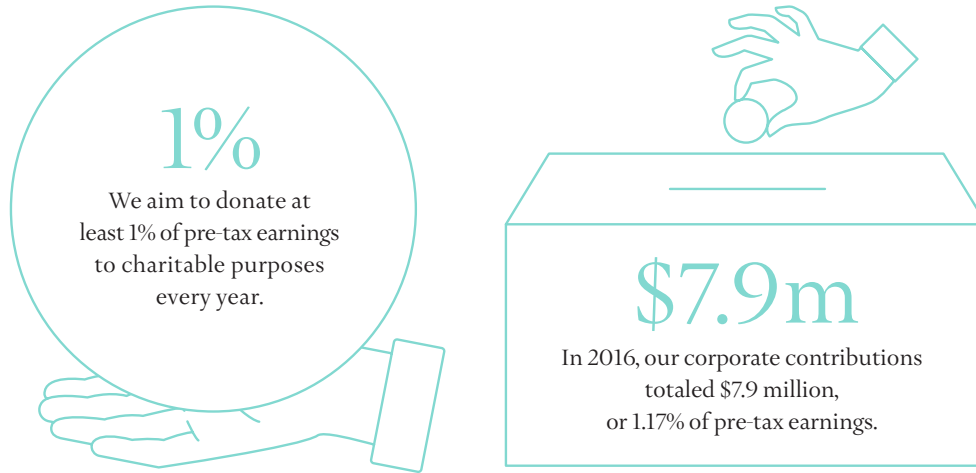
There are many ways Tiffany & Co. strives to benefit people and the planet through our business operations, and we are proud of our history of supporting nonprofit organizations and civic institutions in the cities and communities in which we operate.

“Corporate philanthropy is an essential vehicle for effecting social and environmental change. For Tiffany & Co., our philanthropic efforts are aligned with our sustainability strategy to holistically address issues we care about and make a long-term impact.”

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

TIFFANY & CO. CHARITABLE GIVING

Tiffany & Co. has a long legacy of giving back because we know our company is more successful when the communities where we operate thrive.



CORPORATE GIVING

Addresses community needs by making charitable contributions where Tiffany & Co. has a presence.



TIFFANY CARES

Supports the causes our employees are most passionate about by matching employee donations and volunteer hours in the U.S.



THE TIFFANY & CO. FOUNDATION

Seeks to preserve the world's most treasured landscapes and seascapes by supporting programs focused on responsible mining as well as coral and marine conservation.

CORPORATE GIVING

In 2016, through our global corporate giving program, we donated more than \$3.7 million in merchandise and financial contributions to local nonprofit organizations focused on the arts, education, health and human services, the environment and other civic causes. As our business grows and we expand into new regions, we look for opportunities to support these communities and the important work of local organizations and institutions.

Beauty, nature and art inspire Tiffany designers, and we, in turn, support artistic institutions in some of the world's greatest cities. We began this tradition in our hometown of New York City, where founder Charles Lewis Tiffany and his son, Louis Comfort Tiffany, actively supported The Metropolitan Museum of Art and the New York Society of Fine Arts. We also entered into a long-term engagement with New York's Whitney Museum of American Art to sponsor the next three Whitney Biennials, through 2021.

Outside of New York, we were a proud supporter of the 2016 Robert Rauschenberg exhibit at Beijing's Ullens Center for Contemporary Art, as well as the Rauschenberg retrospective at London's Tate Modern.

We believe cultural institutions play a valuable role in our communities, using art to open our eyes and inspire a new way of looking at the world.



CASE STUDY

Tiffany and the Elephant Crisis Fund

As part of our commitment to sustainability, Tiffany & Co. is vocal on critical issues including wildlife conservation. We demonstrate this commitment through Company decisions not to use materials such as ivory and coral in our products, through our membership in the U.S. Wildlife Trafficking Alliance and through the Foundation's grants to organizations working to protect wildlife.

Elephants need our help—they are so threatened by poaching and habitat loss that they are at risk of extinction in the wild. The Elephant Crisis Fund, an initiative of Save the Elephants and the Wildlife Conservation Network, aims to stop the slaughter of elephants and the trafficking of and demand for their ivory.

In 2016, Tiffany supported the #KnotOnMyPlanet awareness and fundraising social media campaign for the Elephant Crisis Fund. In 2017, Tiffany will donate 100% of the profits from an exclusive collection of elephant brooches and charms, launching worldwide in the fall, to the Elephant Crisis Fund. Based on an archival design from 1949, these elephant designs are accented with diamonds or tsavorites, a gemstone discovered near Kenya's Tsavo National Park and introduced by Tiffany. Our contributions will support anti-poaching, anti-trafficking and ivory demand reduction projects around the world.

Through this and other efforts, Tiffany is striving to protect the natural beauty of this great planet, from which we draw inspiration.

Left: African elephants photographed by Susan McConnell.

TIFFANY CARES

Our Company's cultural values guide us to "do the right thing" and "be brilliant together." This extends from our day-to-day work to our approach to giving. "Tiffany Cares" enables U.S. employees to take the lead in supporting the local causes they are most passionate about. Through this program, we match our U.S. employees' charitable donations dollar for dollar, and we also encourage their volunteer efforts by donating \$100 to eligible nonprofit organizations for every 10 hours of volunteer work they contribute. Regardless of whether employees choose to donate their time or their money, we match up to \$1,000 per employee for charitable purposes every year.

In 2016, to encourage increased participation, the donation minimum was lowered from \$50 to \$25, and we began communicating the program more proactively to employees. Participation in our Employee Giving program increased from 6% in 2015 to 8% in 2016. Through this program, we gave more than \$124,000 in 2016. In addition, our employees volunteered more than 2,800 hours to eligible nonprofits, which the Company matched with approximately \$16,000 in monetary donations through the Volunteer Matching program. We hope that participation in these programs will keep expanding in future years.

We are proud when our employees contribute their time or resources to worthy causes, and we will continue to look for new ways to encourage and support the Tiffany employees and departments that volunteer in their local communities.



“When we were looking for partners to invest with us in virtual reality storytelling for Valen’s Reef, The Tiffany & Co. Foundation immediately came to mind. As longtime champions of ocean conservation and education, the Foundation was a natural partner for inspiring a new generation of global leaders to act to protect our planet.”

DR. M. SANJAYAN, CHIEF EXECUTIVE OFFICER
CONSERVATION INTERNATIONAL¹

The Tiffany & Co. Foundation

We established The Tiffany & Co. Foundation in 2000 to guide our philanthropic endeavors, and today the Foundation supports efforts that preserve the world’s most treasured landscapes and seascapes. The Foundation awards grants in two environmental program areas: responsible mining and coral and marine conservation. To date, Tiffany & Co. has contributed approximately \$65 million to the Foundation’s endowment, resulting in over \$70 million in grants awarded through 2016.

As a vital component of our sustainability efforts, the Foundation’s responsible mining program promotes remediation of damaged land, preservation of land that is culturally or environmentally significant, and the creation of industry standards to protect the environment and human rights. This program works beyond the Company’s direct supply chain to promote responsible mining through grantmaking to organizations that support local communities and preservation efforts, particularly in the American West and sub-Saharan Africa. (Read more about our efforts in the Responsible Mining chapter.)

