TIFFANY & CO
Form DEF 14A
April 07, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
Filed by the Registrant ý Filed by a Party other than the Registrant ¨
Check the appropriate box:

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ý Definitive Proxy Statement
¨ Definitive Additional Materials
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2017 Annual Meeting of Shareholders
PROXY STATEMENT

TABLE OF CONTENTS

Proxy Summary	PS-2
Questions You May Have Regarding This Proxy Statement	PS-6
Ownership of the Company	PS-12
Executive Officers of the Company	PS-15
Item 1. Election of the Board	PS-17
Board of Directors and Corporate Governance	PS-21
Transactions with Related Persons	PS-31
Contributions to Director-Affiliated Charities	PS-32
Item 2. Ratification of the Selection of the Independent Registered Public Accounting Firm to Audit our Fiscal 2017 Financial Statements	PS-33
Report of the Audit Committee	PS-34
Relationship with Independent Registered Public Accounting Firm	PS-35
Item 3. Approval, on an Advisory Basis, of the Compensation of the Company's Named Executive Officers	PS-36
Compensation of the CEO and Other Executive Officers	PS-37
Compensation Discussion and Analysis	PS-38
Report of the Compensation Committee	PS-67
Summary Compensation Table	PS-68
Grants of Plan-Based Awards	PS-73
Discussion of Summary Compensation Table and Grants of Plan-Based Awards	PS-75
Outstanding Equity Awards at Fiscal Year-End	PS-80
Option Exercises and Stock Vested	PS-84
Pension Benefits Table	PS-84
Nonqualified Deferred Compensation Table	PS-88
Potential Payments on Termination or Change in Control	PS-90

Director Compensation Table	PS-95
Equity Compensation Plan Information	PS-98
Item 4. Preference, on an Advisory Basis, on the Frequency of Seeking Shareholder Approval of the Compensation Paid to the Company's Named Executive Officers	PS-99
Item 5. Approval of the Tiffany & Co. 2017 Directors Equity Compensation Plan	PS-100
Other Matters	PS-104
Appendix I	PS-105
Appendix II	PS-107

PROXY SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information you should consider. You should read the entire Proxy Statement carefully before voting.

ANNUAL MEETING OF SHAREHOLDERS

Date	Thursday, May 25, 2017
Time	9:30 a.m.
Place	The Rubin Museum of Art 150 West 17th Street New York, New York
Record Date	March 27, 2017
Voting	Shareholders as of the record date are entitled to vote. Each share of common stock of Tiffany & Co., a Delaware corporation (the "Company"), has one vote.
Admission	Attendance at the 2017 Annual Meeting will be limited to those persons who were shareholders, or held Company stock through a broker, bank or other nominee, at the close of business on the record date. Pre-registration is required to attend the 2017 Annual Meeting. Registration confirmation and photo identification are also required for admission. Shareholders of record will have the opportunity to vote by ballot at the 2017 Annual Meeting. Beneficial owners of shares held in street name must contact their broker before the 2017 Annual Meeting to obtain a legal proxy and bring the legal proxy with them to the meeting.

MATTERS TO BE VOTED ON AT 2017 ANNUAL MEETING

There are five matters scheduled to be voted on at the 2017 Annual Meeting:

Matter	Board Recommended Vote	Required Vote	Broker Discretionary Vote Allowed
Item No. 1: Election of the Board;	"FOR" the election of all 11 nominees for director	Majority of votes cast "for" or "against" the nominee	No
Item No. 2: Ratification of the selection of the independent registered public accounting firm to audit our Fiscal 2017 financial statements;	"FOR"	Majority of shares present and entitled to vote	Yes
Item No. 3: Approval, on an advisory basis, of the compensation of the Company's named executive officers as disclosed in this Proxy Statement ("Say on Pay");	"FOR"	Majority of shares present and entitled to vote	No
Item No. 4: Preference, on an advisory basis, on the frequency of seeking shareholder approval of the compensation paid to the Company's named executive officers; and	"FOR" a recommendation that the shareholders approve the compensation paid to the Company's named executive officers every year	Not applicable (shareholder preference only)	No
Item No. 5: Approval of the Tiffany & Co. 2017 Directors Equity Compensation	"FOR"	Majority of shares present and entitled	No

Plan. to vote

ELECTION OF THE BOARD

The following table provides summary information about each director nominee. Each director is elected annually by a majority of votes cast. See "Item 1. Election of the Board" at PS-17 for more information.

Name	Age	Director Since	Principal Occupation	Independent	Audit Committee	Compensation Committee & Stock Option Sub-Committee	Corporate Social Responsibility Committee	Dividend Committee	Finance Committee	Nominati Corporate Governan Committe
Rose Marie Bravo	66	1997	Retired Chief Executive Officer ("CEO") of Burberry Limited	ü		ü				ü
Gary E. Costley	73	2007	Retired Chairman and CEO of International Multifoods Corporation	ü		Chair	ü			ü
Roger N. Farah	64	2017	Executive Director at Tory Burch LLC	ü						
Lawrence K. Fish	72	2008	Retired Chairman and CEO of Citizens Financial Group, Inc.	ü	ü		Chair		ü	
Abby F. Kohnstamm	63	2001	Executive Vice President and Chief Marketing Officer at Pitney Bowes Inc.	ü	ü	ü	ü			ü
James E. Lillie	55	2017	Vice Chairman of Mariposa Capital and Consultant for Newell Brands	ü						
Charles K. Marquis	74	1984	Senior Advisor to	ü	ü	ü				Chair

William A. Shutzer	70	1984	Investcorp International, Inc. Senior Managing Director of Evercore Partners						Chair	
Robert S. Singer	65	2012	Former CEO of Barilla Holding S.p.A	ü	Chair	ü			ü	
Francesco Trapani	60	2017	Former Chairman of Clessidra SGR S.p.A. and Senior Advisor to LVMH CEO	ü						ü
Michael J. Kowalski	65	1995	Interim CEO of Tiffany & Co.				ü	ü		

Each director who served on the Company's Board of Directors (the "Board") during Fiscal 2016 (February 1, 2016 to January 31, 2017) attended at least 83% of the aggregate number of meetings of the Board and those committees on which he or she served.

AUDITORS

The Audit Committee has appointed, and the Board has ratified the appointment of, PricewaterhouseCoopers LLP ("PwC") as the independent registered public accounting firm to audit the Company's consolidated financial statements for Fiscal 2017 (February 1, 2017 to January 31, 2018). As a matter of good corporate governance, we are asking you to ratify this selection.

See "Item 2. Ratification of the Selection of the Independent Registered Public Accounting Firm to Audit Our Fiscal 2017 Financial Statements" at PS-33 and "Relationship with Independent Registered Public Accounting Firm" at PS-35 for more information.

EXECUTIVE COMPENSATION MATTERS

See "Item 1. Election of the Board" at PS-17 and "Compensation of the CEO and Other Executive Officers" at PS-37 for more information.

BUSINESS HIGHLIGHTS

Key highlights of Fiscal 2016 performance were as follows:

Sales:	Worldwide net sales decreased 3% to $4.0 billion reflecting declines in the Americas and Europe partly offset by an increase in Japan and unchanged sales in Asia-Pacific. On a constant-exchange-rate basis that eliminates the effect from translating sales made outside the U.S. into U.S. dollars (see Appendix I at PS-105), worldwide net sales decreased 3% from the prior year.
Profitability:	Net earnings decreased 4% to $446.1 million in 2016, or $3.55 per diluted share. Net earnings in 2016 included impairment charges of $0.19 per diluted share (see Appendix I at PS-105). Net earnings in 2015 included charges of $0.24 per diluted share (see Appendix I at PS-105).
Store Expansion:	The Company added a net of 6 TIFFANY & CO. stores, resulting in a 3% net increase in gross retail square footage.
Product Introductions:	The Company expanded its offerings within several existing jewelry collections, including its TIFFANY T and RETURN TO TIFFANY® LOVE collections, and introduced new watch designs.
Cash Flow:	The Company generated cash flow from operating activities of $702.1 million in 2016, compared with $813.6 million in 2015. Cash flow from operating activities in 2016 included a voluntary cash contribution of $120.0 million made by the Company to its U.S. pension plan.
Returning Capital to Shareholders:	The Company returned cash to shareholders by continuing to pay regular quarterly dividends (which were increased 12.5% effective July 2016 to $0.45 per share, or an annualized rate of $1.80 per share) and spending $183.6 million to repurchase 2.8 million shares of its common stock.

EXECUTIVE COMPENSATION HIGHLIGHTS

The Board's continued commitment to pay for performance, and other leading compensation practices, was demonstrated in Fiscal 2016 by the following highlights:

- The majority of compensation payable to the CEO and other named executive officers is tied to the Company's financial performance and/or the performance of the stock price (87% for the CEO and 72% for the other named executive officers, on average), with significant emphasis on long-term incentives.
- Long-term and short-term incentive awards are payable contingent on key performance measures, including operating earnings, net earnings per share and return on assets.
-

Short-term incentive awards for Fiscal 2016 were paid out to the named executive officers at 87-99% of target, based on achievement of operating earnings for the year relative to target and individual performance factors.

- For the performance period beginning February 1, 2014 and ending January 31, 2017 (Fiscal 2014-Fiscal 2016), performance-based restricted stock units vested at 54.92% of target shares (27.46% of maximum

shares), based on achievement of net earnings per share, on a diluted basis, and return on assets relative to pre-established targets.

- Incentive compensation is subject to recoupment in the event of an accounting restatement due to material noncompliance with financial reporting requirements.
- Executive officers are expected under the Company's share ownership policy to hold shares of common stock worth five times their annual base salary for the CEO and two to three times their annual base salary for other named executive officers.
- In the event of a change in control, severance benefits are only payable upon an involuntary termination ("dual trigger").
- The Compensation Committee of the Board retains an independent compensation consultant to advise on the executive compensation program and practices.

2018 ANNUAL MEETING

If you wish to submit a proposal to be included in the Proxy Statement for our 2018 Annual Meeting, we must receive it no later than December 8, 2017. Proposals should be sent to the Company at 727 Fifth Avenue, New York, New York 10022 to the attention of the Corporate Secretary (Legal Department).

Our By-laws set forth certain procedures for shareholders of record who wish to nominate directors or propose other business to be considered at an annual meeting. If you wish to nominate a candidate for election as a director at an annual meeting or propose other business for consideration at an annual meeting, written notice complying with the requirements set forth in our By-laws generally must be delivered to the Company at 727 Fifth Avenue, New York, New York 10022 to the attention of the Corporate Secretary (Legal Department), not later than 90 days, and not earlier than 120 days, prior to the first anniversary of the preceding year's annual meeting. Accordingly, a shareholder nomination or proposal intended to be considered at the 2018 Annual Meeting must be received by the Company no earlier than January 25, 2018 and no later than February 24, 2018.

Except as required by applicable law, the Company will consider only proposals meeting these requirements and the applicable requirements of the Securities and Exchange Commission (the "SEC") and our By-laws.

QUESTIONS YOU MAY HAVE REGARDING THIS PROXY STATEMENT

WHAT IS THE PURPOSE OF THIS PROXY STATEMENT AND THE ACCOMPANYING MATERIAL?

This Proxy Statement and accompanying material, including the form of proxy, have been sent to you on behalf of the Company by order of the Board.

This Proxy Statement was first sent to the Company's shareholders on or about April 7, 2017, in connection with the 2017 Annual Meeting of the shareholders of the Company to be held on Thursday, May 25, 2017, at 9:30 a.m. at The Rubin Museum of Art, 150 West 17th Street, New York, New York.

You are entitled to vote at our 2017 Annual Meeting because you were a shareholder, or held Company stock through a broker, bank or other nominee, at the close of business on March 27, 2017, the record date for this year's Annual Meeting. That is why you were sent this Proxy Statement and accompanying material.

WHAT INFORMATION IS CONTAINED IN THIS PROXY STATEMENT AND THE ACCOMPANYING MATERIAL?

The information included in this Proxy Statement relates to the proposals to be considered and voted on at the 2017 Annual Meeting, the voting process, the compensation of our directors and most highly compensated executive officers, and other required information. This Proxy Statement is accompanied by our Annual Report on Form 10-K, which contains financial and other information about our business during Fiscal 2016.

WHY DID I RECEIVE A NOTICE REGARDING THE INTERNET AVAILABILITY OF THIS PROXY STATEMENT AND THE ACCOMPANYING MATERIAL INSTEAD OF A PAPER COPY OF THE PROXY MATERIALS?

As is the practice of many other companies, the Company is now providing proxy materials by a "notice and access" process. As a shareholder, you will receive a written notice of proxy, by postal service or e-mail, with instructions on how to access the proxy materials. This enables the Company to reduce the cost of paper, printing and postage and to substantially reduce paper use in order to benefit our environment. Those shareholders who wish to receive a paper report may request one. In some instances, shareholders will receive a proxy card and paper report automatically.

HOW CAN I REQUEST AND RECEIVE A PAPER OR E-MAIL COPY OF THE PROXY MATERIALS?

To receive a paper or e-mail copy of the proxy materials, please visit or contact:

1) By Internet: www.proxyvote.com
2) By Telephone: 1-800-579-1639
3) By E-Mail*: sendmaterial@proxyvote.com

* If requesting materials by e-mail, please send a blank e-mail with the 16-Digit Control Number (located on the Notice of Proxy) in the subject line. Requests, instructions and other inquiries sent to this e-mail address will NOT be forwarded to your investment advisor.

Please make the request as instructed above on or before May 11, 2017 to facilitate timely delivery.

You may also find important information about the Company, with its principal executive offices at 727 Fifth Avenue, New York, New York 10022, on our website at www.tiffany.com. By clicking "Investors" at the bottom of the page, you will find additional information concerning some of the subjects addressed in this document.

Important Notice Regarding Internet Availability of Proxy Materials for the Shareholder Meeting to be Held on May 25, 2017

The Proxy Statement and Annual Report on Form 10-K are available to shareholders at www.proxyvote.com

WHAT MATTERS WILL BE VOTED ON AT THE 2017 ANNUAL MEETING?

There are five matters scheduled to be voted on at the 2017 Annual Meeting:
Item No. 1: Election of the Board;
Item No. 2: Ratification of the selection of the independent registered public accounting firm to audit our Fiscal 2017 financial statements;
Item No. 3: Approval, on an advisory basis, of the compensation of the Company's named executive officers as disclosed in this Proxy Statement ("Say on Pay");
Item No. 4: Preference, on an advisory basis, on the frequency of seeking shareholder approval of the compensation paid to the Company's named executive officers; and
Item No. 5: Approval of the Tiffany & Co. 2017 Directors Equity Compensation Plan.

In addition, such other business as may properly come before the 2017 Annual Meeting or any adjournment or postponement thereof may be voted on.

DOES THE BOARD OF DIRECTORS RECOMMEND VOTING IN FAVOR OF THE PROPOSALS?
The Board recommends a vote "FOR" each of the director nominees and the proposals set forth in Items 2, 3 and 5. In respect of Item 4, the Board recommends a vote "FOR" a recommendation that the shareholders approve the compensation paid to the Company's named executive officers every year.

WHAT SHARES CAN I VOTE?
You may vote all of the shares of the Company's common stock that you owned at the close of business on March 27, 2017, the record date.

HOW MANY VOTES DO I HAVE?
Each share of the Company's common stock has one vote. The number of shares, or votes, that you have at the 2017 Annual Meeting is indicated on the enclosed proxy card or notice.

HOW DO I VOTE MY SHARES?
You can vote your shares at the 2017 Annual Meeting either by submitting your vote or instruction prior to the meeting, or by attending the meeting and voting in person.
Voting instructions, whether voting is in person or by proxy, vary depending on whether you are a shareholder of record (also known as a "registered shareholder") or a beneficial owner of shares held in street name:
Shareholder of Record: If your shares are registered directly in your name with the Company's transfer agent, Computershare, you are considered the shareholder of record with respect to those shares. Instructions for how to vote your shares are set forth below.
Beneficial Owner of Shares Held in Street Name: If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, or if your shares are held in the Tiffany and Company Employee Profit Sharing and Retirement Savings Plan (the "401K Plan"), then you are the "beneficial owner" of shares held in "street name." The organization holding, or trustee of, your account is considered the shareholder of record for purposes of voting at the 2017 Annual Meeting. As a beneficial owner, you have the right to instruct that organization or trustee on how to vote the shares held in your account. Those instructions are contained in the "voting instruction form" sent to you and are summarized below.

HOW DO I VOTE MY SHARES BEFORE THE 2017 ANNUAL MEETING IF I AM A SHAREHOLDER OF RECORD?

You can vote by proxy by having one or more individuals who will be at the 2017 Annual Meeting vote your shares for you. These individuals are called "proxies," and using them to cast your ballot at the 2017 Annual Meeting is called voting "by proxy."

Proxies will extend to, and be voted at, any adjournment or postponement of the 2017 Annual Meeting.

If you vote by proxy, you will have designated three officers of the Company to act as your proxies at the 2017 Annual Meeting. One of them will then vote your shares at the 2017 Annual Meeting in accordance with the instructions you have given them on the proxy card or by telephone or the Internet with respect to each of the proposals presented in this Proxy Statement.

While we know of no other matters to be acted upon at the 2017 Annual Meeting, it is possible that other matters may be presented at the meeting. If that happens and you have signed and not revoked a proxy, your proxy will vote on such other matters in accordance with his or her best judgment.

A shareholder of record may vote by proxy any of the following ways:

- Via the Internet. You may vote by proxy via the Internet by following the instructions provided in the notice or proxy card; have your notice or proxy card in hand as you will be prompted to enter your control number.
- Via Telephone. You may vote by proxy via telephone by following the instructions provided in the proxy card; have your notice or proxy card in hand as you will be prompted to enter your control number.
- By Mail. You may vote by proxy by filling out the proxy card and returning it in the envelope provided.

CAN I CHANGE MY VOTE AFTER I HAVE DELIVERED MY PROXY?

If you decide to vote by proxy (whether by Internet, telephone or mail), you can revoke – that is, change or cancel – your vote at any time before your proxy casts his or her vote at the 2017 Annual Meeting. Revoking your vote by proxy may be accomplished in one of three ways:

- You can send an executed, later-dated proxy card to the Corporate Secretary of the Company, call in different instructions, or provide different instructions through the Internet voting site; or
- You can notify the Corporate Secretary of the Company in writing that you wish to revoke your proxy; or
- You can attend the 2017 Annual Meeting and vote in person.

HOW DO I VOTE MY SHARES BEFORE THE 2017 ANNUAL MEETING IF I AM A BENEFICIAL OWNER OF SHARES HELD IN STREET NAME?

You may instruct your broker or the 401K Plan's trustee, as applicable, how to vote on your behalf in any of the following ways:

- Via the Internet. You may instruct your broker or the 401K Plan's trustee, as applicable, as to your vote via the Internet by visiting www.proxyvote.com and entering the control number found in the notice or voting instruction form sent to you.
- Via Telephone. You may instruct your broker or the 401K Plan's trustee, as applicable, as to your vote by calling the toll-free number found in your voting instruction form and entering the control number found in the notice or voting instruction form sent to you.
- By Mail. You may instruct your broker or the 401K Plan's trustee, as applicable, as to your vote by mail by filling out the voting instruction form provided to you and returning it in the envelope provided.

Shares held in a broker's name may be voted by the broker, but only in accordance with the rules of the New York Stock Exchange. For more details, see "WHAT IS A BROKER NON-VOTE?" immediately below.

Shares held in the 401K Plan will be voted by the 401K Plan's trustee in accordance with specific instructions given by 401K Plan participants to whose accounts such shares have been allocated.

WHAT IS A BROKER NON-VOTE?

Shares held in a broker's name may be voted by the broker, but only in accordance with the rules of the New York Stock Exchange. Under those rules, your broker must follow your instructions. If you do not provide instructions to your broker, your broker may vote your shares based on its own judgment or it may withhold a vote. Whether your broker is permitted to vote or withhold its vote is determined by the New York Stock Exchange rules and depends on the proposal being voted upon. With respect to voting on the election of the Board, Say on Pay, the frequency of seeking shareholder approval of the compensation paid to the Company's named executive officers and the Tiffany & Co. 2017 Directors Equity Compensation Plan, your broker will be required to withhold its vote unless you provide instructions on those matters.