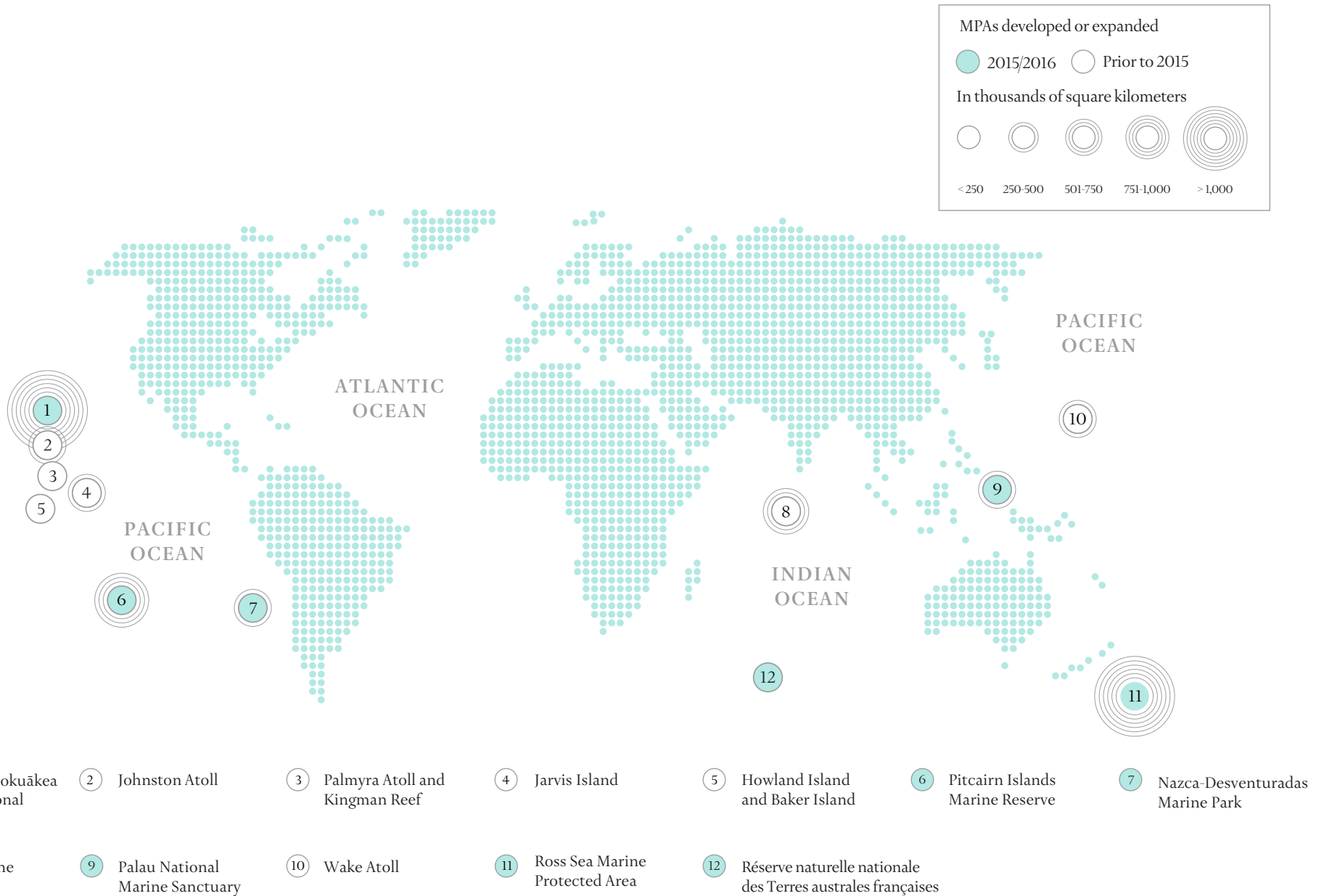
The Foundation made its first grant for coral conservation efforts in 2000. Since then, we have grown our marine conservation program to support research, educational outreach and the expansion of the world’s marine protected areas.

We are especially proud that Foundation grantees have supported the designation of many of the world’s largest marine protected areas. While the ocean covers 70% of the globe, approximately 3.5% of that area is protected, as compared to 15% of land. Today, many organizations, funders and governments are working to expand that coverage, and in line with the Sustainable Development Goals, the global community has set a target to conserve at least 10% of coastal and marine areas by 2020. The map on page 55 demonstrates some of the progress made, including an additional 3.6 million square kilometers of waters protected in 2016 alone.

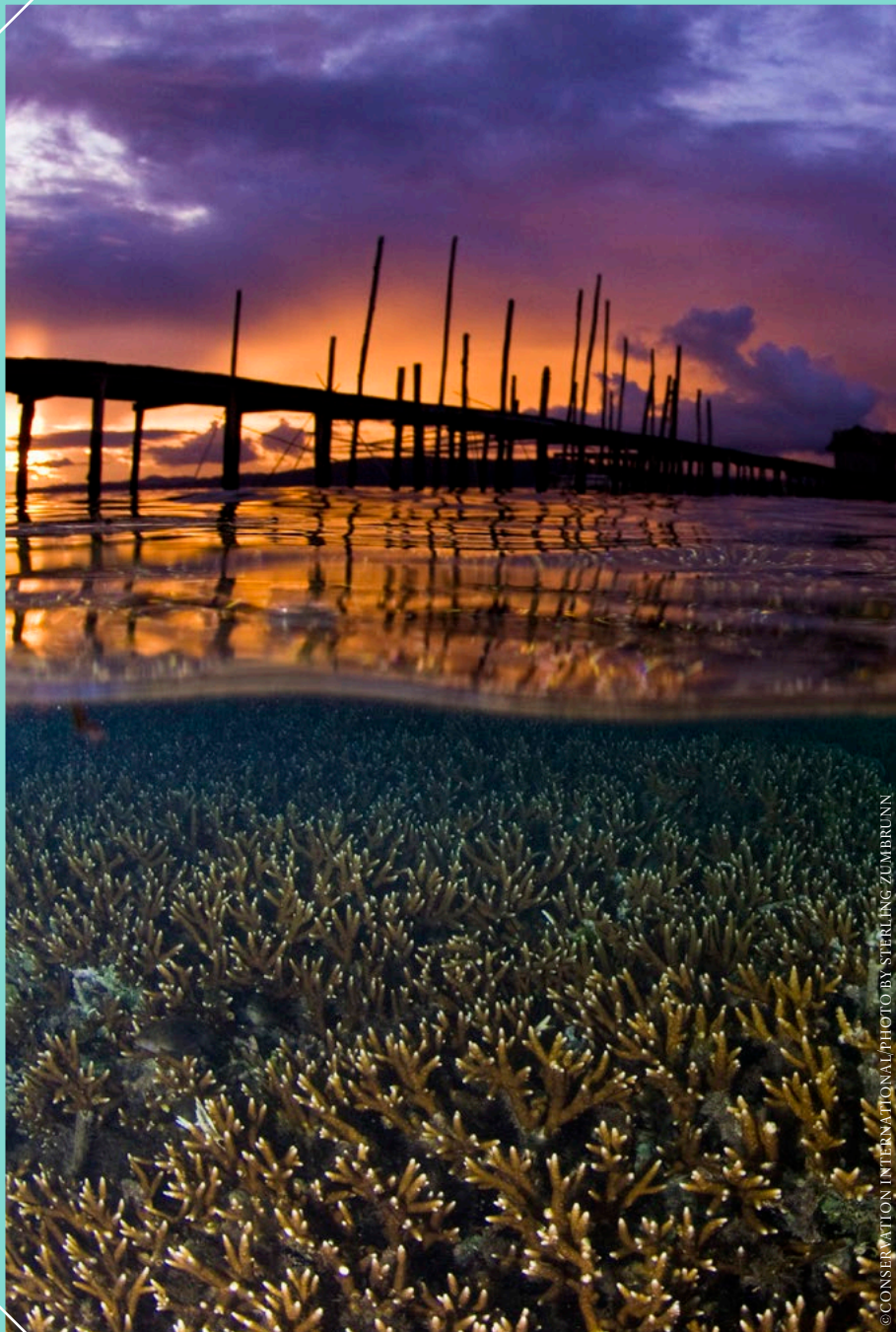


¹Conservation International Foundation is a grantee of The Tiffany & Co. Foundation.

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



Map not to scale
As of December 2016



© CONSERVATION INTERNATIONAL PHOTO BY STERLING ZUMBRUNN

CASE STUDY

Using Virtual Reality to Inspire Ocean Conservation

Valen's Reef Gives Viewers an Underwater Tour through Indonesia's Bird's Head Peninsula

Indonesia's Bird's Head Peninsula—home to 1,766 different species of fish and over 600 variations of hard coral—is one of those magical seascapes that few people have the privilege to see. That is, until the virtual reality film *Valen's Reef* led more than two million viewers on an immersive underwater journey through the world's most biologically diverse reef.

For decades, these reefs were threatened by destructive practices and overfishing that devastated the coastal communities that rely on these fisheries for income and food. But after years of close collaboration between conservationists, the local community and the government, the Bird's Head Seascape Initiative was able to establish a network of 12 marine protected areas in the region. This collaboration led to the successful rehabilitation of the Seascape, which has become the flourishing reef it is today.

In 2016, The Tiffany & Co. Foundation supported Conservation International in the production of *Valen's Reef*, a first-of-its-kind film. Narrated by a local fisherman-turned-conservationist telling his son about the reef, the film shares an inspiring story about how this reef went from being threatened to becoming a protected, thriving ecosystem that he can proudly pass down to his son.

By sharing this successful story of community-driven conservation, *Valen's Reef* seeks to inspire people to be more passionate about protecting the oceans. We were proud to support this initiative as part of the Foundation's strategy to educate more people about the importance of coral and marine ecosystems.

2016 GRANTMAKING

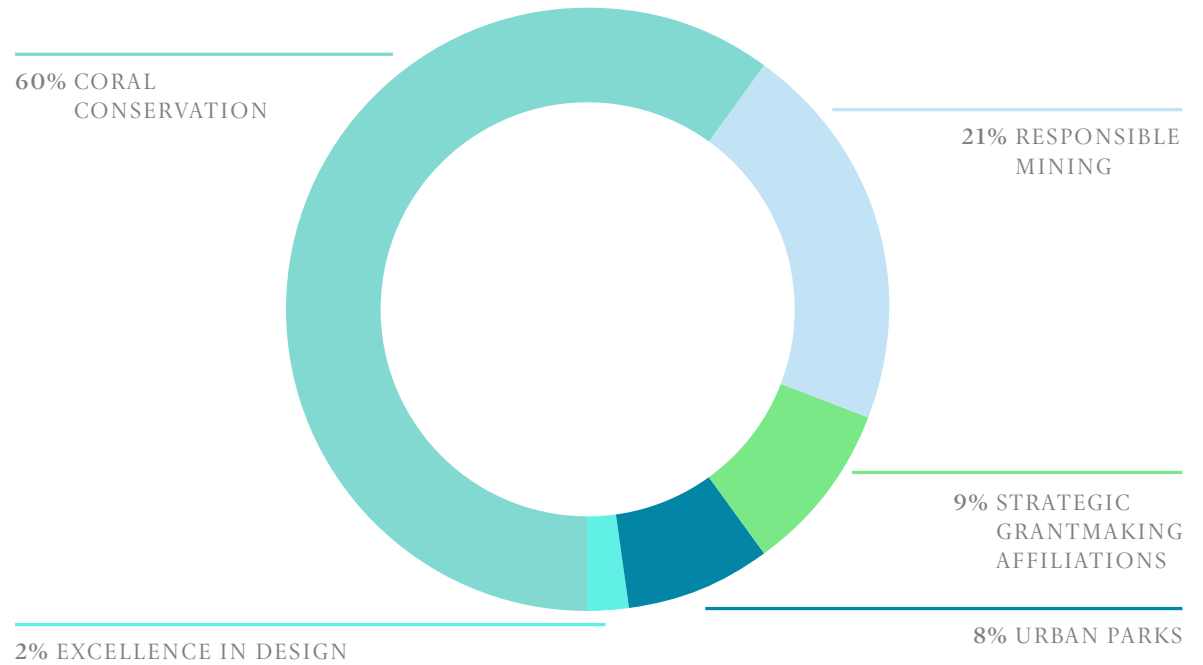
In Calendar Year 2016, The Tiffany & Co. Foundation awarded grants totaling \$5,995,000.* The Foundation's 990-PF, the United States Internal Revenue Service's Return of Private Foundation, can be found on [GuideStar](#).

For more information, including program guidelines and a listing of the Foundation's grantees, please visit [The Tiffany & Co. Foundation](#) website.

* See the Report of Independent Accountants

GRANTMAKING BY PROGRAM AREA

The Tiffany & Co. Foundation | Calendar Year 2016





10 YEARS OF INVESTMENT IN URBAN PARKS

In 2016, we concluded The Tiffany & Co. Foundation's successful program supporting urban parks in global cities. We believe that parks are natural treasures of cities and play an essential role in the urban landscape: These are places where the man-made environment and nature coexist in harmony. Whether built on elevated railways or reclaimed industrial sites, or created in open spaces safeguarded from development, urban parks add vibrancy and life to modern neighborhoods.

Although our program has ended, its legacy continues through these beautifully designed green spaces, which revitalize cities and give urban dwellers the chance to experience a natural oasis in the city. These photos highlight some iconic places we have supported, such as New York's High Line, San Francisco's Presidio and L.A.'s Cahuenga Peak, home of the famous Hollywood Sign.