If your broker withholds its vote, that is called a "broker non-vote." As stated below, broker non-votes are counted as present for a quorum, but will have no effect on the outcome of the election of directors or any of the other proposals set forth herein. See "WHAT CONSTITUTES A QUORUM?" and "WHAT VOTE IS REQUIRED TO APPROVE EACH PROPOSAL?" below.

CAN I CHANGE THE INSTRUCTION TO MY BROKER OR THE 401K PLAN TRUSTEE?

You may vote in person at the 2017 Annual Meeting, or you may change your instruction to your broker or the 401K Plan trustee, as applicable, by submitting a subsequent instruction through one of the means set forth above under "HOW DO I VOTE MY SHARES BEFORE THE 2017 ANNUAL MEETING IF I AM A BENEFICIAL OWNER OF SHARES HELD IN STREET NAME?".

HOW WILL MY SHARES BE VOTED IN THE ABSENCE OF INSTRUCTIONS?

If you are a shareholder of record and you do not give any specific instructions as to how your shares are to be voted when you sign a proxy card or vote by telephone or by Internet, your proxies will vote your shares in accordance with the following recommendations of the Board:

- FOR the election of all 11 nominees for director named in this Proxy Statement;
- FOR the ratification of the selection of PwC as the independent registered public accounting firm to audit our Fiscal 2017 financial statements;
- FOR approval of the compensation paid to the Company's named executive officers in Fiscal 2016;
- FOR a recommendation that the shareholders approve the compensation paid to the Company's named executive officers every year; and
- FOR the Tiffany & Co. 2017 Directors Equity Compensation Plan.

Shares held in a broker's name for which no instructions are received may be voted by the broker, but only in accordance with the rules of the New York Stock Exchange. For more details, see "WHAT IS A BROKER NON-VOTE?" above. Any shares held in the 401K Plan for which no instructions are received will be voted in the same proportion as those shares for which instructions are received.

DO I NEED TO ATTEND THE 2017 ANNUAL MEETING?

No. You may authorize your shares to be voted by following the instructions presented in the notice, proxy card or voting instruction form.

IF I WISH TO ATTEND THE 2017 ANNUAL MEETING AND VOTE IN PERSON, WHAT DO I NEED TO DO?

To attend the 2017 Annual Meeting, you will need to pre-register as instructed on your notice or proxy card and print out the registration confirmation. You will be required to show the registration confirmation as well as photo identification to enter the 2017 Annual Meeting.

To vote in person at the 2017 Annual Meeting:

- For shareholders of record, you will have the opportunity to vote by ballot at the meeting.
- For beneficial owners of shares held in street name, contact your broker before the 2017 Annual Meeting to obtain a legal proxy, and bring the legal proxy with you to the meeting. To submit a vote by ballot at the meeting, you will be required to show the legal proxy as well as photo identification.

WHAT CONSTITUTES A QUORUM?

A "quorum" is the minimum number of shares that must be present at the 2017 Annual Meeting for a valid vote. For the 2017 Annual Meeting, a majority of shares issued and outstanding on the record date and entitled to vote at the Annual Meeting must be present.

The number of shares issued and outstanding at the close of business on March 27, 2017, the record date, was 124,775,006. Therefore, 62,387,504 shares must be present at the 2017 Annual Meeting for a quorum to be established.

To determine if there is a quorum, we consider a share "present" if:

- The shareholder who owns the share is present in person at the 2017 Annual Meeting, whether or not he or she chooses to cast a ballot on any proposal; or
- The shareholder is represented by proxy at the 2017 Annual Meeting, including, for any beneficial owner of shares held in street name, by the organization holding such shareholder's account.

If a shareholder is represented by proxy at the 2017 Annual Meeting as described above, his or her shares are deemed present for purposes of a quorum, even if:

- The shareholder withholds his or her vote or marks "abstain" for one or more proposals; or
- There is a "broker non-vote" on one or more proposals.

WHAT VOTE IS REQUIRED TO APPROVE EACH PROPOSAL?

Each nominee for director shall be elected by a majority of the votes cast "for" or "against" the nominee at the 2017 Annual Meeting. That means that the number of shares voted "for" a nominee must exceed the number of shares voted "against" that nominee. To vote "for" or "against" any of the nominees named in this Proxy Statement, you can so mark your proxy card or ballot or, if you vote via telephone or Internet, so indicate by telephone or electronically. You may abstain on the vote for any nominee but your abstention will not have any effect on the outcome of the election of directors. A broker non-vote has the same effect as an abstention: neither will have any effect on the outcome of the election of directors. To abstain on the vote on any or all of the nominees named in this Proxy Statement, you can so mark your proxy card or ballot or, if you vote via telephone or Internet, so indicate by telephone or electronically.

The proposal to ratify the selection of PwC as the independent registered public accounting firm to audit the Company's consolidated financial statements for Fiscal 2017 will be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to vote on the matter. That means that the proposal will pass if more than half of those shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to vote on the matter vote "for" the proposal. Therefore, if you "abstain" from voting – in other words, you indicate "abstain" on the proxy card, by telephone or by Internet – it will have the same effect as an "against" vote.

The advisory proposal to approve the compensation of our named executive officers will be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to

vote on the matter. That means that the advisory proposal will be approved if more than half of those shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to vote on the matter vote "for" the proposal. Therefore, if you abstain from voting it will have the same effect as an "against" vote. Broker non-votes on this proposal will have no effect.

Because the advisory vote regarding the frequency of seeking shareholder approval of the compensation paid to the Company's named executive officers does not seek approval of any specific matter — it seeks your specific advice on when a future vote will be held (every year, every second year or every third year) — no specific percentage of the vote is required. Abstentions and broker non-votes will not be counted as expressing any preference. The results of the vote will be compiled and reported to you.

The proposal to approve the Tiffany & Co. 2017 Directors Equity Compensation Plan will be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to vote on the matter. That means that the proposal will be approved if more than half of those shares present in person or represented by proxy at the 2017 Annual Meeting and entitled to vote on the matter vote "for" the proposal. Therefore, if you abstain from voting it will have the same effect as an "against" vote. Broker non-votes on this proposal will have no effect.

WHAT HAPPENS IF A DIRECTOR NOMINEE DOES NOT RECEIVE A MAJORITY OF THE VOTES CAST?

In the event that any of the current directors standing for re-election does not receive a majority of "for" votes of the votes cast "for" or "against" his or her candidacy, such person would continue to serve as a director until he or she is succeeded by another qualified director or until his or her earlier resignation or removal from office. Each of the nominees for director has tendered a resignation letter to the Nominating/Corporate Governance Committee to be considered in the event that he or she does not receive such a majority vote. Under the Corporate Governance Principles adopted by the Board, the Nominating/Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject such resignation or whether other action should be taken.

HOW ARE PROXIES SOLICITED?

The Company has hired the firm of Georgeson LLC to assist in the solicitation of proxies on behalf of the Board. Georgeson LLC has agreed to perform this service for a fee of not more than $8,500, plus out-of-pocket expenses. Employees of Tiffany and Company, a New York corporation and the principal subsidiary of the Company ("Tiffany"), may also solicit proxies on behalf of the Board. These employees will not receive any additional compensation for their work soliciting proxies and any costs incurred by them in doing so will be paid for by Tiffany. Proxies may be solicited by mail, in person, by facsimile, by telephone or by e-mail. In addition, we will pay for any costs incurred by brokerage houses and others for forwarding proxy materials to beneficial owners.

WHO WILL COUNT THE VOTES?

All votes will be tabulated by American Election Services, LLC, the inspector of elections appointed for the 2017 Annual Meeting.

WHERE CAN I FIND THE VOTING RESULTS OF THE 2017 ANNUAL MEETING?

The Company will announce preliminary voting results at the 2017 Annual Meeting and publish final results in a Form 8-K filed with the SEC within four business days after the 2017 Annual Meeting.

OWNERSHIP OF THE COMPANY

SHAREHOLDERS WHO OWN AT LEAST FIVE PERCENT OF THE COMPANY

The following table shows all persons who were known to us to be "beneficial owners" of at least five percent of Company stock as of March 20, 2017. Footnote (a) below provides a brief explanation of what is meant by the term "beneficial ownership." This table is based upon reports filed with the SEC. Copies of these reports are publicly available from the SEC. All of the reports included a certification to the effect that the shares were not acquired and were not being held for the purpose of or with the effect of changing or influencing the control of the Company and were not acquired and were not being held in connection with or as a participant in any transaction having that purpose or effect.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (a)		Percent of Class	
Qatar Investment Authority Q-Tel Tower, 8 th Floor Diplomatic Area Street, West Bay P.O. Box 23224, Doha, State of Qatar	16,222,436	(b)	13.01	%
The Vanguard Group, Inc. 100 Vanguard Boulevard Malvern, Pennsylvania 19355	11,741,458	(c)	9.41	%
Blackrock, Inc. 55 East 52nd Street New York, New York 10055	8,103,518	(d)	6.50	%
JPMorgan Chase & Co. 270 Park Avenue New York, New York 10017	6,297,742	(e)	5.05	%

a) "Beneficial ownership" is a term broadly defined by the SEC and includes more than the typical form of stock ownership, that is, stock held in the person's name. The term also includes circumstances where a person has the right to acquire stock within 60 days or has or shares the power to vote the stock or to sell it. Accordingly, some of the shares reported as beneficially owned in this table may actually be held by other persons or organizations. Those other persons and organizations are described in the reports filed with the SEC.

b) Qatar Investment Authority, a citizen of Qatar, reported such beneficial ownership to the SEC on its Schedule 13G/A as of February 12, 2014 and stated that it had sole voting and disposition power with respect to all such shares.

c) The Vanguard Group, Inc. reported such beneficial ownership to the SEC on its Schedule 13G/A as of February 10, 2017 and stated that, as an investment advisor, it beneficially owned the number of shares referred to above. This Schedule stated that it had sole power to vote 172,717 shares of the Company's common stock, shared power to vote 23,239 shares, sole power to dispose or direct the disposition of 11,543,497 shares, and shared power to dispose or direct the disposition of 197,961 shares.

d) Blackrock, Inc. reported such beneficial ownership to the SEC on its Schedule 13G/A as of January 27, 2017 and stated that, as a parent holding company of the subsidiaries identified in that Schedule, it beneficially owned the number of shares referred to above. This Schedule stated that Blackrock, Inc. had sole power to vote 6,866,745 shares of the Company's common stock and sole power to dispose or direct the disposition of 8,103,518 shares.

e) JPMorgan Chase & Co. reported such beneficial ownership to the SEC on its Schedule 13G/A as of January 19, 2017 and stated that, as a parent holding company of the wholly owned subsidiaries identified in that Schedule, it

beneficially owned the number of shares referred to above. This Schedule stated that JPMorgan Chase & Co. had sole power to vote 6,069,644 shares of the Company's common stock, shared power to vote 8,265 shares, sole power to dispose or direct the disposition of 6,279,482 shares, and shared power to dispose or direct the disposition of 13,590 shares.

OWNERSHIP BY DIRECTORS, DIRECTOR NOMINEES AND EXECUTIVE OFFICERS

The following table shows the number of shares of the Company's common stock beneficially owned as of March 20, 2017 by: those persons who are director nominees or who were directors on such date; the principal executive officer (the "CEO") and the principal financial officers (the "CFO") during Fiscal 2016; the three next most highly compensated executive officers of the Company as of the end of Fiscal 2016; and the directors and executive officers on March 20, 2017 (see "Executive Officers of the Company" at PS-15) as a group. In the notes to the table below, "Vested Stock Options" refer to stock options that are exercisable as of March 20, 2017 or will become exercisable within 60 days of that date.

Name	Amount and Nature of Beneficial Ownership		Percent of Class [a]
Directors			
Rose Marie Bravo	28,506	b	*
Gary E. Costley	25,506	c	*
Roger N. Farah	—		*
Lawrence K. Fish	61,983	d	*
Abby F. Kohnstamm	76,483	e	*
Michael J. Kowalski (Interim CEO, appointed in Fiscal 2017)	150,020	f	*
James E. Lillie	11,000		*
Charles K. Marquis	162,203	g	*
Peter W. May	56,223	h	*
William A. Shutzer	348,870	i	*
Robert S. Singer	28,028	j	*
Francesco Trapani	200,000	k	*
Executive Officers			
Frederic Cumenal (CEO during Fiscal 2016)	463,055	l	*
Mark J. Erceg (CFO effective October 2016)	—	m	*
Ralph Nicoletti (CFO through May 2016)	—	n	*
Jean-Marc Bellaiche	39,073	o	*
Pamela H. Cloud	138,298	p	*
Philippe Galtie	13,492	q	*
All executive officers and directors as a group (21 persons):	1,632,715	r	1.3 %

a) An asterisk (*) is used to indicate less than 1% of the class outstanding.
b) Includes 24,506 shares issuable upon the exercise of Vested Stock Options.
c) Includes 24,506 shares issuable upon the exercise of Vested Stock Options.
d) Includes 20,646 shares issuable upon the exercise of Vested Stock Options.
e) Includes 39,223 shares issuable upon the exercise of Vested Stock Options.
f) Includes 25,679 shares issuable upon the exercise of Vested Stock Options, 12,357 shares issuable upon the vesting of performance-based restricted stock units on March 22, 2017, 17,572 shares held by the Kowalski Family Foundation and 50,000 shares held in trust of which Mr. Kowalski is the sole trustee. Mr. Kowalski, the Chairman of the Tiffany & Co. Board of Directors, was named Interim CEO effective February 5, 2017, in connection with the departure of Frederic Cumenal as CEO on that same date.
g) Includes 29,223 shares issuable upon the exercise of Vested Stock Options, 28,980 shares held in the Charles and Cynthia Marquis Joint Revocable Trust dated December 8, 2003 and 56,000 shares held in the Marquis 2012

Children's Trust, as Trustee. Mr. Marquis disclaims beneficial ownership of Company shares held by the Marquis 2012 Children's Trust.

h) Includes 49,223 shares issuable upon the exercise of Vested Stock Options. Mr. May will not stand for re-election at the 2017 Annual Meeting.

i) Includes 39,223 shares issuable upon the exercise of Vested Stock Options; 107,500 shares held by KJC Ltd. of which Mr. Shutzer is the sole general partner and of which three of his adult children are limited partners; 32,210 shares held in trust for one adult child of which trust Mr. Shutzer's wife is sole trustee; and 163,937 shares pledged as security in a margin account. Mr. Shutzer disclaims beneficial ownership of Company shares held by KJC Ltd. and shares held in the aforementioned trust.

j) Includes 18,169 shares issuable upon the exercise of Vested Stock Options.

k) Includes 200,000 shares held by Argenta Holdings Sarl, of which Mr. Trapani owns 100% of the equity interests. Pursuant to the Schedule 13D filed jointly by Mr. Trapani and JANA Partners LLC ("JANA") with the SEC on February 22, 2017, as of the date of the event which required the filing of such Schedule, Mr. Trapani and JANA may have been deemed to be members of a "group" for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 13d-5(b)(1) promulgated thereunder for the purpose of working together to appoint Mr. Trapani to the Board. From and after the time of signing the Cooperation Agreement (as defined below) and the Trapani Cooperation Agreement (as defined below), each dated as of February 20, 2017, Mr. Trapani and JANA are required, in accordance with the Cooperation Agreements, to be independent of each other and, as reported in the Schedule 13D, Mr. Trapani and JANA are no longer working together for any purpose and believe they should no longer be deemed to be a "group." As a result, Mr. Trapani expressly disclaims beneficial ownership of the 6,095,740 shares reported as beneficially owned by JANA in such Schedule 13D. For more information regarding the Cooperation Agreement and the Trapani Cooperation Agreement see "Item. 1 Election of the Board" at PS-17.

l) Includes 417,927 shares issuable upon the exercise of Vested Stock Options and 8,348 shares issuable upon the vesting of performance-based restricted stock units on March 22, 2017. Mr. Cumenal stepped down from his position as CEO effective February 5, 2017 and resigned as a director effective February 10, 2017.

m) Mr. Erceg was appointed as CFO effective October 18, 2016.

n) Mr. Nicoletti resigned as CFO effective May 20, 2016.

o) Includes 36,894 shares issuable upon the exercise of Vested Stock Options.

p) Includes 109,126 shares issuable upon the exercise of Vested Stock Options, 3,406 shares issuable upon the vesting of performance-based restricted stock units on March 22, 2017 and 512 shares held in Ms. Cloud's account under the Tiffany Employee Profit Sharing and Retirement Savings Plan.

q) Includes 12,822 shares issuable upon the exercise of Vested Stock Options.

r) Includes 635,981 shares issuable upon the exercise of Vested Stock Options; 25,297 shares issuable upon the vesting of performance-based restricted stock units on March 22, 2017; 936 shares held in accounts under the Tiffany Employee Profit Sharing and Retirement Savings Plan; and three shares held in the Tiffany Employee Stock Purchase Plan.

See "Compensation of the CEO and other Executive Officers–Compensation Discussion and Analysis–Equity Ownership by Executive Officers and Non-Executive Directors," beginning at PS-61 for a discussion of the Company's share ownership policy.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors, executive officers and greater-than-10-percent shareholders to file reports of ownership and changes in ownership with the SEC and the New York Stock Exchange. These persons are also required to provide us with copies of those reports.

Based on our review of those reports and of certain other documents we have received, we believe that, during and with respect to Fiscal 2016, all filing requirements under Section 16(a) applicable to our directors, executive officers and greater-than-10-percent shareholders were satisfied in a timely manner.

EXECUTIVE OFFICERS OF THE COMPANY

The executive officers of the Company are:

Name	Age	Position	Year Joined Tiffany
Michael J. Kowalski	65	Chairman of the Board and Interim Chief Executive Officer	1983
Mark J. Erceg	48	Executive Vice President – Chief Financial Officer	2016
Jean-Marc Bellaiche	47	Senior Vice President – Strategy & Business Development	2014
Victoria Berger-Gross	61	Senior Vice President – Chief Human Resources Officer	2001
Pamela H. Cloud	47	Senior Vice President – Global Category Marketing	1994
Jennifer de Winter	56	Senior Vice President – Americas	2015
Philippe Galtie	56	Senior Vice President – International	2015
Leigh M. Harlan	40	Senior Vice President – Secretary & General Counsel	2012
Andrew W. Hart	49	Senior Vice President – Diamond & Jewelry Supply	1999
Caroline D. Naggiar	59	Senior Vice President – Chief Brand Officer	1997

Michael J. Kowalski. Mr. Kowalski joined Tiffany in 1983 and served as Chief Executive Officer ("CEO") from 1999 until his retirement from that position in 2015. Mr. Kowalski has been a director of Tiffany & Co. since 1995 and has been Chairman since the end of Fiscal 2002. He was appointed Interim CEO of Tiffany & Co. effective February 5, 2017, and it is expected that he will continue to serve in such capacity until a new CEO is appointed by the Company. Mr. Kowalski also served on the Board of Directors of The Bank of New York Mellon Corporation from 2007 to 2015. The Bank of New York Mellon Corporation is one of Tiffany & Co.'s principal banking relationships, serving as a co-syndication agent and lender under Tiffany & Co.'s revolving credit facilities, as the trustee under the indenture governing certain of Tiffany & Co.'s senior notes and as the trustee for the Tiffany and Company Pension Plan. Mr. Kowalski holds a B.S. from the University of Pennsylvania's Wharton School and an M.B.A. from the Harvard Business School.

Mark J. Erceg. Mr. Erceg joined Tiffany on October 18, 2016 as Executive Vice President – Chief Financial Officer. Prior to joining Tiffany, Mr. Erceg held the role of executive vice president and chief financial officer for Canadian Pacific Railway Limited, a transcontinental railway, from 2015 to 2016, and for Masonite International Corporation, a global manufacturer of commercial and residential doors, from 2010 to 2015. Previously, Mr. Erceg held finance, market strategy, customer response, general management and global investor relations positions at The Procter & Gamble Company during his tenure there from 1992 to 2010.