THE HIGH LINE IN
NEW YORK CITY



ROSE KENNEDY
GREENWAY IN BOSTON



BATTERY EAST VISTA
IN SAN FRANCISCO



CHAPULTEPEC
PARK IN
MEXICO CITY



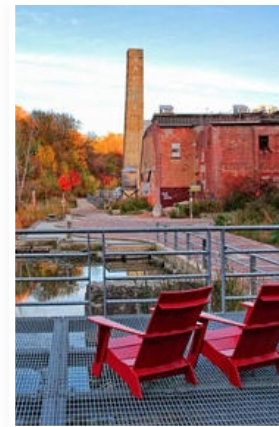
GRIFFITH PARK
IN LOS ANGELES



HERMANN
PARK IN
HOUSTON

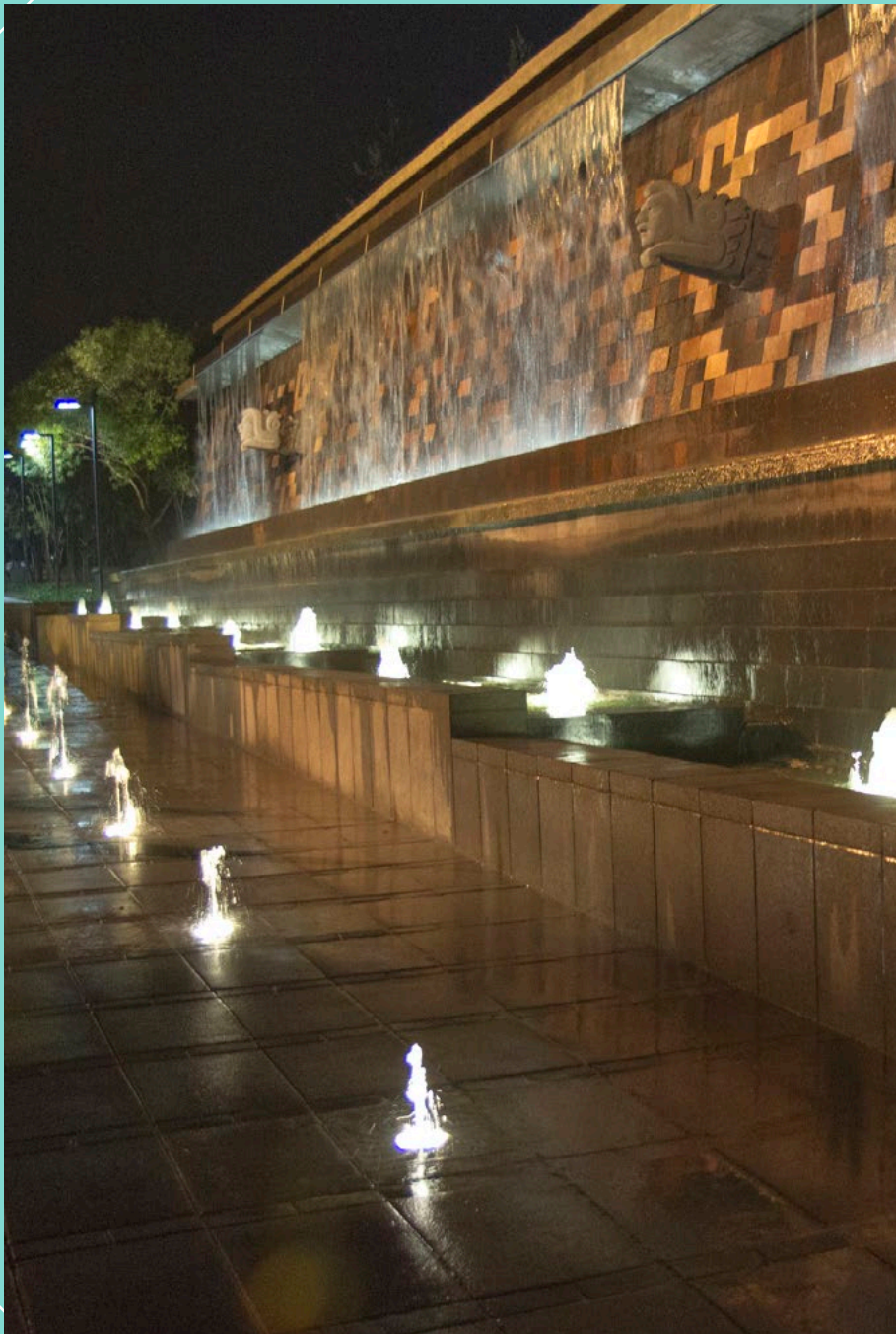


EVERGREEN
BRICK WORKS
IN TORONTO



THE BATTERY IN
NEW YORK CITY

PHOTO CREDITS: New York High Line, Richard Green/Alamy; Rose Kennedy Greenway, Jon Bilous/Alamy; Battery East Vista, Paul Myers, Parks Conservancy; Hermann Park Houston Natureworld/Alamy; Evergreen Brick Works Charline Xia Ontario Canada Collection/Alamy; Griffith Park, Rich Reid.



CASE STUDY

Mexico's Chapultepec Park: Restoring One of the World's Oldest Public Parks

At 1,700 acres, Mexico City's Chapultepec Park is twice the size of New York's Central Park and is the largest urban park in the Americas. The park serves millions of people each year, who come to enjoy the natural environment and see monuments and architecture that represent Mexico's cultural heritage.

As one of the world's oldest public parks, however, Chapultepec and some of its important landmarks were in need of restoration.

In 2014, The Tiffany & Co. Foundation awarded a \$1 million grant toward the park's restoration[§], which has been led by the Chapultepec Trust since 2004. In 2016, the park celebrated the opening of the pre-Columbian Xochipilli Fountain and the Composer's Passage, two of its iconic features that celebrate Mexico's rich history.

[§]This work was made possible by a grant to The Resource Foundation.



GOVERNANCE

We maintain our commitment to responsible business through a well-established system of governance principles and accountability structures. These systems help our directors, officers and employees provide oversight for the ethical principles embodied within the Company's practices and standards.

“Sustainability is a core driver of Tiffany’s successful long-term growth. It serves as a brand differentiator, talent motivator and competitive advantage. Active oversight from the Corporate Social Responsibility Committee at the Board level exemplifies Tiffany’s leadership commitment to managing social and environmental priorities on behalf of all of the Company’s stakeholders.”

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.

MICHAEL J. KOWALSKI
CHAIRMAN OF THE BOARD

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.

SUSTAINABILITY LEADERSHIP COUNCIL

Established in 2016, this new forum composed of internal leaders—many of whom report directly to members of Senior Management—fosters collaboration across departments and creates a platform for learning and sharing ideas that advance Tiffany's global sustainability priorities and objectives.

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

INTEGRATING SUSTAINABILITY

With leadership from the CSR Committee of the Board of Directors, the CEO, the Chief Sustainability Officer (CSO) and Senior Management, Tiffany seeks to integrate and align environmental and social efforts into its long-term business objectives and practices.

In 2016, we moved to further integrate sustainability throughout the Company by establishing the Tiffany & Co. Sustainability Leadership Council. Under direction of the CSO, this new forum—composed of internal leaders, many of whom report directly to members of Senior Management—fosters collaboration across departments and creates a platform for learning and sharing ideas that advance Tiffany's global sustainability priorities and objectives.

POLICIES AND PROCEDURES

A number of sustainability policies and practices guide the Company's operations, in line with our values of ethical behavior, environmental protection and social responsibility.

The *Tiffany & Co. Code of Business and Ethical Conduct for Directors, the Chief Executive Officer, the Chief Financial Officer and All Other Officers of the Company* outlines the principles we expect these leaders to adhere to and to advocate for in the performance of their corporate duties. In addition, these officers and other key members of 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 globally, including compliance with all applicable laws and regulations. It prohibits payment of bribes and the acceptance of inappropriate business gifts or services. 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.

We also provide the means to anonymously report ethical and other concerns via a third-party service provider. Reporting mechanisms are available globally, except where prohibited or limited by local law. Reports are evaluated and, if warranted, issues are investigated and remediated. A summary of these matters is 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 Anti-Money Laundering training as well as 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 of 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 seventh annual Tiffany & Co. Sustainability Report is based on our performance for Fiscal Year 2016 (February 1, 2016–January 31, 2017) unless otherwise specified. We plan to continue to report on our progress annually.

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 2016 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.

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. Full methodology and definition guidance are maintained in metric controls documents, inventory management protocols and our sustainability data management system. A summary of the data and information collected, including definitions, scope, units of measure, reporting period, calculation methodology and potential information sources can be found in the About This Report – 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, 2016–January 31, 2017).

UNDERSTANDING OUR MOST MATERIAL ENVIRONMENTAL AND SOCIAL ISSUES

Tiffany & Co. reports on the sustainability aspects of our business that we deem most material¹ 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. 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 2016 financial performance and material risk factors in the [*Tiffany & Co. 2016 Form 10-K*](#) and its [*quarterly filings on Form 10-Q*](#).

¹For 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.

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
 - Wood & Paper
 - Tiffany Manufacturing & Supplier 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 herein. 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 About This Report – 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 help 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.



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	
Jewelry Manufactured Internally	The approximate percentage, by dollar value, of jewelry sold by Tiffany & Co. that is internally manufactured relative to all finished goods sold.
Rough Diamonds Purchased	The weight in carats of rough diamonds purchased by Tiffany & Co. via Laurelton Diamonds in Botswana 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. regardless of country of origin.
ROUGH DIAMOND TRACEABILITY	
Traceable to 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. Includes purchases via Laurelton Diamonds in Botswana in the calendar year and in Belgium in the fiscal year and is indicated by either the contractual terms with the supplier which require the diamonds to be purchased from a specific mine(s), the details listed on the invoice received or information available on the specific supplier’s website with respect to mining location.
Polished Diamonds Purchased	The weight in carats of polished diamonds 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.
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 or metal refiner, or included in third-party manufactured components or finished goods.

* See the Report of Independent Accountants

TERM	DEFINITION
METAL TRACEABILITY	
Raw Direct Metals Traceable to Mine*	The weight in troy ounces, expressed as a percentage, of raw silver, gold and platinum procured directly from a mine as evidenced by the contractual terms with the supplier which require the metals to be purchased from a specific mine(s) or the details listed on the invoice received.
Raw Direct Metals Traceable to Recycler*	The weight in troy ounces, expressed as a percentage, of raw silver, gold and platinum procured directly from a recycler as evidenced by the contractual terms with the supplier which require a percentage of metals be recycled, the details listed on the invoice received or a statement on the recycler’s website stating that the metal is 100% recycled.
Raw Direct Metals Traceable Only to Supplier	The weight in troy ounces, expressed as a percentage, of raw silver, gold and platinum that is traceable to a supplier with mixed sources not otherwise traceable directly to a mine or a recycler.
<hr/>	
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.
<hr/>	
ETHICAL SOURCING—WOOD & PAPER	
Wood and Paper Use	The weight of wood and paper materials purchased by Tiffany & Co. including packaging materials (e.g., blue bags, white bags, set-up boxes, C-fold boxes, corrugated boxes, tissue and pouches), catalogue and printed collateral paper, store design, visual merchandising and finished goods containing wood or paper.
Wood and Paper FSC Certification	The percentage, by weight, of Forest Stewardship Council (FSC)-certified wood and paper, as evidenced by certifications provided on supplier invoices.
Recycled Content	The percentage of recycled and post-consumer recycled material, as evidenced by certifications provided on supplier invoices or supplier claims and product descriptions.
<hr/>	
WOOD AND PAPER SOURCING GUIDELINE CATEGORIES	
Best	The percentage, by weight, of materials that are either: (1) FSC-certified or (2) verified as made from 100% recycled content as evidenced by certification claims on supplier invoices.

* See the Report of Independent Accountants

TERM	DEFINITION
Better	The percentage, by weight, of materials that are either: (1) made with content a supplier has third-party assessed to meet controlled wood standards for which Tiffany & Co. uses the FSC standards (FSC-STD-40-005) to define and evaluate; (2) certified to regional PEFC standards and originate from countries listed as “low risk” for conversion and high conservation values by the Global Forest Registry; (3) manufactured using content originally certified (per FSC standards), but not provided to Tiffany as certified by its direct supplier or (4) made from reclaimed or repurposed wood and uncertified recycled paper, excluding any wood species protected by CITES or listed as Near Threatened or Threatened on the IUCN Red List.
Known and Legal	The percentage, by weight, of materials that are either: (1) made with content which originates from countries listed as “low risk” for legality by the Global Forest Registry or (2) verified by a third party which provides assurance of legality.
Recyclability	The percentage of material that can be recycled by the end user.

ETHICAL SOURCING—OTHER RAW MATERIALS

LEATHER TRACEABILITY

Traceable to Tannery	The quantity of each leather type purchased (excluding leather types used on watch straps) 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 (excluding leather types used on watch straps) that is traceable to the farm and tannery as a percentage of overall purchases as evidenced by supplier invoices and contractual terms.

ETHICAL SOURCING—TIFFANY MANUFACTURING & SUPPLIER RESPONSIBILITY

Local Employee Ratio*	The diversity of the Laurelton global workforce, including temporary and seasonal employees, according to local or expatriate status as evidenced by Human Resources records, as of the end of the year, where permitted by local law.
Worker Living Wage	Laurelton conducts living wage studies in manufacturing locations in developing countries 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.
Percentage of Supplier Code of Conduct Signatures	The percentage of suppliers providing finished goods, components, leather goods, polished diamonds, colored gemstones and packaging materials as well as service providers that repair and perform new sale alterations on Tiffany & Co. merchandise in the Social Accountability Program, who have signed the Supplier Code of Conduct as of the end of the year.
Supplier Self-Assessment	The percentage of Tiffany & Co. suppliers in the Social Accountability Program who have completed a self-assessment against the Supplier Code of Conduct during the two-year audit cycle (2016–2017).

* See the Report of Independent Accountants

TERM	DEFINITION
Supplier Risk Level	The percentage of suppliers in the Social Accountability Program at each risk level (High, Medium, Low, Unrated) during the two-year audit cycle. The supplier risk level is calculated through a multilayered risk assessment process based on the supplier's self-assessment, industry and geographic location.
Audits	The percentage of high-risk suppliers in the Social Accountability Program that have undergone a third-party audit during the two-year audit cycle.
Supplier Compliance Status	The number of audited suppliers in the Social Accountability Program at each compliance level (Satisfactory, Minor Nonconformance, Major Nonconformance, Critical) at the conclusion of the year.
Nonconformance	Supplier incidents of nonconformance by type (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 determined by third-party audits during the two-year audit cycle.

ENERGY AND CLIMATE CHANGE

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 direct (Scope 1), indirect (Scope 2 location based) and total 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 total 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 million U.S. dollars of revenue (\$m), including both direct (Scope 1) and indirect (Scope 2 location based) emissions.
Renewable Energy	The energy, expressed in total MWh and/or as a percent of global electricity use, from renewable sources (e.g., solar and wind), either sourced from the market or self-produced.

OUR EMPLOYEES

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 18–31, 2016.
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, excluding the Board of Directors which is monitored separately, and as of the end of the year.

*See the Report of Independent Accountants

TERM	DEFINITION
Diversity by Generation*	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 and as of the end of the year.
Tiffany Employee Survey Participation	The percentage of the Tiffany & Co. global workforce including temporary and seasonal employees that responded to the Tiffany & Co. internal employee survey.
Tiffany Employee Survey Responses	The percentage of Tiffany & Co. employee survey participants that responded favorably based on a 5-point Likert scale.
Total Recordable Incidence Rate (United States)*	The number of recordable injuries or illnesses (based on the Occupational Safety and Health Administration definition of a recordable incident) per 100 full-time equivalent United States employees, during the calendar year, as of April 3, 2017.

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.
Corporate Giving	The total U.S. dollar contribution by type of donation (monetary, merchandise) 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.
Foundation Grantmaking*	The U.S. dollar amount of grants that The Tiffany & Co. Foundation paid to U.S. nonprofit organizations during the calendar year.

GOVERNANCE

Business Conduct Policy Signatures	The percentage of Tiffany & Co. employees who have signed and returned the <i>Tiffany & Co. Business Conduct Policy</i> acknowledgement and Officer's Questionnaire on time. All employees are required to review the Business Conduct Policy annually and select officers of the Company complete the Officer's Questionnaire on an annual basis.
Ethical Incidence	The number of ethical and other concerns reported to a third-party service provider, 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 and is “in accordance” at the Core level. For further information on Tiffany & Co.’s materiality process, data collection methodology, reviews for completeness, accuracy and validity or external assurance, please see elsewhere in the About This Report chapter of this report.