Jean-Marc Bellaiche. Mr. Bellaiche joined Tiffany in 2014 as Senior Vice President – Strategy & Business Development, with responsibility for business initiatives outside of jewelry such as watches, leather goods, eyewear and fragrance. Mr. Bellaiche was designated an executive officer of the Company effective April 1, 2015. Prior to joining Tiffany, Mr. Bellaiche held positions of increasing responsibility at the Boston Consulting Group from 1992 to 2014, where he was appointed as a partner and managing director in 2003 and senior partner and managing director – global leader, luxury fashion beauty and department stores, in 2010. In those roles, Mr. Bellaiche was responsible for leading and directing teams of worldwide consulting professionals as they designed and implemented long-term competitive business strategies for that company's clients.

Victoria Berger-Gross. Dr. Berger-Gross joined Tiffany in 2001 as Senior Vice President – Human Resources. Her current title is Senior Vice President – Chief Human Resources Officer.

Pamela H. Cloud. Ms. Cloud joined Tiffany in 1994 as an assistant buyer and has since advanced through positions of increasing management responsibility within the Merchandising division. In 2007, she was promoted to Senior Vice President – Merchandising, responsible for all aspects of product planning and inventory management. In February 2016, Ms. Cloud was named Senior Vice President – Global Category Marketing, with responsibility for management

of the Company's key product categories as well as global merchandising operations.

Jennifer de Winter. Ms. de Winter joined Tiffany in March 2015 as Senior Vice President – Northern America, with responsibility for all sales channels in the United States and Canada. In July 2015, Ms. De Winter was designated an

executive officer of the Company and her responsibilities were expanded, as she became responsible for all sales channels in the Company's Americas region. Her current title is Senior Vice President – Americas. Prior to joining Tiffany, Ms. de Winter served as Executive Vice President, Stores at Saks Fifth Avenue from 2008 to 2013. Following the acquisition of Saks Fifth Avenue by Hudson's Bay Company in 2013, Ms. de Winter was appointed Executive Vice President and Chief Merchandising Officer of Saks Fifth Avenue and served in that role until 2015.

Philippe Galtie. Mr. Galtie joined Tiffany in August 2015 as Senior Vice President – International, with responsibility for all sales channels in the Company's Asia Pacific, Europe, Japan and Emerging Markets regions, as well as oversight of global store development and global sales operations. In 2016, Mr. Galtie assumed responsibility for global customer and omnichannel management and in 2017 he also assumed responsibility for global customer and sales service. Prior to joining Tiffany, Mr. Galtie held the role of International Retail Director at Cartier since 2011, where he was responsible for oversight of retail and client strategy, client relations and services, operations, store design and merchandising.

Leigh M. Harlan. Ms. Harlan joined Tiffany in 2012 as Associate General Counsel. In 2014, she was promoted to Senior Vice President – Secretary & General Counsel, with responsibility for the Company's worldwide legal affairs. Prior to joining Tiffany, Ms. Harlan was an attorney at the law firm of Cravath, Swaine & Moore LLP, where she practiced corporate, transactional and finance law, from 2005 to 2012.

Andrew W. Hart. Mr. Hart joined Tiffany in 1999 as Director – Materials Management and advanced through positions of increasing management responsibility. In 2012, he was promoted to Senior Vice President – Diamonds and Gemstones, with responsibility for the Company's global diamond and gemstone supply chain. In 2013, Mr. Hart assumed responsibility for jewelry manufacturing as well. His current title is Senior Vice President – Diamond & Jewelry Supply.

Caroline D. Naggiar. Ms. Naggiar joined Tiffany in 1997 as Vice President – Marketing Communications. She was promoted to Senior Vice President, responsible for advertising and marketing in 1998, and in 2007 she was assigned additional responsibility for the Public Relations department and named Chief Marketing Officer. In February 2016, Ms. Naggiar was named Senior Vice President – Chief Brand Officer. Her current responsibilities include the establishment of the strategic vision for the TIFFANY & CO. brand, managing brand equity, global brand management and global public relations.

ITEM 1. ELECTION OF THE BOARD

Each year, the Company elects directors at an annual meeting of its shareholders. Pursuant to the Company's By-laws, directors are required to be less than age 74 when elected or appointed, unless the Board waives that provision with respect to an individual director whose continued service is deemed uniquely important to the Company. The Board has granted such a waiver in respect of the nomination of Charles K. Marquis, who is currently age 74, at the 2017 Annual Meeting. See "Board of Directors and Corporate Governance–Board Leadership Structure" and "–Board Refreshment" for additional information regarding this waiver.

At the 2017 Annual Meeting, 11 directors will be elected. Each of them will serve until he or she is succeeded by another qualified director or until his or her earlier resignation or removal from office. Peter W. May is not standing for re-election at the 2017 Annual Meeting, and the Board thanks him for his exemplary service to the Company.

It is not anticipated that any of this year's nominees will be unable to serve as a director but, if that should occur before the 2017 Annual Meeting, the Board may either propose another nominee or reduce the number of directors to be elected. If another nominee is proposed, you or your proxy will have the right to vote for that person at the 2017 Annual Meeting.

Why the Nominees were Chosen to Serve. Each of the 11 nominees for director was recommended for nomination by the Nominating/Corporate Governance Committee and nominated by the full Board to stand for election by the shareholders. All nominees, except Messrs. Farah, Lillie and Trapani, have previously been elected as directors by the Company's shareholders.

On February 20, 2017, JANA and the Company entered into a Cooperation Agreement (the "Cooperation Agreement"), pursuant to which the Company agreed that, subject to the conditions set forth therein, the Board would appoint (i) Messrs. Farah, Lillie and Trapani to the Board and (ii) Mr. Trapani to the Search and Nominating/Corporate Governance Committees, in each case no later than 10 business days after the date of the Cooperation Agreement. Messrs. Farah, Lillie and Trapani were subsequently appointed to the aforementioned positions on March 6, 2017. Pursuant to the Cooperation Agreement, the Company also agreed that, subject to the conditions set forth therein, the Board would nominate each of Messrs. Farah, Lillie and Trapani for election to the Board at the 2017 Annual Meeting.

Messrs. Farah, Lillie and Trapani have each provided to the Company an executed irrevocable resignation letter from the Board that will be effective (subject to Board acceptance) if JANA ceases to comply with or breaches any of the terms of the Cooperation Agreement in any material respect and, after receiving notice of such breach, does not cure such breach, and, solely with respect to Mr. Trapani, such resignation letter will also be effective (subject to Board acceptance) if Mr. Trapani ceases to comply with or breaches any of the terms of a separate cooperation agreement, entered into on February 20, 2017 between the Company and Mr. Trapani (the "Trapani Cooperation Agreement") in any material respect and, after receiving notice of such breach, does not cure such breach. JANA and Mr. Trapani have also each agreed that, for a specified period of time, they will vote their respective shares in favor of the election of each of Messrs. Farah, Lillie and Trapani, as well as all directors who were members of the Board as of February 20, 2017 who are nominated and recommended by the Board for election at an annual meeting of shareholders. Pursuant to the Cooperation Agreement and the Trapani Cooperation Agreement, JANA and Mr. Trapani are each committed to be independent of each other following the date of such Agreements.

Pursuant to the Cooperation Agreement, the Company agreed to limit waivers under the retirement age provision of its By-laws referenced above, such that, in accordance with such mandatory retirement age, Mr. May will not stand for re-election at the 2017 Annual Meeting and Messrs. Marquis and Costley will not stand for re-election at the 2018 Annual Meeting. The foregoing summary of the Cooperation Agreement and Trapani Cooperation Agreement is not

complete and is subject to, and is qualified by reference to, the full text of the Cooperation Agreement and Trapani Cooperation Agreement, which are filed as Exhibits 10.37 and 10.38, respectively, to the Company's Current Report on Form 8-K filed with the SEC on February 21, 2017.

The specific experience and qualifications of each director nominee is set forth in the brief biographies that follow. Each of the nominees has many and diverse skill sets but those skills that most stand out are identified below at the end of each biography as "Key Skills."

Information concerning each of the nominees of the Board is set forth below:

Michael J. Kowalski	Mr. Kowalski, 65, was named Interim Chief Executive Officer of Tiffany & Co. effective February 5, 2017 and it is expected that he will continue to serve in such capacity until a new Chief Executive Officer ("CEO") is appointed by the Company. Mr. Kowalski joined Tiffany in 1983 and was CEO from 1999 until his retirement effective March 31, 2015. Mr. Kowalski has been a director of Tiffany & Co. since 1995 and has been Chairman since the end of Fiscal 2002. He has also served on the Board of Directors of the following public company during the past five years: The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation is one of Tiffany & Co.'s principal banking relationships, serving as a co-syndication agent and lender under Tiffany & Co.'s revolving credit facilities, as the trustee under the indenture governing certain of Tiffany & Co.'s senior notes and as the trustee for the Tiffany and Company Pension Plan. Mr. Kowalski holds a B.S. from the University of Pennsylvania's Wharton School and an M.B.A. from the Harvard Business School. Key Skills: merchandising, management, motivation and strategic planning.
Rose Marie Bravo	Ms. Bravo, CBE, 66, became a director of Tiffany & Co. in 1997. Ms. Bravo previously served as CEO of Burberry Limited from 1997 until 2006 and as President of Saks Fifth Avenue from 1992 to 1997. Prior to Saks, Ms. Bravo held a series of merchandising positions at Macy's, culminating in the Chairman & CEO role at I. Magnin, which was a division of R. H. Macy & Co. Ms. Bravo also serves on the Board of Directors of Estee Lauder Companies Inc. and Williams-Sonoma, Inc. Key Skills: retail and brand management, merchandising and product development.
Gary E. Costley	Dr. Costley, 73, became a director of Tiffany & Co. in 2007. He served as Chairman and CEO of International Multifoods Corporation, a manufacturer and marketer of branded consumer food and food service products, from 1997 until his retirement in 2004. Dr. Costley was Dean of the Graduate School of Management at Wake Forest University from 1995 until 1997. Dr. Costley held numerous positions at the Kellogg Company from 1970 until 1994 when he was President of Kellogg North America. Dr. Costley serves on the Board of Directors and as Lead Director of Prestige Brands Holdings, Inc. and as the Chairman of the Board of Directors of NanoBio Corporation, a private early stage vaccine company. He has also served on the Board of Directors of the following public companies during the past five years: Covance Inc. and The Principal Financial Group. Key Skills: multi-divisional operations, global management, marketing and manufacturing.
Roger N. Farah	Mr. Farah, 64, became a director of Tiffany & Co. on March 6, 2017. He served as the Co-CEO of Tory Burch LLC from September 2014 to March 1, 2017, when he transitioned to the role of Executive Director in which he serves in an advisory capacity to that company. He has also served as a member of the Board of Directors of Tory Burch LLC since September 2014. Mr. Farah served as President and Chief Operating Officer of Ralph Lauren Corporation from 2000 to 2013 and as Executive Vice Chairman from November 2013 to May 2014. He was a member of the Board of Directors of Ralph Lauren Corporation from 2000 to 2014. Prior to joining Ralph Lauren Corporation, he served as Chairman of the Board and CEO of Venator Group, Inc. (now Foot Locker, Inc.), as President and Chief Operating Officer of R.H. Macy & Co., Inc. and as Chairman and CEO of Federated Merchandising Services. Mr. Farah currently serves on the Board of Directors of The Progressive Corporation and Aetna, Inc., and as a non-executive director of Metro Bank PLC. Mr. Farah holds a B.S. in Economics from the University of Pennsylvania, Wharton School of Business. Key Skills: luxury brand management, global management, marketing and product development.

Lawrence K. Fish	Mr. Fish, 72, became a director of Tiffany & Co. in 2008. Mr. Fish previously served as Chairman, President and CEO of Citizens Financial Group, Inc. ("Citizens") from 1992 until 2005, when he relinquished the title of President. Mr. Fish relinquished the title of CEO of Citizens in 2007 and retired as Chairman in 2009. Mr. Fish is a member of the Corporation and Executive Committee of Massachusetts Institute of Technology. Mr. Fish serves as Chairman of Houghton Mifflin Harcourt and as a member of the Board of Directors of Textron. He has also served on the Board of Directors of the following public company during the past five years: National Bank Holdings. Mr. Fish serves as a Trustee Emeritus of The Brookings Institution, as Chairman of Management Sciences for Health and as a Trustee of Woods Hole Oceanographic Institute. Key Skills: risk analysis, finance, brand management and community banking.
Abby F. Kohnstamm	Ms. Kohnstamm, 63, is Executive Vice President and Chief Marketing Officer at Pitney Bowes Inc. ("Pitney Bowes"). In this role, she oversees all of Pitney Bowes's marketing and communications worldwide, as well as citizenship and philanthropy. Before joining Pitney Bowes in June 2013, Ms. Kohnstamm was the President and founder of Abby F. Kohnstamm & Associates, Inc., a marketing and consulting firm. Prior to establishing her company in 2006, Ms. Kohnstamm served as Senior Vice President, Marketing (Chief Marketing Officer) of IBM Corporation from 1993 through 2005. In that capacity, she had overall responsibility for all aspects of marketing across IBM on a global basis. Before joining IBM, Ms. Kohnstamm held a number of senior marketing positions at American Express from 1979 through 1993. She is also a member of the Board of Directors of the Roundabout Theatre Company and is a Trustee Emeritus of Tufts University after serving 10 years on the Board of Trustees. She became a director of Tiffany & Co. in 2001. Ms. Kohnstamm also served on the Board of Directors of the following public company during the past five years: World Fuel Services Corporation. She holds a B.A. from Tufts University, an M.A. in Education from New York University and an M.B.A. from New York University. Key Skills: brand management, global management, strategic planning and digital marketing.
James E. Lillie	Mr. Lillie, 55, became a director of Tiffany & Co. on March 6, 2017. He is the Vice Chairman of Mariposa Capital, a private investment office, and a consultant for Newell Brands, which acquired Jarden Corporation in April 2016. He held senior positions at Jarden Corporation from 2003 through the aforementioned acquisition of the company, including as President and Chief Operating Officer and, beginning in 2011, CEO. He also served as a member of the Board of Directors of Jarden Corporation from 2011 until the aforementioned acquisition. Prior to joining Jarden Corporation, Mr. Lillie served as Executive Vice President of Operations at Moore Corporation Limited and held several senior level management positions at portfolio companies of Kohlberg, Kravis, Roberts & Company. Mr. Lillie serves on the Board of Directors of Nomad Foods Limited and Royal Oak Charcoal, and previously served on the Board of Directors of Radio Prisa in Spain and the US-China Business Council. Mr. Lillie holds a B.A. from the University of Wisconsin. Key Skills: global management, strategic planning, finance, product innovation and business process optimization.
Charles K. Marquis	Mr. Marquis, 74, has been a Senior Advisor to Investcorp International, Inc. since 1999. From 1974 through 1998, he was a partner in the law firm of Gibson, Dunn & Crutcher L.L.P., where he practiced securities and mergers and acquisitions law. He was first elected a director of Tiffany & Co. in 1984. Key Skills: finance, governance, risk analysis, crisis management and investor relations.

William A. Shutzer	Mr. Shutzer, 70, has been a Senior Managing Director of Evercore Partners, a financial advisory and private equity firm, since 2004. He previously served as a Managing Director of Lehman Brothers from 2000 through 2003, a Partner in Thomas Weisel Partners LLC, a merchant banking firm, from 1999 through 2000, as Executive Vice President of ING Baring Furman Selz LLC from 1998 through 1999, President of Furman Selz Inc. from 1995 through 1997 and as a Managing Director of Lehman Brothers and its predecessors from 1978 through 1994. He was first elected a director of Tiffany & Co. in 1984. Mr. Shutzer serves on the Board of Directors of ExamWorks Group, Inc., Evercore Trust Company and RSI Home Products, Inc. He has also served on the Board of Directors of the following public company during the past five years: Mecklermedia Corporation (formerly known as Mediabistro Inc.). Key Skills: finance, investor relations and strategic planning.
Robert S. Singer	Mr. Singer, 65, served as CEO of Barilla Holding S.p.A, a major Italian food company, from 2006 to 2009. From 2004 to 2005, Mr. Singer served as President and Chief Operating Officer of Abercrombie & Fitch Co., an American clothing retailer. Prior to joining Abercrombie, Mr. Singer served as Chief Financial Officer of Gucci Group NV, a leading luxury goods company, from 1995 to 2004. From 1987 to 1995, Mr. Singer was a Partner at Coopers & Lybrand. Mr. Singer served on the Board of Directors of Benetton S.p.A. from 2006 to 2010, and on the Board of Directors of Fairmont Hotels & Resorts, Inc. from 2003 to 2006. Mr. Singer currently serves on the Board of Directors of the following public companies: Mead Johnson Nutrition Company, Coty Inc. and Jimmy Choo PLC. Mr. Singer also currently serves on the Board of Directors of several non-public companies. Mr. Singer was first elected a director of Tiffany & Co. in 2012. Key Skills: accounting, global retail, financial and general management of luxury brands.
Francesco Trapani	Mr. Trapani, 60, became a director of Tiffany & Co. on March 6, 2017. From 1984 until 2011, Mr. Trapani served as CEO of Bulgari S.p.A., including in connection with the company's listing on the Italian Stock Exchange, creation of Bulgari Hotels & Resorts, and acquisition by LVMH Moët Hennessy – Louis Vuitton S.A. ("LVMH") in 2011. From 2011 to 2014, Mr. Trapani served as Chairman and CEO of the LVMH Watches and Jewelry Division, following which he served on the Board of Directors of LVMH and as a senior advisor to the LVMH CEO until his resignation on February 20, 2017. Mr. Trapani joined Clessidra SGR, the largest private equity fund in Italy, as Executive Vice-Chairman in 2014, and later served as Chairman of the Board until the company's sale in 2016. Mr. Trapani holds a degree in business administration from the University of Naples. Key Skills: luxury brand management, finance, strategic planning and global management.

In the event that any of the current directors standing for re-election does not receive a majority of "for" votes of the votes cast "for" or "against" his or her candidacy, such person would continue to serve as a director until he or she is succeeded by another qualified director or until his or her earlier resignation or removal from office. Each of the nominees for director has tendered a resignation letter to the Nominating/Corporate Governance Committee to be considered in the event that he or she does not receive such a majority vote. Under the Corporate Governance Principles adopted by the Board, the Nominating/Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation or whether other action should be taken. Please refer to Section 1.h of our Corporate Governance Principles for further information about the procedure that would be followed in the event of such an election result. The Corporate Governance Principles may be viewed on the Company's website www.tiffany.com, by clicking on "Investors" at the bottom of the page and then selecting "Corporate Governance" from the left-hand column.

THE BOARD RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL 11 NOMINEES FOR DIRECTOR.

PS-20

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

CORPORATE GOVERNANCE HIGHLIGHTS

The Company and its Board are committed to maintaining strong corporate governance practices that serve the interests of the Company and its shareholders. The Board recognizes that the Company's corporate governance practices must continually evolve, and the Board monitors developments in governance best practices to ensure that the Company continues to effectively represent the interests of its shareholders. The Board has adopted several corporate governance practices in support of this commitment, including:

- Annual election of directors;
- Majority voting standard for director elections – each director must be elected by a majority of votes cast, not a plurality;
- Director resignation policy – each of the nominees for director has tendered a resignation letter to the Nominating/Corporate Governance Committee to be considered in the event that he or she does not receive a majority of "for" votes of the votes cast "for" or "against" his or her candidacy. The Nominating/Corporate Governance Committee will then make a recommendation to the Board on whether to accept or reject the resignation or whether other action should be taken;
- Director independence – 9 of the Company's 11 directors up for election are independent;
- Presiding independent director – the Company's Corporate Governance Principles require a presiding independent director, tasked with specific responsibilities, to ensure independent oversight whenever the Chairman of the Board is not independent and to facilitate communication by shareholders and employees with non-management directors;
- Director overboarding policy – directors may not serve on a total of more than five public company boards (including the Board);
- Resignation on job change or new directorship – a director must submit a letter of resignation to the Nominating/Corporate Governance Committee on a change in employment and upon accepting a directorship with another public company (or any other organization that would require a significant time commitment). The Nominating/Corporate Governance Committee may then accept or decline such resignation;
- Annual self-evaluation – the Company's independent directors participate in an annual assessment and evaluation of the workings and efficiency of the Board and each of the committees on which they serve, the results of which are discussed with the full Board;
- Long-standing policies governing business and ethical conduct;
- Commitment to corporate social responsibility; and
- Leading compensation practices – see "Compensation of the CEO and Other Executive Officers–Compensation Discussion and Analysis–Executive Summary–Corporate Governance Best Practices" at PS-44.