GENERAL STANDARD DISCLOSURES

INDICATOR	DESCRIPTION	RESPONSE
STRATEGY AND ANALYSIS		
G4-1	Statement from most senior decision-maker	Message from the Chairman of the Board
G4-2	Description of key social and environmental impacts, risks and opportunities	For information on material risks to Tiffany & Co., please see the <i>Tiffany & Co. 2016 Form 10-K</i> . 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	<i>Tiffany & Co. 2016 Form 10-K</i>
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	<i>Tiffany & Co. 2016 Form 10-K</i>
G4-7	Nature of ownership and legal form	<i>Tiffany & Co. 2016 Form 10-K</i>
G4-8	Markets served	<i>Tiffany & Co. 2016 Form 10-K</i>
G4-9	Scale of the organization	<i>Tiffany & Co. 2016 Form 10-K</i>
G4-10	Employees by employment contract and gender	<i>Tiffany & Co. 2016 Form 10-K</i> Our Employees

INDICATOR	DESCRIPTION	RESPONSE
G4-11	Percentage of employees covered by collective bargaining agreements	Not disclosed
G4-12	Description of organization's supply chain	Please see the <i>Tiffany & Co. 2016 Form 10-K</i> , as well as the Responsible Mining and Ethical Sourcing chapters of this report.
G4-13	Significant structural and organizational changes during the reporting period	<i>Tiffany & Co. 2016 Form 10-K</i> <i>Tiffany & Co. 2016 Proxy Statement</i>
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 throughout 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 2016 section of this report.
G4-16	List memberships of associations and national or international advocacy organizations	Selected memberships are listed in the Responsible Mining chapter and throughout the content of this report. The 2016 Annual Political Spending Disclosure can be found on the <i>Tiffany & Co. Investor Relations</i> website.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	Entities included in the organization's financial statements and those not covered in the report	<i>Tiffany & Co. 2016 Form 10-K</i> 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 chapter of this report. Any metric with a limited scope is defined in the discussion of that specific metric.
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 chapter of this report. Any metric with a limited scope is defined in the discussion of that specific metric.

INDICATOR	DESCRIPTION	RESPONSE
G4-22	Effects of restatements of information provided in previous reports	The 2015 Sustainability Report stated our Laurelton Diamonds Cambodia facility was LEED® Certified for New Construction in 2014, the year the facility applied for certification, rather than 2016, the year it received certification. This report does not include any other 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 or 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), and industry and supply chain partners. Information on Tiffany & Co. practices for stakeholder engagement can be found within the Executive Summary chapter 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 chapter 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 chapter 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 2016 (February 1, 2016–January 31, 2017) 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 2015 in August 2016.
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions	For information on how to contact Tiffany & Co., please see Customer Service .
G4-32	GRI Content Index and “in accordance” option	This report was developed in accordance with the GRI’s G4 framework and is “in accordance” at the Core level. Please see the Report of Independent Accountants for PwC’s review and report on Management’s Assertion on select sustainability metrics.

INDICATOR	DESCRIPTION	RESPONSE
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 chapter. Further information on governance at Tiffany & Co. can be found in the <i>Tiffany & Co. 2016 Proxy Statement</i> .
G4-35	Process for delegating authority for CSR topics from the highest governance body to senior executives and other employees	<i>Tiffany & Co. 2016 Proxy Statement</i> 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 chapter and throughout the content of this report. Further information about our stockholder communication processes can be found in the <i>Tiffany & Co. 2016 Proxy Statement</i> .
G4-38	Composition of the highest governance body and its committees	<i>Tiffany & Co. 2016 Proxy Statement</i> Our Employees
G4-39	Whether the chair of the highest governance body is also an executive officer	In 2016, Frederic Cumenal served as Chief Executive Officer of Tiffany & Co. and as a member of the Board of Directors. On February 5, 2017, Frederic Cumenal stepped down as CEO and the Company's Board of Directors appointed Michael J. Kowalski, Chairman of the Board, as the Company's Interim Chief Executive Officer.
G4-40	Nomination and selection processes for the highest governance body and its committees	<i>Tiffany & Co. 2016 Proxy Statement</i>
G4-41	Processes for highest governance body to avoid and manage conflicts of interest	<i>Tiffany & Co. 2016 Proxy Statement</i>
G4-42	Highest governance body's and senior executives' roles in approving CSR values, strategies, policies and goals	<i>Tiffany & Co. 2016 Proxy Statement</i> 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 chapter of this report.

INDICATOR	DESCRIPTION	RESPONSE
G4-44	Evaluation processes of the highest governance body's performance on CSR	<u>Tiffany & Co. 2016 Proxy Statement</u>
G4-45	The highest governance body's role in identifying CSR risks and opportunities	<u>Tiffany & Co. 2016 Proxy Statement</u> Governance
G4-46	The highest governance body's role in reviewing CSR risk management	<u>Tiffany & Co. 2016 Proxy Statement</u> Governance
G4-47	The frequency of the highest governance body's review of CSR impacts, risks and opportunities	<u>Tiffany & Co. 2016 Proxy Statement</u>
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 Senior Management.
G4-49	Process for communicating critical concerns to the highest governance body	<u>Tiffany & Co. 2016 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 & Co. 2016 Proxy Statement</u>
G4-52	Process for determining remuneration	<u>Tiffany & Co. 2016 Proxy Statement</u>
G4-53	Report how stakeholders' views are taken into account regarding remuneration	<u>Tiffany & Co. 2016 Proxy Statement</u>
G4-54	Ratio of compensation for the highest-paid individual to the median compensation for all employees	Not disclosed
G4-55	Ratio of percentage increase in compensation for highest-paid individual to the median percentage increase in compensation for all employees	Not disclosed

INDICATOR	DESCRIPTION	RESPONSE
ETHICS AND INTEGRITY		
G4-56	Values, principles, standards and norms of behavior	<u><i>Tiffany & Co. 2016 Proxy Statement</i></u> Our Employees Governance
G4-57	Mechanisms for seeking advice on ethical and lawful behavior	The <u><i>Tiffany & Co. Business Conduct Policy</i></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><i>Tiffany & Co. 2016 Proxy Statement</i></u> and the Governance section of this report.
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	<u><i>Tiffany & Co. 2016 Proxy Statement</i></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><i>Tiffany & Co. Investor Relations</i></u> website. The entities included in the Company's financial statements and the basis for preparation of the Company's financial statements are described in the <u><i>Tiffany & Co. 2016 Form 10-K</i></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, Ethical Sourcing and Charitable Giving chapters 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><i>Tiffany & Co. 2016 Form 10-K</i></u> . Information on Tiffany & Co. donations and The Tiffany & Co. Foundation's grantmaking can be found within the Charitable Giving chapter of this report. Information on Tiffany & Co.'s living wage practices can be found within the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report. The 2016 Annual Political Spending Disclosure can be found on the <u><i>Tiffany & Co. Investor Relations</i></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 material risks to Tiffany & Co., please see the <i>Tiffany & Co. 2016 Form 10-K</i> . For additional information, please see the Tiffany & Co. response to the CDP Climate Change Request, publicly available at www.cdp.net .
G4-EC3	Coverage of the organization's defined benefit plan obligations	<i>Tiffany & Co. 2016 Form 10-K</i>
G4-EC4	Financial assistance received from government	The Company does not receive financial assistance from government, provided, however, it does take ordinary tax credits and tax relief available to all eligible persons under applicable tax codes in the jurisdictions in which it operates. As reported in the <i>Tiffany & Co. 2016 Proxy Statement</i> , Qatar Investment Authority, a sovereign wealth fund owned by the Government of the State of Qatar, owns 16,222,436 shares of Tiffany & Co. common stock, which represented 13.01% of total number of shares of common stock outstanding as of April 30, 2017.
MARKET PRESENCE		
G4-EC5	Entry-level wage by gender compared to local minimum wage at significant locations of operation	For a discussion of Tiffany & Co. living wage practices at our manufacturing locations in developing countries, please see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report.
INDIRECT ECONOMIC IMPACTS		
G4-EC7	Development and impact of infrastructure investments and services supported	Please see the Responsible Mining – Tiffany Diamonds and Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility 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 Charitable Giving – 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 chapter of this report.