THE BOARD, IN GENERAL

The Board is currently composed of 12 members. The Board can fill vacancies and newly created directorships, as well as provide for a greater or lesser number of directors, subject to the terms of the Cooperation Agreement, which limits the Board's ability to increase in size over 12 members (with certain exceptions, including an increase in the Board's size to accommodate the appointment to the Board of a new CEO). Effective as of the date of the 2017 Annual Meeting, the Board intends to take action to establish the number of directors constituting the whole Board at 11.

Under the Company's Corporate Governance Principles, directors may not serve on a total of more than five public company boards. Service on the Board is included in that total.

THE ROLE OF THE BOARD IN CORPORATE GOVERNANCE

The Board plays several important roles in the governance of the Company, as set out in the Company's Corporate Governance Principles. The Corporate Governance Principles may be viewed on the Company's website www.tiffany.com, by clicking on "Investors" at the bottom of the page and then selecting "Corporate Governance" from the left-hand column. The responsibilities of the Board include:

- Review and approval of the annual operating plan prepared by management;

- Monitoring of performance in comparison to the annual operating plan;
- Review and approval of the Company's multi-year strategic plan prepared by management;
- Consideration of topics of relevance to the Company's ability to carry out its strategic plan;
- Selection and evaluation of, and determination of whether to retain or replace, the Company's CEO;
- Participation in succession planning for the Company's other executive officers;
- Review and approval of delegations of authority by which management carries out the day-to-day operations of the Company and its subsidiaries;
- Review of management's enterprise risk assessment;
- Review and, if appropriate, modification of Board committee charters;
- Review and approval of the Company's policies or programs with respect to payment of dividends and the repurchase of common stock; and
- Review and approval of significant actions by the Company.

BOARD LEADERSHIP STRUCTURE

Michael J. Kowalski, the Company's current Interim CEO, served as the Company's CEO from 1999 until March 31, 2015 and has held the position of Chairman of the Board since the end of Fiscal 2002. As such, the role of Chairman of the Board and the office of CEO have been held by the same individual for much of the Company's recent history (other than from March 31, 2015 through February 5, 2017, when the position of CEO was held by Mr. Cumenal). On February 5, 2017, when Mr. Kowalski was named Interim CEO, the Board also commenced a search to recruit a new CEO. Mr. Kowalski has stated that he anticipates relinquishing his responsibilities as Chairman of the Board to a successor after an appropriate period following the appointment of a new CEO.

The Company also has a presiding independent director. Charles K. Marquis occupies such position.

Mr. Kowalski, as Chairman of the Board, sets a preliminary agenda for each Board meeting and submits it for the approval of the presiding independent director. The Chairman of the Board is required to include in such agenda any item submitted by the presiding independent director. The presiding independent director also approves meeting schedules for the Board.

Mr. Marquis, as the presiding independent director, has the authority to call meetings of the independent directors. Mr. Marquis also chairs meetings of the independent and non-management directors, and acts as a liaison between the Chairman of the Board and the independent directors.

The Board believes the presiding independent director position provides additional independent oversight of the Company's management and other Board matters. The existence of a presiding independent director also facilitates communication among the Company's directors or between any of them and the Chairman of the Board, as well as communication between shareholders and Company employees and the Company's independent and other non-management directors. As such, the Board recognizes that the presiding independent director can be an important advisor to the CEO. The Board further believes the presiding independent director performs an important role in the Board's consideration of, and efforts regarding, its own effectiveness, in establishing leading governance practices and in facilitating effective Board oversight in crisis or transitional situations.

The Nominating/Corporate Governance Committee believes the Company's existing leadership structure is appropriate in the context of the Board's current size and given the recent addition of three new directors, the recent departure of the Company's CEO and the ongoing search for a new CEO. See "Item 1. Election of the Board" at PS-17.

Given Mr. Kowalski's tenure as Chairman of the Board, the Board has had significant opportunity to assess his skills at moderating discussions during meetings, as well as his responsiveness to the Board's suggestions for the agenda and the information to be provided by management to the Board. The Board also believes Mr. Kowalski's extensive experience as the CEO of the Company is valuable to his service as Chairman of the Board. Not only does his in-depth understanding of the Company's operations improve his ability to set the agenda for each Board meeting, but his experience in leading the Company also allows the Board additional insight into key matters within its purview, including the strategic planning process and management succession.

The independent directors of the Board similarly believe that Mr. Marquis's extensive experience with the Company and his expertise in governance matters are invaluable in light of the changes in Board composition and executive leadership. During Mr. Marquis's tenure, the Board has effectively planned for and implemented changes in Board composition as well as CEO transitions. The Board believes his continued role as presiding independent director, until his planned retirement from the Board in May 2018, is uniquely important to the Company during the current period of transition. Therefore, the Board has granted a waiver of the Company's policy on the mandatory retirement age for directors in respect of the nomination of Mr. Marquis at the 2017 Annual Meeting.

The Board, with the assistance of the Nominating/Corporate Governance Committee, will reassess the appropriateness of the existing leadership structure as warranted, including following changes in management, in Board composition or in the nature, scope or complexity of the Company's operations.

EXECUTIVE SESSIONS OF NON-MANAGEMENT DIRECTORS/PRESIDING INDEPENDENT DIRECTOR

Non-management directors meet regularly in executive session without the participation of management directors or executive officers. This encourages open discussion. In addition, at least once per year the independent directors meet separately in executive session. In these executive sessions, Mr. Marquis, as presiding independent director, presides.

COMMUNICATION WITH NON-MANAGEMENT DIRECTORS

Shareholders and other interested persons may send written communications to the entire Board or to any of the non-management directors by addressing their concerns to Mr. Marquis, Chairman of the Nominating/Corporate Governance Committee (presiding independent director), at the following address: Corporate Secretary (Legal Department), Tiffany & Co., 727 Fifth Avenue, New York, New York 10022. All communications will be compiled by the Corporate Secretary and submitted to the Board or an individual director, as appropriate, on a periodic basis.

INDEPENDENT DIRECTORS CONSTITUTE A MAJORITY OF THE BOARD

The Board has affirmatively determined that each of the following directors and director-nominees is "independent" under the listing standards of the New York Stock Exchange in that none of them has a material relationship with the Company (directly or as a partner, shareholder or officer of any organization that has a relationship with the Company): Rose Marie Bravo, Gary E. Costley, Roger N. Farah, Lawrence K. Fish, Abby F. Kohnstamm, James E. Lillie, Charles K. Marquis, Peter W. May, Robert S. Singer and Francesco Trapani.

All of the members of the Audit, Nominating/Corporate Governance and Compensation Committees are independent as indicated in the prior paragraph.

The Board also considered the other tests of independence set forth in the New York Stock Exchange Corporate Governance Rules and has determined that each of the above directors and nominees is independent as defined in such Rules.

In addition, the Board has affirmatively determined that Robert S. Singer, Gary E. Costley, Lawrence K. Fish, Abby F. Kohnstamm and Charles K. Marquis meet the additional, heightened independence criteria applicable to audit committee members under New York Stock Exchange rules.
In determining that Mr. Trapani is independent, the Board specifically considered the Cooperation Agreement, the Trapani Cooperation Agreement and the Nomination Agreement (as defined below). In determining that Messrs. Farah and Lillie are independent, the Board specifically considered the Cooperation Agreement. See "Item 1. Election of the Board" at PS-17 for additional information regarding the Cooperation Agreement and Trapani Cooperation Agreement. See "Item 3. Approval, on an Advisory Basis, of the Compensation of the Company's Named Executive

Officers–Director Compensation Table–Additional Compensation from JANA Partners LLC" at PS-97 for additional information regarding the Nomination Agreement.

To the Company's knowledge, none of the other independent directors or director nominees has any direct or indirect relationship with the Company, other than as a director.

BOARD AND COMMITTEE MEETINGS AND ATTENDANCE DURING FISCAL 2016

Pursuant to the Company's Corporate Governance Principles, directors are expected to attend the regularly scheduled Board meetings, as well as all regularly scheduled meetings for those committees on which they serve. Directors are

expected to attend such meetings in person or, if such attendance in person is not practicable, by telephone or other communications equipment.

The Board holds one of its regularly scheduled meetings on the date of the annual meeting of its shareholders to facilitate attendance at the annual meeting by the directors. Seven of the Company's 11 directors up for election attended the 2016 Annual Meeting (three of the non-attending directors were not on the Board in May 2016). Mr. Cumenal, who resigned as a director as of February 10, 2017, also attended the 2016 Annual Meeting.

Each director who served on the Board during Fiscal 2016 attended at least 83% of the aggregate number of meetings of the Board and those committees (including the Audit Committee, Compensation Committee, Stock Option Subcommittee, Nominating/Corporate Governance Committee, Finance Committee and Corporate Social Responsibility Committee) on which he or she served.

- The full Board held six meetings. Attendance averaged 98% amongst all members.
- The Audit Committee held ten meetings. Attendance averaged 93% amongst all members.
- The Compensation Committee and its Stock Option Subcommittee held six meetings. Attendance averaged 97% amongst all members.
- The Nominating/Corporate Governance Committee held six meetings. Attendance averaged 96% amongst all members.
- The Finance Committee held six meetings. All members attended all meetings.
- The Corporate Social Responsibility Committee held three meetings. All members attended all meetings.

COMMITTEES OF THE BOARD

Board Committee Membership

The committees of the Board, as well as the memberships thereof, consisted of the following as of March 20, 2017:

Director	Audit*	Compensation Committee & Stock Option Sub-committee*	Corporate Social Responsibility	Dividend	Finance	Nominating/ Corporate Governance*	Search
Rose Marie Bravo		ü				ü	Chair
Gary E. Costley		Chair	ü			ü	
Roger N. Farah							
Lawrence K. Fish	ü		Chair		ü		
Abby F. Kohnstamm	ü	ü	ü			ü	ü
James E. Lillie							
Charles K. Marquis	ü	ü				Chair	
Peter W. May		ü			ü		ü
William A. Shutzer					Chair		ü
Robert S. Singer	Chair	ü			ü		
Francesco Trapani						ü	ü
Michael J. Kowalski			ü	ü			ü

* Composed solely of independent directors.

Audit Committee

The Company's Audit Committee is an "audit committee" established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the Company's financial matters. The Audit Committee operates under a charter adopted by the Board; that charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page and then selecting "Corporate Governance" from the left-hand column. Under its charter, the Audit Committee's responsibilities include:

- Appointing, compensating, retaining and providing oversight of the Company's independent registered public accounting firm retained to audit the Company's consolidated financial statements;
- Reviewing the quality-control procedures and independence of the Company's independent registered public accounting firm and evaluating their proposed audit scope, performance and fee arrangements;
- Approving in advance all audit and non-audit services to be rendered by the independent registered public accounting firm;
- Reviewing the adequacy of the Company's system of internal accounting and financial controls;
- Discussing the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
- Discussing guidelines and policies with respect to risk assessment and risk management;
- Reviewing with the independent auditor any difficulties the auditor encountered in the course of its audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management;
- Setting clear hiring policies for employees or former employees of the independent auditor;
- Establishing procedures for complaints regarding accounting, internal accounting controls or auditing matters; and
- Conducting a review of our financial statements and audit findings in advance of filing, and reviewing in advance significant proposed changes in our accounting principles.

The Board has determined that all members of the Audit Committee are financially literate, that at least one member of the Audit Committee meets the New York Stock Exchange standard of having accounting or related financial management expertise, and that Mr. Singer meets the SEC criteria of an "audit committee financial expert." The Board considered Mr. Singer's past experience as Chief Financial Officer of Gucci Group NV, Partner at Coopers & Lybrand, and Chairman of the audit committee for Fairmont Hotels & Resorts, Inc. and Mead Johnson Nutrition Company. The Board also considered Mr. Singer's role as Chairman of the audit committee for Jimmy Choo PLC and Coty Inc. The Board has determined that Mr. Singer's simultaneous service on the audit committee of two other public companies will not impair his ability to effectively serve on the Company's Audit Committee. See "Report of the Audit Committee" at PS-34.

For additional information regarding the Company's relationship with its independent registered public accounting firm, see "Relationship with Independent Registered Public Accounting Firm" at PS-35.

Compensation Committee

The primary function of the Compensation Committee is to assist the Board in compensation matters. The Compensation Committee operates under its charter which may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column.

Under its charter, the Compensation Committee's responsibilities include:

- Reviewing and approving corporate goals and objectives relevant to the compensation of our CEO;
- Evaluating our CEO's performance in light of those corporate goals and objectives;

- Determining and approving our CEO's compensation level based on such evaluation;
- Making recommendations to the Board with respect to the compensation of our other executive officers, including compensation under incentive and equity-based plans;

- Reviewing and approving remuneration arrangements for executive officers;
- Making awards to executive officers under the Company's compensation plans, including equity-based plans;
- Considering the expressed view of shareholders on executive compensation matters, including shareholder proposals and advisory votes, and considering communications with proxy advisory firms and related matters; and
- Assessing on an annual basis potential material risks to the Company from its compensation programs and plans.

Pursuant to its charter, the Compensation Committee may delegate any of its functions to one or more subcommittees composed entirely of members of the Compensation Committee.

Compensation for the non-management members of the Board is set by the Board with advice from the Nominating/Corporate Governance Committee.

Role of Compensation Consultants

Frederic W. Cook & Co., Inc. ("FW Cook") is an independent advisor retained by the Compensation Committee to provide advice with respect to the amount and form of executive compensation. FW Cook also provides advice to the Nominating/Corporate Governance Committee with respect to non-management director compensation.

FW Cook assists the Compensation Committee's development and evaluation of executive compensation policies and practices and the Compensation Committee's determinations of executive compensation awards by:

- attending Compensation Committee meetings;
- meeting with the Compensation Committee without management present;
- providing third-party data, advice and expertise on proposed executive compensation awards and plan design (see "Compensation of the CEO and Other Executive Officers–Compensation Discussion and Analysis–Competitive Compensation Analysis - No Benchmarks" at PS-47);
- reviewing materials prepared by management and advising the Compensation Committee on the matters included in these materials, including the consistency of proposals with the Compensation Committee's compensation philosophy and comparisons to programs at other companies; and
- preparing its own analysis of compensation matters, including positioning of programs in the competitive market and the design of plans consistent with the Compensation Committee's compensation philosophy.

Independence factors as reflected in the Compensation Committee charter were considered in selecting FW Cook, and FW Cook was found to be independent. The Compensation Committee has instructed FW Cook to act independently of management and only at the direction of the Committee, and has advised FW Cook that its ongoing engagement will be determined solely by the Compensation Committee. FW Cook does not consult with management on compensation to be paid to non-executive employees, nor does it have any potential or actual conflicts with the Company. Management has assisted in arranging meetings between FW Cook and the Compensation Committee and in facilitating FW Cook's review of Compensation Committee materials.

For additional information regarding the operation of the Compensation Committee, including the role of consultants and management in the process of determining the amount and form of executive compensation, see "Compensation of the CEO and Other Executive Officers–Compensation Discussion and Analysis–Compensation Evaluation Process" at PS-46 and "Report of the Compensation Committee" at PS-67.

Stock Option Subcommittee

The Stock Option Subcommittee determines the grant of options, restricted stock units, cash incentive awards and other matters under our 2014 Employee Incentive Plan. All members of the Compensation Committee are members of this subcommittee.

Compensation Committee Interlocks and Insider Participation

During 2016, the members of the Compensation Committee and its Stock Option Subcommittee were Rose Marie Bravo, Gary E. Costley, Abby F. Kohnstamm, Charles K. Marquis, Peter W. May and Robert S. Singer. No director serving on the Compensation Committee or its Stock Option Subcommittee during any part of Fiscal 2016 was, at any time either during or before such fiscal year, an officer or employee of Tiffany & Co. or any of its subsidiaries. None of the Company's executive officers serves, or in the past fiscal year served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of the Board or the Compensation Committee and its Stock Option Subcommittee.

Nominating/Corporate Governance Committee

The primary function of the Nominating/Corporate Governance Committee is to identify individuals to become Board members consistent with criteria approved by the Board, and to assist the Board in matters of corporate governance. The Nominating/Corporate Governance Committee operates under the charter adopted by the Board. The charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column. Under its charter, the role of the Nominating/Corporate Governance Committee includes recommending to the Board:

- Policies on the composition of the Board;
- Criteria for the selection of nominees for election to the Board;
- Nominees to fill vacancies on the Board;
- Nominees for election to the Board;
- Corporate governance principles applicable to the Company;
- Non-management director compensation; and
- Management performance and succession planning.

Submitting Candidate Names

If you would like to submit the name of a candidate for the Nominating/Corporate Governance Committee to consider as a nominee of the Board for director, you may send your submission at any time to the Nominating/Corporate Governance Committee, c/o Corporate Secretary (Legal Department), Tiffany & Co., 727 Fifth Avenue, New York, New York 10022.

Process for Identifying and Evaluating Nominees for Director

The Nominating/Corporate Governance Committee evaluates candidates recommended by shareholders in the same manner as it evaluates director candidates suggested by others, including those recommended by director search firms.

See our Corporate Governance Principles which are available on our website www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column. In accordance with these principles, candidates for director shall be selected on the basis of their business experience, expertise and skills, with a view to supplementing the business experience, expertise and skills of management and adding further substance and insight into Board discussions and oversight of management.

The candidate identification and evaluation process includes discussions at meetings of the Nominating/Corporate Governance Committee and specifications provided to director search firms when such firms are retained. The Nominating/Corporate Governance Committee engaged a third party search firm in 2015 to assist the Committee in the identification of certain non-executive director candidates, in light of the fact that certain of the Company's directors would reach the mandatory retirement age of 74 set forth in the Company's By-laws prior to the Company's

2017 and 2018 Annual Meetings. The Nominating/Corporate Governance Committee has no procedure or means of assessing the effectiveness of this process other than the process described under "Board Refreshment" below.

While the Company's Corporate Governance Principles do not prescribe diversity standards, as a matter of practice, the Nominating/Corporate Governance Committee considers the diversity of the Board as a whole when considering candidates for director. In this context, diversity is broadly construed to include differences of viewpoint, professional experience, education, skill and other individual qualities and attributes that contribute to an active, effective board. In addition, one of the factors that the Board considers during its annual self-evaluation is whether the membership of the Board provides an appropriate mix of skills, experience and backgrounds.

Messrs. Farah, Lillie and Trapani were appointed to the Board pursuant to the Cooperation Agreement, as discussed under "Item 1. Election of the Board" above.

Corporate Social Responsibility Committee

The Board formed the Corporate Social Responsibility Committee in 2009 to assist the Board with its oversight of the Company's policies and practices involving the environment, vendor workplace conditions and employment practices, community affairs, sustainable product sourcing, corporate charitable giving, governmental relations, political activities and diversity in employment. The Corporate Social Responsibility Committee operates under the charter adopted by the Board. The charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column.

Dividend Committee

The Dividend Committee exercises the power otherwise vested in the Board with respect to the declaration of regular quarterly dividends in accordance with the dividend policy established by the Board. The Dividend Committee operates under the charter adopted by the Board. The charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column. Mr. Kowalski is the sole member of the Dividend Committee.