INDICATOR	DESCRIPTION	RESPONSE
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CATEGORY: ENVIRONMENTAL

G4-DMA	Environmental	<p>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 Responsible Mining and Ethical Sourcing chapters of this report. Management’s approach to material sourcing is also discussed in the <i>Tiffany & Co. 2016 Form 10-K</i>. For information on Tiffany & Co.’s process for evaluating suppliers across our global operations, please see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report.</p> <p>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 chapter of this report as well as in our response to the CDP Climate Change Request, publicly available at www.cdp.net.</p>
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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 help 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 Ethical Sourcing – Precious Metals and Ethical Sourcing – Wood & Paper 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 www.cdp.net .
G4-EN6	Reduction of energy consumption	Energy and Climate Change The Tiffany & Co. response to the CDP Climate Change Request is publicly available at www.cdp.net .

WATER

We do not focus our environmental reporting on Water at this time, as we believe that our water impacts are relatively low.

INDICATOR	DESCRIPTION	RESPONSE
BIODIVERSITY		
G4-EN11	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	Not known
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 chapters of this report.
G4-EN13	Habitats protected or restored	Responsible Mining Ethical Sourcing Charitable Giving – 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 www.cdp.net .
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 www.cdp.net .
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	The Tiffany & Co. response to the CDP Climate Change Request is publicly available at www.cdp.net .
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 www.cdp.net .
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 www.cdp.net .
EFFLUENTS AND WASTE		
G4-EN24	Total number and volume of significant spills	Tiffany & Co. did not have any significant spills within this reporting period.

INDICATOR	DESCRIPTION	RESPONSE
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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 chapter 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 2016.
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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 chapter 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 Ethical Sourcing – Tiffany Manufacturing & Supplier 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 chapters 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 & Co. prioritizes building and nurturing a culture of excellence. We demonstrate our commitment to this culture by providing opportunities for feedback and recognition; offering training and education opportunities at all levels; and supporting the health, well-being and safety of our employees. Moreover, we place a high value on diversity and inclusion, to build a workforce whose diverse talents and perspectives contribute to our business success. Please see the Tiffany Careers website for more information on our employment policies and practices.</p> <p>Tiffany & Co. is a global jewelry retailer and manufacturer. A discussion of how Tiffany & Co. interacts with the communities where we operate or source from can be found in the Responsible Mining and Ethical Sourcing chapters of this report.</p> <p>Information on the Company’s Business Conduct Policy and Code of Ethics is detailed in the Tiffany & Co. 2016 Proxy Statement. The Governance chapter of this report includes an overview of our business conduct and policy documents as they relate to Tiffany & Co. sustainability initiatives.</p> <p>For information on Tiffany & Co.’s process for evaluating suppliers across our global operations and their labor practices, please see the Ethical Sourcing – Tiffany Manufacturing & Supplier 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 Tiffany Careers 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 chapter of this report.

OCCUPATIONAL HEALTH AND SAFETY

G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees	Manufacturing and distribution locations have health and safety committees that participate in deployment of the location’s proactive safety efforts. Each location has various task, 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.
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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 chapter of this report.
TRAINING AND EDUCATION		
G4-LA10	Programs for skills management and lifelong learning	Please see the Our Employees chapter of this report and the Tiffany Careers 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 Tiffany & Co. Investor Relations website. Information on the diversity of our workforce can be found within the Our Employees chapter of this report.
EQUAL REMUNERATION FOR WOMEN AND MEN		
We do not externally report the information specified in this Aspect 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 Ethical Sourcing – Tiffany Manufacturing & Supplier 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 Ethical Sourcing – Tiffany Manufacturing & Supplier 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 chapter of this report, but do not disclose quantitative information about these matters externally at this time.		

INDICATOR	DESCRIPTION	RESPONSE
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Human Rights

INVESTMENT

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 & 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 2016, those employees who did not receive the online training performed an annual review of the Business Conduct Policy in their local language.
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NON-DISCRIMINATION

We report on our process for collecting information about incidents of discrimination and taking corrective action in the Our Employees and Governance chapters of this report, but do not disclose quantitative information about these matters externally at this time.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

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 Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report for an understanding of how this matter is reviewed within our supply chain.
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CHILD LABOR

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 assessment of our supply chain for these risks can be found in the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report.
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FORCED OR COMPULSORY LABOR

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 assessment of our supply chain for these risks can be found in the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report and our statement on the <i>California Transparency in Supply Chains Act/U.K. Modern Slavery Act</i> .
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INDICATOR	DESCRIPTION	RESPONSE
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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 chapter 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 chapter of this report.
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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 chapters of this report.
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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 Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section of this report. For information on conflict minerals due diligence, please see the Responsible Mining chapter 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 Responsible Mining chapter, Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section and Governance chapter of this report.

HUMAN RIGHTS GRIEVANCE MECHANISMS

We report on our process for collecting information about grievances and taking corrective action in the Governance chapter 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 Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility 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 Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section and Energy and Climate Change chapter 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 chapter of this report.
G4-SO4	Communication and training on anti-corruption policies and procedures	All employees are required to annually review the <i>Tiffany & Co. Business Conduct Policy</i> . Certain employees in all regions, including regional management, are required to undergo Anti-Money Laundering training. 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 and other applicable anti-corruption laws. For further information, please see the Governance chapter of this report.
PUBLIC POLICY		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	The 2016 Annual Political Spending Disclosure can be found on the <i>Tiffany & 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	In 2016, Tiffany & Co. was not subject to any significant fines or significant non-monetary sanctions for noncompliance with laws and regulations.
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 Ethical Sourcing – Tiffany Manufacturing & Supplier 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 Ethical Sourcing – Tiffany Manufacturing & Supplier 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 chapter 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. has not identified any incidents of noncompliance with voluntary codes or regulations concerning its products that have resulted in a fine, penalty or warning in 2016.

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 chapters 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 2016.

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	In 2016, Tiffany & Co. was not subject to any significant fines or significant non-monetary sanctions for noncompliance with laws and regulations.
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UNITED NATIONS GLOBAL COMPACT: COMMUNICATION ON PROGRESS 2016

In 2011, Tiffany & Co. joined the United Nations Global Compact, a strategic policy initiative for businesses committed to aligning their operations and strategies with 10 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.

PRINCIPLE	GLOBAL COMPACT PRINCIPLES	COMMUNICATION ON PROGRESS
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 help safeguard human rights within the Company and throughout our supply chain. These policies and procedures are detailed in the Governance chapter of this report. Within the Company, we welcome diversity and strive to offer all employees an equitable and respectful working environment (see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section and Our Employees chapter).
2	Businesses should make sure they are not complicit in human rights abuses.	The Company's Social Accountability Program (see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section) evaluates suppliers 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 and advocating for the protection of human rights (see the Responsible Mining chapter).
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 labor standards to protect workers worldwide. Tiffany & Co. provides guidance to employees and the Human Resource function of its organization to enhance compliance with applicable employment laws and regulations to foster a positive and ethical work environment (see the Our Employees and Governance chapters).
4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	Through its Social Accountability Program, Tiffany & Co. upholds standards in social responsibility by working with applicable suppliers to help ensure that they follow the Tiffany & Co. Supplier Code of Conduct, which addresses freedom of association and collective bargaining, forced labor, child labor, harassment or abuse, disciplinary practices and discrimination, among other practices (see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section).
5	Businesses should uphold the effective abolition of child labor.	Additionally, Tiffany & Co. supports the strengthening of industry-wide labor standards beyond our immediate operations (see the Responsible Mining chapter).
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	

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 actively participates 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 raw materials principally from mines we know and recycled sources. These efforts are strengthened by the Foundation's support of scientific research, conservation and multistakeholder collaboration to promote environmentally responsible standards in mining operations (see the Responsible Mining chapter). In addition to addressing the impacts of mining, we regularly look to reduce our environmental footprint in other ways, from using recycled and FSC-certified paper to reducing our greenhouse gas emissions (see the Ethical Sourcing – Wood & Paper section and Energy and Climate Change chapter).
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.	The <i>Tiffany & Co. Business Conduct Policy</i> 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 the Governance chapter). 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 and other applicable anti-corruption laws. Within our supply chain, the Tiffany & Co. Supplier Code of Conduct outlines expectations for ethical conduct and legal compliance (see the Ethical Sourcing – Tiffany Manufacturing & Supplier Responsibility section).
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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,” “strives,” “seeks,” “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. Tiffany & Co.’s forward-looking statements and goals are not guarantees or promises that the goals will be met. The statistics and metrics included in this Sustainability Report may be reported as estimates and may be based on assumptions or developing standards. The standards and codes of conduct for third-party suppliers are not guarantees that suppliers will follow the codes in all instances, and suppliers bear primary responsibility for meeting Tiffany & Co.’s standards and expectations. 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.



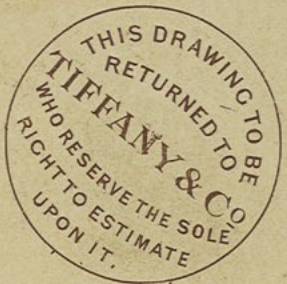


APPENDIX:
REPORT OF INDEPENDENT
ACCOUNTANTS

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.

Tiffany & Co. Management is responsible for the completeness, accuracy and validity of the information contained in the 2016 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 herein.

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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, 2016 to January 31, 2017
- Percentage raw direct metals traceable to recycler – February 1, 2016 to January 31, 2017
- Percentage rough diamonds traceable to the mine or source
 - Botswana – January 1, 2016 to December 31, 2016
 - Belgium – February 1, 2016 to January 31, 2017
- Economic beneficiation – Botswana – January 1, 2016 to December 31, 2016
- Generation diversity – as of January 31, 2017
- Gender diversity by management level – as of January 31, 2017
- Ethnic diversity – United States – July 18, 2016 to July 31, 2016
- Local employee ratio – as of January 31, 2017
- Total recordable incidence rate – United States – January 1, 2016 to December 31, 2016
- Foundation grantmaking – January 1, 2016 to December 31, 2016
- Greenhouse gas emissions – Scope 1 and scope 2 (location based) and total – February 1, 2016 to January 31, 2017
- Greenhouse gas emissions – Scope 1 and scope 2 (location based) per square foot – February 1, 2016 to January 31, 2017

Tiffany & Co. management is responsible for management's assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order to be fairly stated. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

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.

As discussed in Appendix A, the Company has estimated GHG emissions for certain emissions sources for which no primary usage data is available.

Based on our review, we are not aware of any material modifications that should be made to management of Tiffany & Co.'s assertion presented in Appendix A in order for it to be fairly stated.

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

May 31, 2017

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, 2016 to January 31, 2017 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 – 42.8% Silver – 43% Gold – 27% Platinum – 94%
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, 2016 to January 31, 2017 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, 2017 stating that the metal is 100% recycled.	Total Precious Metals – 57.0% Silver – 57% Gold – 73%
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, 2016 to December 31, 2016 via Laurelton Diamonds in Botswana, and February 1, 2016 to January 31, 2017 via Laurelton Diamonds 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, 2016 to December 31, 2016 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.	\$34,682,564

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, 2017, where permitted by local law.	Born 1964 and Prior: 14% Born 1965–1980: 32% Born 1981–Present: 54% No Birthdate Listed: 0%
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, where permitted by local law, and excludes the Board of Directors, which is monitored separately, as of January 31, 2017.	<u>Global Workforce</u> Female – 69% Male – 30% Not Specified – 1% <u>Manager and Above</u> Female – 60% Male – 39% Not Specified – 1% <u>Vice President and Above</u> Female – 48% Male – 52% Not Specified – 0% <u>Board of Directors</u> Female – 20% Male – 80%
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, 2016 to July 31, 2016.	White – 48.5% Hispanic or Latino – 18.4% Asian – 14.1% Black or African-American – 9.1% Two or More Races – 1.3% Native Hawaiian or Other Pacific Islander – 0.5% American Indian or Alaska Native – 0.2% Not Specified – 7.9%
Local Employee Ratio	The diversity of the Laurelton global workforce, including temporary and seasonal employees, according to local or expatriate status as recorded in the Company's Human Resources records as of January 31, 2017, where permitted by local law.	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, 2016 to December 31, 2016, as indicated on the Human Resources systems report as of April 3, 2017.	1.76 incidences per 100 full-time employees

Foundation grantmaking	The U.S. dollar amount of grants that The Tiffany & Co. Foundation paid to United States nonprofit organizations during the period January 1, 2016 to December 31, 2016.	\$5,995,000
Greenhouse gas emissions – Scope 1 and Scope 2 (location-based) and total	<p>The quantity in metric tons of carbon dioxide equivalent greenhouse gas emissions during the period February 1, 2016 to January 31, 2017. See below for additional information on GHG emission factors and estimates.</p> <p>Note: The World Resources Institute and World Business Council for 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. For 2016 GHG reporting in the Tiffany & Co. Sustainability Report, Tiffany & Co. is using the location-based approach only. Tiffany & Co. reports both location-based and market-based methodologies elsewhere, including the CDP Climate Change Request.</p>	<p>Total – 42,757 Scope 1 – 2,844 Scope 2 (location-based)– 39,913</p>
Greenhouse gas emissions – Total 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, 2016 to January 31, 2017.	30.3 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. Electricity emission factors are updated annually. For the 2016 reporting year, Tiffany & Co. used the most current factors available as of February 1, 2017.

Emission Source	Emission Source Type	Emission Factor Employed
Scope 1, Global	Natural gas, propane and other fossil fuel use	GHG emissions from energy consumption are calculated using the emission factors from the United States Environmental Protection Agency's (EPA) Mandatory Report Rule.
Scope 2 (location-based), United States	Electricity	Tiffany & Co. uses eGRID sub-region emission factors for electricity purchased in the United States provided by the U.S. EPA.
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.
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.
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.
Scope 2 (location-based), Canada	Electricity	Tiffany & Co. uses provincial emission factors for electricity purchased in Canada provided by the Canadian Government.
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.

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. 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 of actual data from 2010-2013 for all Tiffany & Co. sites for which primary refrigerant data was available. For each site that uses other fuels, such as acetylene, diesel, wax or propane, annual usage is collected every three years and carried forward as estimates for the following two years. For the 2016 reporting year, actual data is used. Approximately 22% of the Scope 1 and 2 emissions are estimated for the period February 1, 2016 to January 31, 2017.

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 – 0.02260 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.