Finance Committee

The Board formed the Finance Committee to assist the Board with its oversight of the Company's capital structure, liquidity risk, dividend policy, purchase and repurchase of the Company's common stock, debt and equity financings, the retention of investment bankers and other financial advisors to the Board, the Company's hedging policy and guarantee of indebtedness incurred by the Company's subsidiaries, as well as of currency, interest rate or commodity hedging transactions entered into by the Company's subsidiaries. The Finance Committee operates under the charter adopted by the Board. The charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column.

Search Committee

The Board formed the Search Committee in February 2017, following the departure of Frederic Cumenal as CEO, in order to identify and perform an initial assessment of potential candidates to serve as CEO of the Company and, based on such assessment, to propose suitable individuals for consideration by the full Board. The Search Committee operates under the charter adopted by the Board. The charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column. Pursuant to its charter, the Search Committee will dissolve automatically and without any further action of the Board once a new CEO is appointed, unless the Board determines otherwise by resolution prior to such time.

BOARD SELF-EVALUATION

Annually, each independent director participates in an assessment and evaluation of the Board's performance and the performance of each of the Board committees on which he or she serves. The presiding independent director leads a full Board discussion of the results of such self-assessments.

BOARD REFRESHMENT

Changes to Board composition may result from the Board's self-evaluation practices and related discussions; however, the Board also ensures refreshment through By-law provisions requiring that directors be less than age 74 when elected or appointed, unless the Board waives that provision with respect to an individual director whose continued service is deemed uniquely important to the Company. The Board has granted such a waiver in respect of the nomination of Charles K. Marquis, who is currently age 74, for election at the 2017 Annual Meeting. The Board has deemed Mr. Marquis's continued service to be uniquely important to the Company at this time, as discussed above under "Board Leadership Structure".

In light of upcoming retirements, in 2015 the Board engaged a leading search firm to assist in its search for new director candidates. On March 6, 2017, after working collaboratively with JANA Partners LLC in connection with the

Board's refreshment objectives, the Board appointed three new independent directors as contemplated by the Cooperation Agreement.

RESIGNATION ON JOB CHANGE OR NEW DIRECTORSHIP

Under the Company's Corporate Governance Principles, a director must submit a letter of resignation to the Nominating/Corporate Governance Committee on a change in employment or significant change in job responsibilities and upon accepting or resolving to accept a directorship with another public company (or any other organization that would require a significant time commitment). The Committee shall promptly determine, in light of the circumstances, whether to accept or decline such resignation. In certain instances, taking into account all relevant factors and circumstances, the Nominating/Corporate Governance Committee may decline such resignation, but recommend to the Board that such director cease participation in one or more committees or that such director not be re-nominated to the Board. The letter of resignation will be of no force and effect if not accepted by the Committee within 10 days of receipt.

MANAGEMENT SUCCESSION PLANNING

One of the Board's primary responsibilities is to ensure that the Company has a high-quality management team in place. The Board, assisted by the Nominating/Corporate Governance Committee, is responsible for selecting, evaluating the performance of, and determining whether to retain or replace the Company's CEO. Pursuant to the Company's Corporate Governance Principles, any such evaluations and determinations must be made with a view towards the effectiveness and execution of the strategies and decisions set forth by the CEO regarding the Company's long-term strategic plan and long-term financial performance.

In February 2017, the Board determined that accelerating execution of the Company's core business strategies was necessary for the Company to compete more effectively and improve performance, and the Company's then-serving CEO stepped down from that position. On that same date, the Board appointed Mr. Kowalski as Interim CEO and formed a Search Committee to identify potential candidates for the CEO position. Based on the Search Committee's initial assessment of candidates, it will propose suitable individuals for consideration by the full Board. The Company expects that Mr. Kowalski will continue to serve as Interim CEO until a new CEO is appointed by the Company.

The Board also evaluates at least annually, in conjunction with the CEO, the performance and potential of the Company's other executive officers. The Board, assisted by the Nominating/Corporate Governance Committee, also participates in the planning for the succession of the Company's other executive officers.

BOARD ROLE IN RISK OVERSIGHT

The Board believes that (i) management is responsible for identifying, assessing and managing the various risks that may arise in the Company's operations and ensuring that the Board is appropriately aware of any such material risks, and (ii) the Board has a role in overseeing management in the risk management function.

Management's approach to risk management includes systems of authorities and approval levels; internal control checks and balances; analytical methods for making and evaluating decisions; annual operating and profit planning; strategic planning; and nurturing a corporate culture that rewards integrity and supports the TIFFANY & CO. brand image. This approach to risk management includes these goals: that every risk should, when possible and practicable, be identified, quantified as to monetary impact, assigned a probability factor, and properly delegated to management for a response. Operational risks so categorized are used to inform and shape the internal audit plan and are communicated to the Company's independent registered public accounting firm so that they can be referenced and used, if deemed appropriate, to inform and shape the external audit plan. Strategic risks are identified and are

addressed in the strategic planning process.

Each year management is charged with the preparation of detailed business plans for the coming one-year (the annual operating plan) and three-year (the strategic plan) periods and is required to review these plans, as they are developed and refined, with the Board. Such plans include both financial and non-financial considerations. The Board requires management to plan on the basis of realistic assumptions. In this process, the Board endeavors to assess whether management has made an appropriate analysis of the operational and brand risks inherent in the plans.

Each year the Board reviews and approves the annual operating plan and the strategic plan. The Board also reviews specific risk areas on a regular basis. These include insured risks, management authority, investor relations, litigation risks, foreign currency risks, diamond and product supply risks and inventory risks.

The Audit Committee is required to discuss policies with respect to risk assessment and risk management and regularly does so. The Audit Committee concerns itself most specifically with the integrity of the financial reporting process, but also with personnel, asset and information security risks.

The Finance Committee concerns itself principally with liquidity risk.

The Company has not designated an overall risk management officer and has no formal policy for coordination of risk management oversight amongst the two Board committees involved. The committee structure was not organized specifically for the purpose of risk management oversight.

The Board coordinates the risk management oversight function in the following manner. Both the Finance Committee and the Audit Committee share the minutes of their meetings with the Board and report regularly to the Board, to the extent the full Board is not otherwise present for such meetings. All committee meetings are open to the other directors and most regularly attend because the committee meetings are regularly scheduled on the day of, or the day preceding, Board meetings.

BUSINESS CONDUCT POLICY AND CODE OF ETHICS

The Company has a long-standing policy governing business conduct for all Company employees worldwide. The policy requires compliance with law and avoidance of conflicts of interest and sets standards for various activities to avoid the potential for abuse or the occasion for illegal or unethical activities. This policy covers, among other activities, the protection of confidential Company information, insider information and transactions in Company securities, the acceptance of gifts from those seeking to do business with the Company, the giving of gifts or other items of value to third parties, processing one's own transactions, protection of computer passwords, political contributions made through the use of Company funds, prohibition of discrimination or harassment, theft or unauthorized use of Company assets and reporting dishonest activity. Each year, all employees are required to review the policy, report any violations or conflicts of interest and affirm their obligation to report future violations to management.

The Company has a toll-free "hotline" to receive complaints from employees, vendors, shareholders and other interested parties concerning violations of the Company's policies or questionable accounting, internal controls or auditing matters. The toll-free phone number is 877-806-7464. The hotline is operated by a third-party service provider to assure the confidentiality and completeness of all information received. Users of this service may elect to remain anonymous.

The Company also has a Code of Business and Ethical Conduct for the directors, the CEO, the Chief Financial Officer and all other executive officers of the Company. The Code advocates and requires those persons to adhere to principles and responsibilities governing professional and ethical conduct. This Code supplements the Company's business conduct policy. Waivers may only be made by the Board. A summary of the Company's business conduct policy and a copy of the Code of Business and Ethical Conduct are posted on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column. The Board has not adopted a policy by which it will disclose amendments to, or waivers from, the Company's Code of Business and Ethical Conduct on the Company's website. Accordingly, the Company will file a report on Form 8-K if that Code is amended or if the Board has granted a waiver from such Code, including an implicit waiver. The Company will file such a report only if the waiver applies to the Company's principal executive

officer, principal financial officer, principal accounting officer or controller, and if such waiver relates to: honest and ethical conduct; full, fair, accurate, timely and understandable disclosure; compliance with applicable governmental laws, rules and regulations; the prompt internal reporting of violations of the Code; or accountability for adherence to the Code.

POLITICAL SPENDING

The Board has adopted the Tiffany & Co. Principles Governing Corporate Political Spending, which are intended to ensure oversight, transparency and effective decision-making with respect to the Company's political spending. The principles may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page, and then selecting "Corporate Governance" from the left-hand column.

In accordance with the Principles Governing Corporate Political Spending, the Company reported the following expenses for Fiscal 2016: the Company paid $314,100 to Cassidy & Associates, a government relations firm based in Washington D.C. that engaged, on behalf of the Company, in lobbying efforts focused on public policy associated with various mining law and sustainability issues, including with respect to the proposed Pebble Mine in Bristol Bay, Alaska, and in communications with certain governmental agencies regarding international gemstone sourcing as well as actions necessary to protect against wildlife trafficking. Cassidy & Associates did not use any funds from the Company to assist candidates for any office or to influence the outcome of ballot initiatives or elections. The Company and its affiliates did not make any political expenditures during Fiscal 2016.

The Tiffany & Co. Principles Governing Corporate Political Spending define "political expenditures" to include payments of money as well as provision of goods, services or use of facilities to candidates, political parties, political organizations, campaign funds or to any other organization, fund, person or trust, whose purpose, in whole or in part, is (i) to advance the candidacy of any person or persons seeking elective office, including the candidacies of nominees of any political party on a federal, national, statewide or local basis; (ii) to influence the outcome of any ballot initiative; or (iii) to influence the outcome of any election through issues advocacy communications, whether or not such communications specifically refer to a named candidate or party. Political expenditures also include indirect expenditures whose purpose includes any of the foregoing.

COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility has long been a priority of the Company. The Company strives to protect the interests of our shareholders, customers and other stakeholders through responsible business decisions that reflect the integrity of the TIFFANY & CO. brand in both the short- and long-term; enhance the communities in which we source, operate and sell our merchandise; improve our environmental performance; and promote responsible practices within our supply chain and our industry.

Underscoring the importance of sustainability and corporate social responsibility to the Company, the Board established a Corporate Social Responsibility Committee in 2009. See "Corporate Social Responsibility Committee" at PS-28 for more information.

The Company publicly discloses information regarding its corporate social responsibility strategy, programs and performance at www.tiffany.com/CSR.

LIMITATION ON ADOPTION OF POISON PILL PLANS

On January 19, 2006, the Board terminated the Company's shareholder rights plan (typically referred to as a "poison pill") and adopted the following policy:

"This Board shall submit the adoption or extension of any poison pill to a stockholder vote before it acts to adopt such poison pill; provided, however, that this Board may act on its own to adopt a poison pill without first submitting such matter to a stockholder vote if, under the circumstance then existing, this Board in the exercise of its fiduciary responsibilities deems it to be in the best interests of the Company and its stockholders to adopt a poison pill without the delay in adoption that is attendant upon the time reasonably anticipated to seek a stockholder vote. If a poison pill is adopted without first submitting such matter to a stockholder vote, the poison pill must be submitted to a stockholder vote within one year after the effective date of the poison pill. Absent such submission to a stockholder vote, and favorable action thereupon, the poison pill will expire on the first anniversary of its effective date."

TRANSACTIONS WITH RELATED PERSONS

The Board has adopted policies and procedures for the review and approval or ratification of any transaction with the Company (or any subsidiary) in which (i) the aggregate amount involved will, or may be expected to, exceed $120,000 in any fiscal year and (ii) any director or executive officer, any nominee for election as a director, any five-percent or greater holder of the Company's securities, or any immediate family member of such an officer, director, nominee or holder, has a direct or indirect material interest. Any such transaction is referred to the Nominating/Corporate Governance Committee for review. The Nominating/Corporate Governance Committee will then evaluate such transaction and, where the Nominating/Corporate Governance Committee determines in its business judgment that such transaction is in the best interest of the Company, recommend such transaction for approval or ratification to the Board.

CONTRIBUTIONS TO DIRECTOR-AFFILIATED CHARITIES

Pursuant to the Company's Corporate Governance Principles, contributions made by the Company during any fiscal year to charitable organizations with which the Company's directors are affiliated, through memberships on the governing body of such charitable organization, are required to be disclosed in the Company's annual proxy statement for such fiscal year. The contributions listed below were made during Fiscal 2016. None of the independent directors serve as an executive officer of these charities:

- 92nd Street Y: merchandise grants of $950 (Mr. May is an Honorary Director).
- Fish Family Foundation: $10,000 cash contribution to support the Japanese Women's Leadership Initiative and merchandise grants of $135 (Mr. Fish is a Trustee).
- Partnership for New York City: $15,000 annual dues contributions (Mr. May is a member of the Executive Committee).
- Paul Taylor Dance Company: merchandise grants of $1,850 (Mr. Shutzer is a Trustee).
- Prep for Prep: merchandise grants of $2,600 (Mr. Shutzer is a Trustee).
- Whitney Museum of American Art (the "Whitney"): $1,000,000 sponsorship payment pursuant to the terms of the sponsorship agreement entered into between Tiffany and the Whitney in February 2015. Pursuant to the terms of the sponsorship agreement Mr. Cumenal was proposed for election, and was subsequently elected, to the Board of Trustees of the Whitney. Mr. Cumenal served on the Board of Trustees of the Whitney during Fiscal 2016 and resigned as a Trustee effective February 10, 2017 in connection with his departure as CEO.

ITEM 2. RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM TO AUDIT OUR FISCAL 2017 FINANCIAL STATEMENTS

The Audit Committee has appointed, and the Board has ratified the appointment of, PwC as the independent registered public accounting firm to audit the Company's consolidated financial statements for Fiscal 2017. As a matter of good corporate governance, we are asking you to ratify this selection.

PwC, directly and through its predecessor firms, has served as the Company's independent registered public accounting firm since 1984.

A representative of PwC will be in attendance at the 2017 Annual Meeting to respond to appropriate questions raised by shareholders and will be afforded the opportunity to make a statement at the meeting, if he or she desires to do so.

The Board may review this matter if this appointment is not ratified by the shareholders.

THE BOARD RECOMMENDS A VOTE "FOR" RATIFICATION OF THE SELECTION OF PRICEWATERHOUSECOOPERS LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM TO AUDIT THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL 2017.

REPORT OF THE AUDIT COMMITTEE

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the Company's financial matters. The Audit Committee operates under a charter adopted by the Board; that charter may be viewed on the Company's website, www.tiffany.com, by clicking "Investors" at the bottom of the page and then selecting "Corporate Governance" from the left-hand column. The Company's management is responsible for the Company's internal controls and for preparing the Company's financial statements contained in the Company's public reports. The Company's independent registered public accounting firm, PricewaterhouseCoopers LLP ("PwC"), is responsible for auditing the annual financial statements prepared by management and for expressing opinions on the Company's consolidated financial statements and on the effectiveness of the Company's internal control over financial reporting in accordance with the Public Company Accounting Oversight Board (United States) (the "PCAOB").

Included in the Company's Annual Report to Shareholders are the consolidated balance sheets of the Company and its subsidiaries as of January 31, 2017 and 2016, and the related consolidated statements of earnings, comprehensive earnings, stockholders' equity, and cash flows for each of the three years in the period ended January 31, 2017. These statements (the "Audited Financial Statements") are the subject of a report by PwC. The Audited Financial Statements are also included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission. The Audit Committee reviewed and discussed the Audited Financial Statements with the Company's management and PwC, as appropriate, and otherwise fulfilled the responsibilities set forth in its charter. The Audit Committee has also discussed with the Company's management and PwC their evaluations of the effectiveness of the Company's internal control over financial reporting, as well as the quality of the accounting principles applied and the reasonableness of the significant accounting judgments and estimates incorporated in the Audited Financial Statements.

The Audit Committee has discussed with PwC the matters required to be discussed by PCAOB Auditing Standard No. 1301, "Communications with Audit Committees." In connection with such discussion, the Audit Committee and PwC also discussed the business, compliance and financial reporting risks to which the Company is subject. The Audit Committee received from PwC the written disclosure and letter required by PCAOB Rule 3526 "Communication with Audit Committees Concerning Independence," and has discussed with them their independence. The Audit Committee has considered whether the provision by PwC of the tax consultation, tax compliance and other non-audit-related services disclosed below under "Relationship with Independent Public Accounting Firm–Fees and Services of PricewaterhouseCoopers LLP" is compatible with maintaining PwC's independence and has concluded that providing such services is compatible with PwC's independence from the Company and its management.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Company's Board that the Audited Financial Statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2017.

Signed:
Robert S. Singer, Chair
Lawrence K. Fish
Abby F. Kohnstamm
Charles K. Marquis
Members of the Audit Committee

RELATIONSHIP WITH INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

As noted under "Board of Directors and Corporate Governance–Committees of the Board–Audit Committee" at PS-25, the Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. Further, the Audit Committee ensures the rotation of the lead audit partner having responsibility for the audit of the Company's consolidated financial statements and effectiveness of internal control over financial reporting and the audit partner responsible for reviewing such audit, as required by law, and periodically considers whether, in order to assure continuing auditor independence, there should be regular rotation of the Company's independent registered public accounting firm.

The Audit Committee has selected PwC as the independent registered public accounting firm to audit the Company's consolidated financial statements and effectiveness of internal control over financial reporting for the fiscal year ending January 31, 2018. PwC has, directly or through its predecessor firms, served as the Company's independent registered public accounting firm continuously since 1984. In selecting PwC to serve in this capacity for the fiscal year ending January 31, 2018, the Audit Committee considered the independence of PwC, and whether the audit and non-audit services PwC provides to the Company are compatible with maintaining that independence.

The Audit Committee has adopted a policy requiring advance approval of PwC's fees and services by the Audit Committee; this policy also prohibits PwC from performing certain non-audit services for the Company including: (i) bookkeeping, (ii) financial information systems design and implementation, (iii) appraisal or valuation services, fairness opinions or contribution in kind reports, (iv) actuarial services, (v) internal audit outsourcing services, (vi) management functions or human resources, (vii) investment advisor or investment banking services, and (viii) legal and expert services unrelated to the audit. All fees paid to PwC by the Company as shown in the table that follows were approved by the Audit Committee pursuant to this policy.

FEES AND SERVICES OF PRICEWATERHOUSECOOPERS LLP

The following table presents fees for professional audit services rendered by PwC for the audit of the Company's consolidated financial statements and the effectiveness of internal control over financial reporting for the years ended January 31, 2017 and 2016, and for its reviews of the Company's unaudited condensed consolidated interim financial statements. This table also reflects fees billed for other services rendered by PwC.

	January 31, 2017	January 31, 2016
Audit Fees	$ 3,345,400	$ 3,618,400
Audit-related Fees	163,300	147,300
Audit and Audit-related Fees	3,508,700	3,765,700
Tax Fees [a]	2,003,900	1,253,600
All Other Fees [b]	195,400	203,400
Total Fees	$ 5,708,000	$ 5,222,700

a) Tax fees consist of fees for tax compliance and tax consulting services. These fees include tax compliance fees of $947,300 for the year ended January 31, 2017 and $1,090,500 for the year ended January 31, 2016.

b) All other fees consist primarily of the Sustainability Assurance procedures, Kimberley Process Agreed Upon Procedures and costs for research software for the years ended January 31, 2017 and January 31, 2016.

ITEM 3. APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS

Rule 14a-21(a) ("SEC Rule 14") was adopted by the SEC under the Exchange Act. It requires the Company to include in its proxy statement, at least once every three years, a separate shareholder advisory vote to approve the compensation of the Company's named executive officers. Accordingly, we are presenting the following resolution for the vote of the shareholders at the 2017 Annual Meeting:
RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K under the Securities Exchange Act of 1934 (as amended) in this Proxy Statement, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, be and hereby is APPROVED.

The disclosed compensation paid to the Company's named executive officers (Messrs. Cumenal, Erceg, Nicoletti, Bellaiche and Galtie, and Ms. Cloud) for which your approval is sought may be found at PS-38 through PS-94 inclusive of this Proxy Statement.

At the 2016 Annual Meeting, the Company included in its proxy statement a separate shareholder advisory vote to approve the compensation of the Company's named executive officers for the 2015 fiscal year. The Company's Say on Pay proposal passed with 96.6% of the shareholder advisory votes in favor of the Company's executive compensation program. The Committee considered shareholder approval of the executive compensation program in evaluating the design of the program for Fiscal 2017.

THE BOARD RECOMMENDS A VOTE "FOR" APPROVAL OF THE COMPENSATION PAID TO THE NAMED EXECUTIVE OFFICERS IN FISCAL 2016.

COMPENSATION OF THE CEO AND OTHER EXECUTIVE OFFICERS

Contents

Compensation Discussion and Analysis	Page PS-38
Report of the Compensation Committee	Page PS-67
Summary Compensation Table - Fiscal 2016, 2015 and 2014	Page PS-68
Grants of Plan-Based Awards Table – Fiscal 2016	Page PS-73
Discussion of Summary Compensation Table and Grants of Plan-Based Awards	Page PS-75
Outstanding Equity Awards at Fiscal Year-End Table	Page PS-80
Option Exercises and Stock Vested Table – Fiscal 2016	Page PS-84
Pension Benefits Table	Page PS-84
Nonqualified Deferred Compensation Table	Page PS-88
Potential Payments on Termination or Change in Control	Page PS-90
Director Compensation Table – Fiscal 2016	Page PS-95
Equity Compensation Plan Information	Page PS-98

COMPENSATION DISCUSSION AND ANALYSIS ("CD&A")

This Compensation Discussion and Analysis explains the Company's compensation program as it pertains to the Company's named executive officers ("NEOs") for Fiscal 2016.

NAMED EXECUTIVE OFFICERS

The Company's NEOs for Fiscal 2016 were as follows:

Frederic Cumenal	Chief Executive Officer, departure effective February 5, 2017
Mark J. Erceg	Executive Vice President – Chief Financial Officer, appointment effective October 18, 2016
Ralph Nicoletti	Executive Vice President – Chief Financial Officer, departure effective May 20, 2016
Jean-Marc Bellaiche	Senior Vice President – Strategy and Business Development
Pamela H. Cloud	Senior Vice President – Global Category Marketing
Philippe Galtie	Senior Vice President – International

EXECUTIVE SUMMARY

2016 Company Performance

Reflected below are key highlights for Fiscal 2016:

Stock Price at January 31, 2017	Stock Price at January 31, 2016	Total Dividends Paid Per Share	Total Shareholder Return
$78.72	$63.84	$1.75	26%

(in millions, except per share amounts)	Fiscal 2016	Fiscal 2015	Percentage Increase/(Decrease)
Earnings from operations			
As reported	$721.2	$760.1	(5)%
As adjusted*	759.2	806.8	(6)%
Net earnings			
As reported	446.1	463.9	(4)%
As adjusted*	470.1	493.8	(5)%
Diluted earnings per share			
As reported	3.55	3.59	(1)%
As adjusted*	3.75	3.83	(2)%

*See Appendix I at PS-105 for Non-GAAP reconciliation.

Sales:	Worldwide net sales decreased 3% to $4.0 billion reflecting declines in the Americas and Europe partly offset by an increase in Japan and unchanged sales in Asia-Pacific. On a constant-exchange-rate basis that eliminates the effect from translating sales made outside the U.S. into U.S. dollars (see Appendix I at PS-105), worldwide net sales decreased 3% from the prior year.
Profitability:	Net earnings decreased 4% to $446.1 million in 2016, or $3.55 per diluted share. Net earnings in 2016 included impairment charges of $0.19 per diluted share (see Appendix I at PS-105). Net earnings in 2015 included charges of $0.24 per diluted share (see Appendix I at PS-105).
Store Expansion:	The Company added a net of 6 TIFFANY & CO. stores, resulting in a 3% net increase in gross retail square footage.
Product Introductions:	The Company expanded its offerings within several existing jewelry collections, including its TIFFANY T and RETURN TO TIFFANY® LOVE collections, and introduced new watch designs.
Cash Flow:	The Company generated cash flow from operating activities of $702.1 million in 2016, compared with $813.6 million in 2015. Cash flow from operating activities in 2016 included a voluntary cash contribution of $120.0 million made by the Company to its U.S. pension plan.
Returning Capital to Shareholders:	The Company returned cash to shareholders by continuing to pay regular quarterly dividends (which were increased 12.5% effective July 2016 to $0.45 per share, or an annualized rate of $1.80 per share) and spending $183.6 million to repurchase 2.8 million shares of its common stock.

Chief Executive Officer Transition

After the close of Fiscal 2016, on February 5, 2017, Frederic Cumenal stepped down as Chief Executive Officer, and Michael J. Kowalski was appointed Interim Chief Executive Officer. For transition purposes, Mr. Cumenal remained employed by the Company until February 10, 2017.

Frederic Cumenal Departure

The Company and Tiffany entered into a separation agreement with Mr. Cumenal on March 6, 2017. The separation agreement affirmed that Mr. Cumenal would receive the following severance payments and benefits required by his employment agreement:

- Cash severance in the amount of $1,909,387;
- Payment of his short-term incentive award for Fiscal 2016 based on actual performance, as determined by the Committee in accordance with the targets and guidelines established at the beginning of the performance period. For information concerning the payout of this award, see below under "2016 Incentive Compensation"; and
- Payment of the cost of one year of continued health care coverage.

The separation agreement also provided for a release and waiver of claims by Mr. Cumenal in favor of the Company and its affiliates, as well as his agreement to assist in the transition of his responsibilities and with respect to litigation matters. As additional consideration for these benefits (which were not contemplated by his employment agreement), the separation agreement provided Mr. Cumenal (i) an additional cash payment of $690,613, (ii) a reduction in the length of certain post-employment non-solicitation obligations from eighteen to twelve months, (iii) certain outplacement benefits and (iv) amendment to the terms applicable to certain of Mr. Cumenal's equity awards to provide that:

- All stock option awards that were vested but unexercised as of the termination of his employment – which ordinarily would have expired three months after the termination date – will remain exercisable until February 10, 2018 (the one-year anniversary of his termination of employment);

- The unvested portions of stock option awards granted to Mr. Cumenal in September 2013, January 2014, January 2015 and January 2016 that were scheduled to vest in Fiscal 2017, and that ordinarily

would have been forfeited upon the termination of his employment, vested as of March 14, 2017, and will remain exercisable until February 10, 2018; and

- Performance-based restricted stock units granted to Mr. Cumenal in January 2015, which otherwise would have been forfeited upon the termination of his employment, will continue to vest according to their terms. The payout of this award to Mr. Cumenal – which will remain contingent upon pre-established performance goals that were not amended in any respect – will be pro-rated to reflect Mr. Cumenal's employment during the performance period. In addition, the Committee may only exercise its discretion to reduce the amount of the award to be vested if the reduction applies to the executive officers generally.

Aside from the grants described above and others that vested according to their terms, all of Mr. Cumenal's unvested equity grants were forfeited upon his departure. The Company will be entitled to recover or revoke the additional consideration in the event Mr. Cumenal breaches his agreement to provide transition or litigation assistance or his applicable confidentiality, no-hire and non-solicitation obligations. As required by his employment agreement, the Company also paid Mr. Cumenal for accrued but unused vacation and an amount in lieu of the applicable notice period.

The foregoing summary of the separation agreement by and among Mr. Cumenal, Tiffany and the Company is not complete and is subject to, and is qualified by reference to, the full text of the agreement filed as Exhibit 10.41 to the Company's Current Report on Form 8-K filed with the SEC on March 7, 2017.

Michael J. Kowalski Appointment

In connection with his appointment as Interim Chief Executive Officer, Mr. Kowalski was provided a monthly base salary of $60,078. In addition, on February 15, 2017, Mr. Kowalski was granted an award of 43,615 stock options with a grant date fair value of $625,395, which will vest in its entirety on the first anniversary of the grant date, subject to certain conditions. As an executive, Mr. Kowalski is eligible to participate in certain executive benefits programs; however, unless the Board determines otherwise, he will not be eligible to participate in the Company's 2014 Employee Incentive Plan (aside from the stock options above), any cash bonus program or any Company severance program, plan or arrangement. While serving as Interim Chief Executive Officer, Mr. Kowalski will remain Chairman of the Board but will no longer receive compensation for his service in such position.

Other Changes in Executive Management

Mark J. Erceg was appointed Executive Vice President – Chief Financial Officer, effective October 18, 2016. The former Executive Vice President – Chief Financial Officer, Ralph Nicoletti, resigned effective May 20, 2016.

2016 Incentive Compensation

Short-Term Incentive Award

Under the targets and guidelines established by the Committee at the start of Fiscal 2016, the NEOs shown below were eligible to earn up to 200% of their target short-term incentive awards based on corporate and individual performance, as described below. Based on the extent to which those pre-established goals were achieved, Fiscal 2016 short-term incentive awards were paid out as follows:

	Potential Payout Based on Achievement	Potential Payout Based on Individual	Potential Total Payout of Annual	Actual Payout of Annual Incentive

	of Operating Earnings Target (160% of Target)	Performance (40% of Target)	Incentive Award (200% of Target)	Award (87-99% of Target)
Frederic Cumenal	$ 3,000,000	$ 750,000	$3,750,000	$1,631,250
Jean-Marc Bellaiche	$ 720,000	$ 180,000	$900,000	$445,500
Pamela H. Cloud	$ 576,000	$ 144,000	$720,000	$356,400
Philippe Galtie	$ 552,000	$ 138,000	$690,000	$341,550

Mr. Erceg was not granted a short-term incentive award for Fiscal 2016 due to his appointment in October 2016. Mr. Nicoletti was not eligible to be paid a short-term incentive award for Fiscal 2016 as a result of his departure in May 2016.

Performance-Based Restricted Stock Units

The performance-based restricted stock units ("PSUs") awarded to executive officers in January 2014 for the three-year period ended January 31, 2017, vested at 54.92% of target shares (27.46% of maximum shares). This was based on diluted earnings per share ("EPS") of $11.77 for the three-year performance period, compared to the EPS threshold, target and maximum of $10.18, $14.17 and $16.26, respectively, for the three-year performance period; and average return on assets ("ROA") of 9.9% for the three-year performance period, compared to the ROA target of 11%, resulting in no ROA modifier being applied.

Messrs. Cumenal and Nicoletti and Ms. Cloud were the only NEOs granted PSUs for the three-year period ended January 31, 2017. Mr. Nicoletti was not eligible for a payout with respect to these PSUs due to his departure in May 2016. The extent to which goals were achieved resulted in payouts to Mr. Cumenal and Ms. Cloud as follows:

	Potential Performance-Based Restricted Stock Units under January 2014 Award (200% of target)	Actual Performance-Based Restricted Stock Units to Vest under January 2014 Award, in accordance with achievement of pre-established goals
Frederic Cumenal	30,400	8,348
Pamela H. Cloud	12,400	3,406

Fiscal 2017 Changes to Executive Incentive Compensation

During Fiscal 2016, with the assistance of its independent compensation consultant, the Committee reviewed the Company's senior executive compensation program and adopted several changes to its incentive compensation design. The changes take into account the executive compensation program objectives of attracting, motivating and retaining talent; rewarding achievement of short- and long-term financial goals; and linking management and shareholder interests. The changes also enhance alignment with the Company's strategic goals of driving total shareholder return through sales growth, margin expansion and cash flow generation.

Annual incentive awards and long-term incentive awards granted in January 2017 have the following new features:

- New performance metric for annual incentive awards: net sales growth on a constant currency basis. To support the Company's strategy to accelerate sales growth, the Committee added growth in annual net sales, on a constant-exchange-rate basis that excludes the effect of translating foreign-currency-denominated sales into U.S. dollars (see Appendix I at PS-105), as a performance metric for annual incentive awards (such metric, "Constant Currency Sales Growth"). The Committee believes that Constant Currency Sales Growth serves as an appropriate measure of the success of product initiatives, as well as other initiatives to enhance brand positioning and the overall customer experience. Constant Currency Sales Growth goals will be weighted 20%, while operating earnings and individual factors will be weighted 60% and 20%, respectively. The performance weighting of metrics for the annual incentive awards granted in January 2017, compared to those for annual incentive awards granted in January 2016, are shown below.

	Weighting*		
	Operating Earnings	Constant Currency Sales Growth	Individual Factors
Annual incentive awards granted in January 2017	60%	20%	20%
Annual incentive awards granted in January 2016	80%	—	20%

* Percentage of target award that may be paid upon achievement of goals at target.

- New performance metric for performance-based restricted stock units: operating cash flow. To incentivize execution of the Company's strategy to maximize cash flow through inventory management, cost-reducing procurement initiatives and systems and process enhancements, the Committee added operating cash flow as a performance metric for PSUs in lieu of the ROA modifier used in prior years. Operating cash flow goals will be weighted 20% and EPS goals will be weighted 80% (reduced from 100% in the prior year). The performance metrics for the PSUs granted in January 2017, compared to those for the PSUs granted in January 2016, are shown below.

	Weighting*		
	EPS	Return on Assets	Operating Cash Flow
Performance-based restricted stock units granted in January 2017	80%	—	20%
Performance-based restricted stock units granted in January 2016	100%	Modifier (adjustment of +/-10% if target achieved)	—

* Percentage of target award that may be paid upon achievement of goals at target.

- Summary of performance metrics for short-term and long-term incentives. The new performance metrics for short-term and long-term incentive compensation, and the strategic objectives to which they are linked, are summarized below.

Form of Incentive	Strategic objective	Performance metric and weighting*
Annual incentive awards	Increased profitability through sales growth and margin expansion.	Operating earnings (60%)
	Sales growth through effective brand positioning and customer engagement initiatives.	Constant Currency Sales Growth** (20%)
	Individual goals, including strategic thinking and leadership.	Individual factors determined by the Committee (20%)
Performance-based restricted stock units	Earnings growth through sales growth, margin expansion, network optimization and capital allocation decisions.	EPS (80%)
	Effective cash generation, excluding impact of capital expenditures, through focus on inventory management, procurement strategy and systems and process enhancements.	Operating cash flow ** (20%)
	Ability to return value to shareholders through dividends and share repurchases.	

*Percentage of target award that may be paid upon achievement of goals at target.
** New performance metric added for Fiscal 2017.

- Addition of time-vesting restricted stock units. Time-vesting restricted stock units ("RSUs") were added to the long-term incentive compensation provided to senior executive officers other than the Chief Executive Officer ("CEO") and executives with the title of Executive Vice President (which currently includes only the Chief Financial Officer ("CFO")). The NEOs affected by this change will receive 25% of their long-term incentive compensation in the form of RSUs, 25% in the form of stock options (reduced from 50% in past years), and 50% in the form of PSUs (unchanged from past years). The addition of RSUs is designed to balance the Company's objectives of attracting and retaining key talent with incentivizing performance. The CEO and the CFO will continue to receive 50% of their long-term incentives in the form of stock options, and 50% in the form of PSUs, as the Committee believes that executives in these positions have the greatest direct influence on achievement of financial performance metrics

and total shareholder return. The long-term incentives provided to NEOs in January 2017, compared to those provided in January 2016, are shown below.

	Mix of Long-term Incentive Opportunities		
	Stock Options	Time-Vesting Restricted Stock Units	Performance-based Restricted Stock Units
Long-term incentives granted in January 2017	CEO and CFO: 50% Other NEOs: 25%	CEO and CFO: 0% Other NEOs: 25%	All NEOs: 50%
Long-term incentives granted in January 2016	All NEOs: 50%	All NEOs: 0%	All NEOs: 50%

- Other changes to grant terms. RSUs and PSUs will be credited with dividend equivalent units that will be converted into shares (with fractional units being paid out in cash) upon vesting of the underlying stock units. This change is designed to permit executives to participate in total shareholder return, in alignment with the interests of shareholders, and supports the balanced consideration of share repurchases and dividend payments in capital allocation decisions.

- In the event of an executive's voluntary retirement at age 65 (or age 55 with 10 years of service), or involuntary termination without cause following at least 10 years of service as an executive, stock options and PSUs granted at least six months prior to retirement or termination will continue to vest in accordance with their terms, and the exercise period applicable to vested options will be five years (not to exceed the original expiration date). For grants made in the prior fiscal year, retirement resulted in forfeiture of unvested stock options, the application of a two-year exercise period to any vested stock options (not to exceed the expiration date), and continued pro rata vesting of PSUs; while involuntary termination without cause resulted in forfeiture of unvested stock options, application of a three-month exercise period to any vested options (not to exceed the expiration date), and Committee discretion to permit continued pro rata vesting of PSUs. These changes — the benefits of which are subject to compliance with restrictive covenants — were made to advance the Company's goals of attracting and retaining talent and ensuring executives remain focused on the Company's long-term performance.

Target Compensation for Named Executive Officers in Fiscal 2017

At its January 2017 meeting, the Committee approved the following target direct compensation for Fiscal 2017:

	Annual Base Salary	Target Short-Term Incentive Award (% of base salary)	Target Long-Term Incentive Award (% of base salary)	Total Target Direct Compensation	Change in total target direct compensation from Fiscal 2016	
Mark J. Erceg	$850,000	$680,000 (80%)	$2,125,000 (250%)	$3,655,000	appointed in October 2016	
Jean-Marc Bellaiche	$770,000	$577,500 (75%)	$1,155,000 (150%)	$2,502,500	7.6	%
Pamela H. Cloud	$650,000	$390,000 (60%)	$1,105,000 (170%)	$2,145,000	6.7	%
Philippe Galtie	$650,000	$487,500 (75%)	$975,000 (150%)	$2,112,500	18.51	%

In addition to the amounts shown above, for Fiscal 2017 the Committee left Mr. Cumenal's compensation unchanged from Fiscal 2016, granting him a base salary at $1,250,000, a target short-term incentive award at $1,875,000 (150% of base salary), and a target long-term incentive award at $6,250,000 (500% of base salary), for total target direct compensation of $9,375,000. However, the short- and long-term incentives awarded to Mr. Cumenal were forfeited

upon his departure in February 2017.

Corporate Governance Best Practices

The Board seeks to ensure that the Company's executive compensation program conforms to sound corporate governance principles and policies, as demonstrated by the following practices:

WHAT WE DO		WHAT WE DON'T DO	
þ	Pay for performance: 87% of CEO compensation and, on average, 72% of other NEO compensation, is tied to the Company's financial performance and/or the performance of the stock price.	ý	Tax gross-ups: No tax gross-ups, for example for life insurance benefits, are paid to executive officers, other than for one-time relocation expenses.
þ	Limited use of employment agreements: Employment agreements and formal severance arrangements are used only as necessary to attract newly recruited executives.	ý	Pay current dividends on unvested long-term incentives: Current dividends are not paid on stock options and are not paid on unvested RSUs and PSUs until vesting.
þ	Independent Executive Compensation Consultant: The Committee retains an independent compensation consultant to advise on the executive compensation program and practices.	ý	Repricing of underwater stock options without shareholder approval: The Company's shareholder-approved employee and director incentive plans do not permit repricing of underwater stock options without shareholder approval.
þ	Share Ownership Policy: Executive officers are expected to acquire and hold Company common stock worth two to five times their annual base salary. Non-employee directors are expected to own Company common stock worth five times their annual retainer.	ý	Allow pledged shares to count under Share Ownership Policy: Shares of the Company's common stock that are pledged to a third party do not count toward the share ownership requirements.
þ	"Dual trigger" requirement for Change in Control severance benefits: Following a change in control, outstanding equity awards and unvested retirement benefits will only be accelerated, and cash severance benefits will only be paid, in the event of an involuntary termination of employment, or if the Company does not survive the transaction.	ý	Grant stock options below 100% of fair market value: The Company's shareholder-approved employee and director incentive plans do not permit stock options to be granted below 100% of fair market value.
þ	Provide limited perquisites: Perquisites provided to executive officers on a limited basis only (for example, life insurance benefits and executive long-term disability benefits).	ý	Permit hedging of Company stock: The Company's policy on insider information, applicable to all employees, officers, and directors, expressly prohibits speculative transactions (i.e. hedging) such as the purchase of calls or puts, selling short or speculative transactions as to any rights, options, warrants or convertible securities related to Company securities.
þ	Clawback policy: Incentive-based compensation such as cash incentive awards and PSUs are subject to recoupment in the event of an accounting restatement due to material noncompliance with financial reporting requirements.		

Say on Pay

In May 2016, the Company's Say on Pay proposal passed with 96.6% of the shareholder advisory votes in favor of the Company's executive compensation program, which indicated to the Committee that shareholders were supportive of the Company's executive compensation design and philosophy, and that significant changes were not warranted. The Committee will continue to consider Say on Pay results, as well as shareholder feedback, in the design of the

compensation program.

OVERVIEW OF COMPENSATION COMPONENTS

The Committee has established an executive compensation program that contains the following key components:
The above chart reflects the average percentage contribution of key compensation components awarded to the CEO and the other NEOs in January 2017. See charts of "CEO Target Pay Mix" and "Named Executive Officer Target Pay Mix" under "Relative Values of Key Compensation Components" at PS-51. However, Mr. Cumenal is not eligible for payment of short- or long-term incentives granted in January 2017 due to his departure in February 2017.

The Company also offers the following compensation components, in addition to the annual compensation program described above:

Time-vesting restricted stock units	In addition to being granted as a component of long-term incentive compensation to certain NEOs, RSUs are granted periodically on a selective basis, typically in connection with a promotion or new hire, to recognize prior performance or to attract or retain key talent. These awards vest according to their terms.
Benefits	Used to attract and retain executives. Includes a comprehensive program of benefits that includes retirement benefits and life insurance benefits that build cash value.

SHORT- AND LONG-TERM PLANNING

The performance of management in developing and executing operational and strategic plans and initiatives determines the Company's success in achieving its financial and brand stewardship goals – both short- and long-term. As part of each year's planning process, the executive officers develop and submit for Board approval:

- A three-year strategic plan that balances financial and "brand stewardship" objectives (see below); and
- An annual operating plan for the fiscal year.

Each plan must incorporate goals that are both challenging and realistic for sales, gross margins, selling, general and administrative expenses (including marketing, staffing and other expenses), inventory management, capital spending and all other elements of the Company's financial performance (including capital allocation).

"Brand stewardship" refers to actions taken by management to maintain, in the minds of consumers, strong associations between the TIFFANY & CO. brand and product quality, luxury, the highest levels of customer service, compelling store design and product display and responsible product sourcing practices.

The Committee recognizes that trade-offs between near-term financial objectives and brand stewardship are often difficult. For example, introducing certain new designs can enhance brand image and attract new customers, but affect overall margin negatively in the short term; increased staffing can positively affect customer service while negatively affecting earnings in the short term; and expanding inventory can enhance the customer experience but also affect operating cash flow negatively in the short term. Through the planning process, management must balance expectations for annual earnings growth and cash flow generation with its focus on brand stewardship and sustainable growth.

OBJECTIVES OF THE EXECUTIVE COMPENSATION PROGRAM

The Committee has established the following objectives for the compensation program:

- To attract, motivate and retain the management talent necessary to develop and execute both the annual operating plan and the strategic plan;
- To reward achievement of short- and long-term financial goals; and
- To link management's interests with those of the shareholders.

The total executive compensation program includes base salary, short- and long-term incentives, RSUs and benefits.

SETTING EXECUTIVE COMPENSATION

The Committee determines all remuneration arrangements for executive officers and compensation plans in which officers of the Company are eligible to participate, as more fully described in the Committee Charter. In January of each year, the Committee reviews the target amount of total compensation for each executive officer, as well as the target levels of key components of such compensation. This follows a process in which the Committee conducts a detailed review of each executive officer's compensation.

COMPENSATION EVALUATION PROCESS

The following are key components of the Committee's evaluation process.

Consideration of Say on Pay

The Committee weighs the level of shareholder support for the compensation program as demonstrated by the Say on Pay vote.

Independent Compensation Consultant

In connection with carrying out its responsibilities, the Committee considers the advice of FW Cook, its independent compensation consultant, and the competitive compensation analysis provided by FW Cook.

See "Board of Directors and Corporate Governance–Committees of the Board–Role of Compensation Consultants" at PS-26 for discussion of the selection process for FW Cook, inclusive of an independence analysis.

Tally Sheets

The Committee regularly reviews "tally sheets," prepared by the Company's Human Resources division for each executive officer. The tally sheets include data concerning historical compensation as well as information regarding share ownership and other benefits accumulated from employment with Tiffany. The tally sheets provide a historical view of multiple compensation elements, as further context for compensation decisions.

Consultations with the Chief Executive Officer

In periodic meetings with the Committee, the CEO provides his views as to the individual performance of the other executive officers, and the Committee solicits his recommendations with respect to their compensation. His input is especially important with respect to the evaluation of the individual performance parameters used in determining short-term incentives, as well as for setting base salary and target incentive compensation as a percentage of base salary. The Committee also relies on its own business judgment as to each executive officer's experience, capacity for growth, expected future contributions, complexity of role, demonstrated success and desirability to the Company's competitors.

Coordination with Financial Results and Annual Operating and Strategic Planning Process

In January, the Committee reviews a forecast of financial results for the fiscal year ending that month with the CFO and reviews calculations of the tentative payouts for short- and long-term incentives on that basis. Final calculations are reviewed and approved at the March meeting, when fiscal year financial results are nearly final. After the public disclosure of financial results, the calculations are confirmed, and management makes payment on the prior year's short-term incentive awards and causes the applicable percentage of PSU awards for which the three-year performance period ended in the prior year to vest, in each case pursuant to the Committee's authorization.

The Committee grants stock option awards and, if applicable, RSUs to executive officers at a meeting in January of each year. Stock option awards and RSUs may also be granted in connection with new hires or promotions, or for recognition purposes. The Committee has never delegated to management its authority to make such awards. At that same January meeting, PSUs are granted for the three-year performance period beginning the next February 1, with reference to preliminary drafts of the Company's strategic plan, while annual incentive awards are granted for the one-year performance period beginning the next February 1, with reference to the Company's annual operating plan. However, the specific financial goals for the PSUs and the annual incentive awards are not established until the March meeting when the strategic plan and annual operating plan are adopted.

COMPETITIVE COMPENSATION ANALYSIS - NO BENCHMARKS

Each year the Committee refers to competitive compensation data because the Committee believes that such data is helpful in assessing the competitiveness of the total compensation offered to the Company's executive officers. However, the Committee does not consider such data sufficient for a full evaluation of appropriate compensation for any individual executive officer. Accordingly, the Committee:

- Has not set a "benchmark" to such data for any executive officer, although it does look to see if the Company's total executive compensation program falls between the 25th and 75th percentile of competitive data;
- Does not rely exclusively on compensation surveys or publicly available compensation information when it determines the compensation of individual executive officers; and
- Also considers those factors described above in "Compensation Evaluation Process."

The Committee also reviews a competitive compensation analysis by FW Cook, which includes the following elements of compensation for each executive officer:

- base salary;

- target short-term incentive;
- target total cash compensation (salary plus target short-term incentive);
- target long-term incentive;
- target total direct compensation (target total cash compensation plus target long-term incentive); and
- target total compensation (target total direct compensation plus all other compensation, above market interest on deferred compensation and change in pension value).

DEFINING APPROPRIATE COMPARATORS

Defining an appropriate comparator group within the retail industry is challenging because there are few U.S.-based companies of similar size in the luxury retail business with an integrated manufacturing function and extensive global organization similar to the Company. In addition, the Committee believes that an appropriate comparator group must include non-retail companies because a competitive market for the services of our executives exists, even among companies outside the retail industry. Accordingly, to fully understand market compensation levels for comparable executive positions, the analysis includes data for both retail and general industry companies, with greater emphasis on the former.

For the NEOs, a defined peer group was used for comparative purposes, composed of U.S. public companies similar to Tiffany, selected by the Committee. For the executive officers as a whole, third-party surveys for both retail and general industry were used.

Peer Group

The Committee reviewed comparisons of the Company's NEOs to the NEOs of the peer group. In selecting the peer group, the Committee sought to include companies similar to the Company across a range of factors, including size, business model (e.g., significant global sales, manufacturing/sourcing operations), products and customers. The peer group used in Fiscal 2016 consists of the 19 companies shown below:

	Financial Data			Common Factors			
	Revenue (in millions)	Net Income (in millions)	Market Cap (in millions)	Multi-Channel Retailing	Mfg. Operations	Significant Foreign Sales	Similar Products/Customers
Tiffany & Co.	$3,975	$ 447	$9,170	ü	ü	ü	ü
Burberry	$3,622	$ 446	$7,858	ü	ü	ü	ü
Coach	$4,499	$ 482	$10,060	ü		ü	ü
Coty	$4,349	$ 157	$7,733	ü	ü	ü	
Fossil	$3,076	$ 100	$1,312	ü	ü	ü	ü
Hanesbrands	$5,862	$ 501	$9,713		ü		
Kate Spade	$1,340	$ 129	$2,144	ü			ü
L Brands	$12,381	$ 1,205	$20,644	ü			ü
Estee Lauder	$11,292	$ 1,100	$31,914	ü	ü	ü	ü
Lululemon Athletica	$2,194	$ 270	$7,846	ü			
Michael Kors	$4,714	$ 812	$8,582	ü		ü	ü
Nordstrom	$14,421	$ 424	$9,019	ü			ü
Pier 1 Imports	$1,845	$ 20	$358	ü			ü
PVH	$8,128	$ 678	$8,583	ü		ü	ü
Ralph Lauren	$7,339	$ 310	$8,070	ü		ü	ü
Restoration Hardware	$2,178	$ 47	$1,179	ü			ü
Signet Jewelers	$6,814	$ 516	$6,143	ü			ü
Starwood Hotels	$2,965	$ 81	$13,064				ü
VF Corporation	$12,369	$ 1,122	$22,483	ü	ü		
Williams-Sonoma	$5,075	$ 303	$4,092	ü			ü

Source: S&P Capital IQ; revenue and net income based on the most recent four quarters for which data was publicly available as of October 31, 2016; market capitalization based on the most recent publicly available data as of October 31, 2016.

In terms of size, the Company's revenues were between the 25th percentile and median of the peer companies, and net income and market capitalization were between the median and 75th percentile.

For Fiscal 2016, target total direct compensation was at the 25th percentile for Mr. Bellaiche and Ms. Cloud, at the median for Mr. Cumenal, and in the median to 75th percentile range for Mr. Erceg. Target total compensation, which includes the value of pension accruals and all other compensation, was at the median for Messrs. Cumenal and Erceg and Ms. Cloud, and at the 25th percentile for Mr. Bellaiche. Mr. Galtie's compensation was compared solely to third party survey data and was not compared to the peer group, as he was not an NEO prior to Fiscal 2016.

Survey Data

The Committee used third-party survey data to evaluate compensation for the CEO and all other executive officers. The surveys used were:

- Towers Watson Retail Survey;
- Towers Watson General Industry Survey; and
- Hay Group Luxury Retail Survey.

Relative to the survey data, target total direct compensation was at the median for Mr. Galtie, and at or above the 75th percentile for the other NEOs.

RELATIVE VALUES OF KEY COMPENSATION COMPONENTS

In January 2017, as part of its annual review of the target level of short- and long-term incentives for each executive officer, the Committee adopted the following target incentive opportunities expressed as a percentage of base salary. For the CEO and CFO, the Committee split the estimated value of the long-term incentives evenly between the grant-date fair market value of the targeted number of PSUs and the estimated (Black-Scholes) value of stock options. For the remaining NEOs, the Committee awarded 50% of target long-term incentives in the form of PSUs (calculated based on the grant date fair market value), 25% in the form of stock options (calculated based on the Black-Scholes value) and 25% in the form of RSUs (calculated based on the grant date fair market value).

Executive	Position	Target Short-term Incentive as a Percent of Salary	Target Long-term Incentive as a Percent of Salary
Frederic Cumenal	CEO, departure effective February 2017	150%	500%
Mark J. Erceg	EVP – CFO	80%	250%
Jean Marc Bellaiche	SVP – Strategy and Business Development	75%	150%
Pamela H. Cloud	SVP – Global Category Marketing	60%	170%
Philippe Galtie	SVP – International	75%	150%

The amounts shown above for Mr. Cumenal were adopted by the Committee in January 2017; however, Mr. Cumenal will not be eligible for payment of short- or long-term incentives granted in January 2017 due to his departure in February 2017.

The Committee believes that a minimum of 60% of the target total direct compensation of the CEO and 50% of the target total direct compensation of the other executive officers should be composed of long-term incentives to link realized compensation to the Company's longer-term operating and stock price performance.

Based on target levels for incentive compensation granted in January 2017, the mix of pay for the CEO and other NEOs, on average, is shown below:

BASE SALARY

The Committee pays the executive officers competitive base salaries as one part of a total compensation program to attract and retain talent, but does not use base salary increases as the primary means of recognizing talent and performance.

In January 2017, the Committee reviewed base salaries for all executive officers. The Committee increased the base salaries for all NEOs other than Messrs. Cumenal and Erceg.

Executive	Position	Fiscal 2016 Base Salary	Fiscal 2017 Base Salary	Percent Increase from Fiscal 2016 to Fiscal 2017	
Frederic Cumenal Fiscal 2017 salary ceased upon departure in February 2017	CEO	$1,250,000	$1,250,000	—	%
Mark J. Erceg Fiscal 2016 salary commenced with appointment in October 2016	EVP – CFO	$850,000	$850,000	—	%
Jean-Marc Bellaiche	SVP – Strategy and Business Development	$750,000	$770,000	2.67	%
Pamela H. Cloud	SVP – Global Category Marketing	$600,000	$650,000	8.33	%
Philippe Galtie	SVP – International	$575,000	$650,000	13.04	%

Base salaries for Fiscal 2017 for executive officers were determined based on multiple factors, including competitive market compensation levels for comparable positions; executive experience and skill set; expected contributions; breadth, scope and complexity of role; internal equity; and overall shareholder support as evidenced by the 2016 Say on Pay vote.

SHORT-TERM INCENTIVES

The Committee uses short-term incentives, which are typically awarded in January of each year, to motivate executive officers to achieve the annual financial targets established by the Committee and to demonstrate strategic leadership. Short-term incentives for the executive officers consist of annual cash incentive awards under the 2014 Employee Incentive Plan. Short-term incentive awards have an individual component but are primarily formula-driven, with the majority of the award based on achievement of annual financial targets that agree to the Company's annual operating plan.

For short-term incentives for Fiscal 2016, the Committee determined a portion of the awards based on the following individual factors: strategic thinking; leadership, including development of effective management teams and employee talent; demonstrated adherence to the Company's Business Conduct Policy – Worldwide, and professionalism; financial metrics relevant to specific areas of responsibility; and specific objectives set for the executive officer. These same factors will be used to determine a portion of the short-term incentives to be paid in respect of Fiscal 2017.

For Fiscal 2017, the Committee increased the short-term incentives granted to Messrs. Bellaiche and Galtie from 60% to 75% of base salary. The Committee did not change short-term incentives, as a percentage of base salary, for any of the other NEOs.

The maximum short-term incentive established by the Committee for each of the NEOs is equal to twice the target.

Fiscal 2016

For Fiscal 2016, the Committee established target and maximum short-term incentive opportunities for the executive officers, the payment of which would be wholly contingent on the Company meeting an operating earnings threshold. The Committee determined that, if the operating earnings threshold was not met, then no short-term incentive would be paid. The Committee provided guidance to the executive officers indicating that, if the operating earnings threshold was met, then the Committee intended to calculate the amount to be paid based 80% on corporate performance (the "Corporate Portion") and 20% on individual performance (the "Individual Portion"). Thus, full achievement of corporate goals at the maximum goal level would result in payment of 80% of the maximum short-term incentive (160% of target), while full achievement of individual goals at the maximum would result in payment of 20% of the maximum short-term incentive (40% of target). Notwithstanding this guidance, the Committee retained the discretion to pay out the maximum short-term incentive, or reduce the payout from the maximum to any amount down to $0, provided the operating earnings threshold was met.

At the beginning of the fiscal year, the Committee established the operating earnings threshold at $457 million (subject to permitted adjustments). The operating earnings goals (outlined below) against which performance was measured were substantially in excess of this threshold amount.

Neither Mr. Nicoletti (due to his departure in May 2016) nor Mr. Erceg (due to his appointment in October 2016) was eligible for payment of a short-term incentive award for Fiscal 2016.

Corporate Portion

The Committee advised the executive officers that it intended to calculate payment of the Corporate Portion of the award based on the following operating earnings targets, subject to proration if Fiscal 2016 operating earnings fell between the amounts in the first column:

If Operating Earnings, as adjusted, Equal:	Then Percentage Payout of Incentive Award Will Be:
Below $609 million	0% of Target Short-term Incentive Award

$609 million	25% of Target Short-term Incentive Award
$762 million	80% of Target Short-term Incentive Award
At least $914 million	160% of Target Short-term Incentive Award

In March 2017, after reviewing and concurring with the recommendation of the Interim CEO, the Committee determined that the payout percentage for the Corporate Portion would be 79% of the target short-term incentive award, as Fiscal 2016 operating earnings, excluding certain charges as permitted under the 2014 Employee Incentive Plan, equaled $759.2 million (see Appendix I at PS-105).

Individual Portion

In March 2017, the Committee reviewed and concurred with the Interim CEO's recommendations with respect to the payout of the Individual Portion for the NEOs. The individual performance of each NEO eligible for payment of a Fiscal 2016 award was compared to the objectives set at the beginning of Fiscal 2016. Based on the Individual Portion, the Committee determined to pay Mr. Cumenal 8% of his target award, and each of the remaining NEO's 20% of his or her target award.

Based on the Committee's determination as to the Corporate and Individual Portions, Mr. Cumenal was paid 87% of his target award. The remaining NEOs eligible for payment of a short-term incentive award for Fiscal 2016 were paid 99% of their target awards.

Fiscal 2017

For Fiscal 2017, the Committee generally retained the short-term incentive structure from Fiscal 2016, but added a second corporate performance metric, Constant Currency Sales Growth. In January 2017, the Committee established target and maximum short-term incentive amounts for the NEOs, with the maximum amount equal to 200% of the target amount.

In March 2017, the Committee established $469 million of operating earnings (subject to permitted adjustments) as the threshold necessary for a pay-out of the Fiscal 2017 short-term incentive awards (the "Base Threshold"). Payment of any short-term incentive awarded for Fiscal 2017 will be contingent on meeting the Base Threshold. If the Base Threshold is not met, no short-term incentive will be paid. The Committee has provided guidance to the executive officers indicating that, if the Base Threshold is met, the Committee intends to calculate the amount to be paid based 60% on achievement of operating earnings goals, 20% on achievement of Constant Currency Sales Growth goals, and 20% on individual performance based on the factors described at PS-52. Thus, full achievement of operating earnings goals, Constant Currency Sales Growth goals and individual goals, each at the maximum goal levels, will result in payment of 60%, 20% and 20%, respectively, of the maximum short-term incentive (120%, 40%, and 40%, respectively, of target). Notwithstanding this guidance, the Committee has retained the discretion to pay out the maximum short-term incentive, or reduce the payout from the maximum to any amount down to $0, provided the Base Threshold is met.

For purposes of evaluating performance once the Base Threshold is achieved, the Committee also established in March 2017 threshold, target and maximum performance goals for operating earnings and Constant Currency Sales Growth. The operating earnings goals against which operating earnings performance will be measured are substantially higher than the Base Threshold. In addition, in recognition of the challenges of setting precise target amounts, and to avoid windfalls or deficits resulting from slight variances from target, target goals for operating earnings and Constant Currency Sales Growth were expressed as ranges. To increase incentives for above-target performance and in recognition of the difficulty of achieving above-target results, the threshold, target and maximum goals for each metric were set so that the increase in payout resulting from above-target performance is greater than the reduction in payout resulting from an equivalent level of below-target performance.

Corporate and Individual Performance Goals

The operating earnings and Constant Currency Sales Growth goals for the grants made in January 2017, and the corresponding percentage of target short-term incentives to be paid out (if any), together with the percentage of target short-term incentives that may be paid out based on individual performance, are shown below. In evaluating achievement of performance goals, the Committee is permitted under the 2014 Employee Incentive Plan to exclude certain events. See "Short-Term Incentives–Permissible Adjustments to Evaluation of Performance" below.

	Operating Earnings		Constant Currency Sales Growth		Individual Performance
	Operating earnings (millions)	Percentage of target short-term incentive that may be paid:*	Constant Currency Sales Growth	Percentage of target short-term incentive that may be paid:*	
Threshold	Less than or equal to $626	0%	Less than or equal to -6.3%	0%	Up to 40% of the target short-term incentive may be paid based on individual performance factors
Target	Within the range of $774 to $790	60%	Within the range of 2.7% to 4.7%	20%	
Maximum	Equal to or greater than $861	120%	Equal to or greater than 8.7%	40%	
	Percentage calculated based on operating earnings, Constant Currency Sales Growth and individual performance = total percentage of target annual incentive paid out*				

*Subject to linear interpolation if actual performance falls between the threshold and the bottom of the target range, or between the top of the target range and the maximum. Target ranges include the ends of the ranges.

Five-year History of Short-term Incentive Payouts

The following summarizes average short-term incentive payouts (including bonuses) for the executive officers as a group, as a percentage of target, over the past five fiscal years (without giving effect to payments that were prorated in light of mid-year individual hire dates):

Fiscal Year	Total Payout as a Percentage of Target Short-term Incentive Award	
2016	96	%
2015	75	%
2014	101	%
2013	124	%
2012	15	%
Five-Year Average	82	%

Permissible Adjustments to Evaluation of Performance

The 2014 Employee Incentive Plan, approved by the shareholders, permits the Committee, in evaluating achievement of a performance goal, to exclude any of the following events that occurs during a performance period: (i) asset write-downs, (ii) litigation or claim judgment or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results, (iv) accruals for reorganization and restructuring programs, (v) extraordinary non-recurring items as described in Accounting Principles Board Opinion No. 30 (subsequently referred to as FASB Codification reference ASC 225-20) and/or in management's discussion and analysis of financial condition and results of operations appearing in the Annual Report for the applicable year (effective March 2016, the 2014 Employee Incentive Plan refers to unusual or infrequently occurring items, rather than extraordinary non-recurring items, as described in the Annual Report for the applicable year), (vi) acquisitions or divestitures, (vii) any other specific unusual or nonrecurring events,

or objectively determinable category thereto, (viii) foreign exchange gains and losses and (ix) a change in the Company's fiscal year. The 2005 Employee Incentive Plan, under which earlier grants were made, permits similar adjustments.

LONG-TERM INCENTIVES

The Committee uses long-term incentives to align management interest with those of shareholders, to motivate management to achieve earnings growth and generate operating cash flow, as well as to promote the retention of executive officers.

The Committee considers equity-based awards to be appropriate because, over the long term, the Company's stock price should be a good indicator of management's success in achieving the above objectives.

The total value of each executive officer's target long-term incentive grant each year is based on a percentage of base salary as indicated above for NEOs under "Relative Values of Key Compensation Components" at PS-50 for Fiscal 2017, and the ratio of long-term incentive target to base salary is reviewed annually at the same time that base salaries are reviewed.

Ms. Cloud's target long-term incentive as a percentage of base salary decreased from 175% for Fiscal 2016 to 170% for Fiscal 2017. This change was intended to better align the target long-term incentive percentage for Ms. Cloud with those of the other executive officers, as an increase in a prior year had been intended to recognize specific contributions and was not intended to be a long-term increase. For the remaining NEOs, the Fiscal 2017 target long-term incentive opportunities as a percentage of base salary remain unchanged from Fiscal 2016.

Types of Equity Awards

The Committee awards three different types of equity awards to NEOs: PSUs, stock options and RSUs.

- PSUs reward executives for meeting key financial goals that are important to the long-term performance of the Company, even if the achievement of those goals is not necessarily reflected in the share price as the market does not always respond to earnings growth in a predictable manner.
- Stock options reward executives for increases in stock price and provide returns aligned with those of shareholders, whether or not performance goals have been met. This balances an inherent challenge associated with PSUs, as non-controllable and highly variable external factors affect the Company's performance and make it difficult to establish appropriate strategic performance goals.
- RSUs support talent attraction and retention objectives.

For Fiscal 2016, the NEOs were provided long-term incentives divided equally between PSUs and stock options. Prior to Fiscal 2017, it was the Committee's practice to award RSUs on occasion for reasons such as recognition of prior performance; promotion; attraction of new talent; retention of key talent; and in lieu of cash compensation increases.

For Fiscal 2017, NEOs other than the CEO and CFO received 50% of their long-term incentives in the form of PSUs, 25% in the form of stock options, and 25% in the form of RSUs. Consistent with the prior year, the CEO and the CFO received 50% of their long-term incentives in the form of PSUs, and 50% in the form of stock options.

For purposes of achieving the grant date target value, apportioned according to the above-described mix of long-term incentives, the Committee values awards as follows:

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for PSUs and RSUs, using the higher of (i) the simple arithmetic mean of the high and low sale price of the Company's common stock on the New York Stock Exchange on the grant date or (ii) the closing price on such Exchange on the grant date; and assuming that PSUs will vest at the target value described under "Performance-Based Restricted Stock Unit Grants" below; and

- for stock options, on the basis of the Black-Scholes model.

Performance-Based Restricted Stock Unit Grants

Performance-Based Restricted Stock Units Granted for Fiscal 2017

The Committee's practice has generally been to award PSUs to executive officers in January of each year. For the PSUs granted in January 2017, the Committee established threshold, target and maximum goals for EPS and operating cash flow at the start of the performance period. Vesting of these PSUs is dependent upon achievement of either the EPS or operating cash flow threshold. If neither threshold is met, no PSUs will vest. The Committee has provided guidance to the executive officers indicating that, if either the EPS or operating cash threshold is met, it intends to calculate the number to vest based 80% on EPS goals and 20% on operating cash flow goals. Thus, full achievement of the EPS goals and operating cash flow goals at the maximum goal levels will result in vesting of 80% and 20%, respectively, of the maximum PSUs granted (160% and 40%, respectively, of target PSUs).

- EPS was selected as a performance metric to reward earnings growth and incentivize execution of the Company's strategic plans relating to sales growth, margin expansion, network optimization and efficient capital allocation. This metric also aligns with shareholder interest, as the Committee believes the Company's stock price over the long term is primarily driven by growth in EPS. EPS goals are measured on a diluted basis and calculated on a cumulative basis for the three-year performance period.

- Operating cash flow was added as a performance metric in January 2017, in lieu of the ROA modifier used in prior years, to reward cash flow generation from operations through measures such as inventory management, procurement initiatives intended to reduce costs, and systems and process enhancements. Operating cash flow goals are also calculated on a cumulative basis for the three-year performance period. The target goal is expressed as a range.

- The EPS and operating cash flow goals were set by the Committee with reference to the Company's strategic plan as approved by the Board.

- The EPS and operating cash flow threshold, target and maximum goals, and the corresponding percentage of target shares to be paid out at the end of the performance period (if any), are shown below. In evaluating achievement of performance goals, the Committee is permitted under the 2014 Employee Incentive Plan to exclude certain events. See "Short-Term Incentives–Permissible Adjustments to Evaluation of Performance" at PS-54.

	EPS		Operating Cash Flow	
	EPS	Percentage of target shares earned*	Operating Cash Flow (millions)	Percentage of target shares earned:*
Below Threshold	Less than $9.55	0%	Less than $1,997	0%
Threshold	Equal to $9.55	20%	Equal to $1,997	0%
Target	Equal to $12.80	80%	Within the range of $2,447 to $2,547	20%
Maximum	Equal to or greater than $13.66	160%	Equal to or greater than $2,746	40%
	Shares calculated based on EPS goals plus operating cash flow goals = total percentage of target shares paid out*			

*Subject to linear interpolation if actual performance falls between threshold and target (or, in the case of a target expressed as a range, the bottom of the target range), or between target (or, in the case of a target expressed as a range, the top of the target range) and maximum. Target ranges include the ends of the ranges.

- Notwithstanding the above guidance, the Committee has retained the discretion to vest the maximum number of PSUs granted, or reduce the number to vest from the maximum to any number down to zero, provided that either the EPS or operating cash flow threshold is met.

Performance-Based Restricted Stock Units Granted for Fiscal 2016, 2015 and 2014

Vesting of PSUs granted in January 2016, 2015 and 2014 is dependent upon the achievement of an EPS threshold. If the EPS threshold is not met, no shares will vest. The Committee has provided guidance to the executive officers indicating that, if the EPS threshold is met, it intends to calculate the number of shares to vest based on achievement of EPS goals and an average ROA goal over the applicable three-year performance period. The Committee provided the following chart to the NEOs to illustrate the manner in which the number of shares to vest would be calculated at the conclusion of the three-year performance period, subject to interpolation if actual amounts fall between the levels shown:

EPS Performance	Percentage of Target Shares Earned under EPS Goal	ROA ADJUSTMENT TO SHARES EARNED UNDER EPS GOAL				Percentage of Target Shares Earned with Impact of ROA Adjustment
		ROA Achievement of 0 to 89.9%	ROA Achievement of 90.0% to 99.9%	ROA Achievement of 100.0% to 109.9%	ROA Achievement of 110% or Greater	
EPS Threshold Not Reached	0%	No ROA Adjustment	No ROA Adjustment	No ROA Adjustment	No ROA Adjustment	0%
EPS Threshold Reached	25%	No ROA Adjustment	No ROA Adjustment		+10%	25% to 35%
EPS Target Reached	100%	-10%	-1% to -9% downward adjustment contingent on level of ROA achievement, e.g. Achievement of 95% of ROA Target = 5% adjustment downward; Achievement of 99% of ROA Target = 1% adjustment downward	0% to 9% upward adjustment contingent on level of ROA achievement, e.g. Achievement of 105% of ROA Target = 5% adjustment upward; Achievement of 109% of ROA Target = 9% adjustment upward	+10%	90% to 110%
EPS Maximum Reached	190%	-10%			+10%	180% to 200%

Notwithstanding the guidance shown above, the Committee retained the discretion to vest the maximum number of PSUs granted, or reduce the number to vest from the maximum to any number down to zero, provided the EPS threshold is met.

The EPS and ROA goals for the January 2014, 2015 and 2016 grants were set by the Committee in March of each respective year, with reference to the Company's strategic plan as approved by the Board. The EPS goals are cumulative over the three-year performance period and determined on a diluted basis. The ROA goal is calculated for each year, as a percentage, and then averaged over each of the three years in the performance period. The EPS and ROA goals for the PSUs granted in January 2014, 2015 and 2016, compared to the EPS goals established for the PSUs

granted in January 2017, are shown below. The goals are subject to adjustment as permitted under the applicable employee incentive plan.

For Performance Period:	EPS Threshold	EPS Target	EPS Maximum	ROA Target
February 2014 - January 2017	$ 10.18	$14.17	$ 16.26	11.0 %
February 2015 - January 2018	$ 10.38	$13.89	$ 15.76	10.6 %
February 2016 - January 2019	$ 8.80	$11.79	$ 12.58	9.2 %
February 2017 - January 2020	$ 9.55	$12.80	$ 13.66	Replaced with operating cash flow for Fiscal 2017

Vesting of Performance-Based Restricted Stock Units Granted for Fiscal 2014

In March 2017, the PSU awards granted in January 2014, for the three-year period ended January 31, 2017, vested at 54.92% of target shares (27.46% of maximum shares). This was based on cumulative EPS of $11.77 for the three-year period ended January 31, 2017, against the EPS target of $14.17 for such three-year period, and without an ROA modifier based on ROA of 9.9% compared to the ROA target of 11%.

For additional information about the PSUs, including a description of the circumstances in which a portion of the units may vest in various circumstances of death, disability, retirement, a change in control or at the initiative of the Company, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Equity Incentive Plan Awards–Performance-Based Restricted Stock Units" at PS-75.

Stock Option Grants

Each January, the Committee grants stock options in order to further link the interests of the executive officers and the Company's shareholders in long-term growth in stock price and to support the brand stewardship over the long term. Special grants are occasionally made in connection with promotions and new hires, and for recognition purposes.

The 2014 Employee Incentive Plan under which stock options are granted, and the 2005 Employee Incentive Plan under which stock options were previously granted, require the exercise price of each option to be established by the Committee (or determined by a formula established by the Committee) at the time the option is granted. Options are to be granted with an exercise price equal to or greater than the fair market value of a share as of the grant date. The Committee calculates the exercise price to be the higher of (i) the simple arithmetic mean of the high and low sale price of such stock on the New York Stock Exchange on grant date or (ii) the closing price on such Exchange on the grant date. The incentive plan does not permit for the repricing of underwater options at a later date without shareholder approval.

In addition to the stock option awards granted in January 2017, the Committee granted Mr. Erceg an award of 140,847 stock options in November 2016, in connection with his recruitment and appointment to the role of Executive Vice President – CFO. Mr. Erceg's award will vest in equal installments on the first, second and third anniversary of the grant, provided he remains employed on those dates.

For additional information about stock options see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Equity Incentive Plan Awards–Stock Options" at PS-76.

Time-Vesting Restricted Stock Unit Awards

The RSUs granted to NEOs other than the CEO and CFO in January 2017 vest ratably over four years. For additional information about the RSUs, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Equity Incentive Plan Awards–Time-Vesting Restricted Stock Units" at PS-77. Special grants of RSUs may be made from time to time in connection with promotions and new hires, and for recognition purposes.

In addition to the RSUs granted to certain executive officers in January 2017, the Committee granted Mr. Erceg an award of 26,253 RSUs in November 2016, in connection with his recruitment and appointment. Mr. Erceg's award will vest in equal installments on the first, second and third anniversary of the grant, provided he remains employed on those dates.

Mr. Cumenal's Long-Term Incentive Awards

Upon the termination of Mr. Cumenal's employment on February 10, 2017, 12,419 RSUs granted to him in September 2013 vested according to their terms. The PSUs granted to him in January 2014 for the performance period ending on January 31, 2017 likewise vested according to their terms in March 2017, as the performance period had been completed by the time of his departure from the Company.

In accordance with Mr. Cumenal's separation agreement (which provided for a release and waiver of claims by Mr. Cumenal in favor of the Company and its affiliates, as well as his agreement to assist in the transition of his responsibilities and with respect to litigation matters), in March 2017 the Committee amended certain of his equity

grants to provide for the following:

- All stock option awards that were vested but unexercised as of the termination of his employment – which would ordinarily have expired three months after that date – will remain exercisable until February 10, 2018;

- The unvested portions of stock option awards granted in September 2013, January 2014, January 2015, and January 2016 that were scheduled to vest in Fiscal 2017 (a total of 36,523, 11,000, 35,250 and 57,743 stock options, respectively), and that ordinarily would have been forfeited upon the termination of his employment, vested as of March 14, 2017, and will remain exercisable until February 10, 2018; and

- A maximum number of 71,000 PSUs granted to Mr. Cumenal in January 2015, which otherwise would have been forfeited upon his termination date, will continue to vest according to their terms. The payout of this award to Mr. Cumenal – which will remain contingent upon pre-established performance goals that were not amended in any respect – will be pro-rated to reflect Mr. Cumenal's employment during the performance period. Pursuant to the terms of the separation agreement, the Committee may only exercise its discretion to reduce the amount of the award to be vested if the reduction applies to the executive officers generally.

- The benefits described above are contingent on Mr. Cumenal's continued compliance with his obligation to provide transition and litigation assistance, and with his confidentiality, no-hire and non-solicitation restrictive covenants.

All other unvested long-term incentive awards granted to Mr. Cumenal were forfeited upon the termination of his employment. For additional information about the equity awards granted to Mr. Cumenal that remained outstanding at the end of Fiscal 2016, see the Outstanding Equity Awards at Fiscal Year-End Table at PS-80. For information concerning his separation agreement, see "Chief Executive Officer Transition" at PS-39.

RETIREMENT BENEFITS

Retirement benefits are offered to attract and retain qualified executive officers. Retirement benefits offer financial security in the future and are not entirely contingent upon corporate performance factors. It is the case, however, that the compensation on which the retirement benefits of each executive officer are based includes bonus and incentive awards made in the past; such awards are determined by corporate and individual performance factors in the year awarded.

Defined Contribution Retirement Benefit

For the NEOs other than Ms. Cloud, a defined contribution retirement benefit is available through the Tiffany and Company Employee Profit Sharing and Retirement Savings Plan ("401k Plan"). Excess defined contribution retirement benefit contributions ("Excess DCRB Contributions") are credited to the Tiffany and Company Executive Deferral Plan (the "Deferral Plan"). Employer contributions credited to the Deferral Plan are calculated to compensate executives for pay amounts limited by reason of the Internal Revenue Code. Messrs. Erceg, Bellaiche, and Galtie are eligible to receive Excess DCRB Contributions. Messrs. Cumenal and Nicoletti became entitled to distribution of their vested Excess DCRB Contributions upon their departures from the Company, and forfeited the unvested portion of their Excess DCRB Contributions. See Note (b) to the Nonqualified Deferred Compensation Table at PS-88 for further information concerning their Excess DCRB Contributions.

Mr. Cumenal's employment agreement called for payments during the first 10 years of his employment to an interest-bearing retirement account. These payments were intended to make Mr. Cumenal whole for significant long-term pension benefits he forfeited at his prior employer. See "Other Employment Agreements or Severance Plans for Named Executive Officers–Frederic Cumenal Employment Agreement" at PS-63. Upon his departure the balance of this account became payable in ten annual installments starting on the first anniversary of his termination date. During his employment, additional contributions were made on his behalf to certain French social security and pension

schemes.

Mr. Galtie also receives additional retirement benefits agreed upon at the time of his recruitment. See "Discussion of Summary Compensation Table and Grants of Plan-Based Awards-Philippe Galtie Compensatory Arrangement" at PS-78.

Traditional Pension Retirement Benefit

Ms. Cloud participates in the tax-qualified defined benefit pension plan available to all full-time U.S. employees hired before January 1, 2006. She also receives incremental benefits under the 2004 Tiffany and Company Un-funded Retirement Income Plan to Recognize Compensation in Excess of Internal Revenue Code Limits ("Excess Plan") and the 1994 Tiffany and Company Supplemental Retirement Income Plan ("Supplemental Plan").

The Excess Plan credits base salary and short-term incentive in excess of amounts that the Internal Revenue Service ("IRS") allows the tax-qualified pension plan to credit in computing benefits, although benefits under both of these plans are computed under the same formula. The Committee considers it fair and consistent with the employee retention purpose of the tax-qualified pension plan to maintain for executives the relationship established for employees compensated below the IRS limit between annual cash compensation and pension benefits.

The Supplemental Plan serves as a retention incentive for experienced executives by increasing the percentage of average final compensation provided as a benefit when the executive reaches specified service milestones.
For a further description of these traditional pension retirement benefits see "Pension Benefits Table–Features of the Pension Benefit Plans" at PS-84.

Equity Grants - Retirement Provisions

RSUs are forfeited upon retirement. Prior to January 2017, the terms applicable to stock options did not provide for continued vesting beyond retirement, and the exercise period for vested options was two years from retirement. Stock options awarded in January 2017 provide for continued vesting upon retirement, and an exercise period for vested options of five years from retirement, provided that the grant was made at least six months prior to the retirement date, and subject to continued compliance with post-employment restrictive covenants.

Prior to 2015, the terms applicable to awards of PSUs did not provide for continued vesting beyond retirement. The Committee amended the terms applicable to the PSUs awarded beginning in January 2015 to provide for continued vesting beyond retirement. A recipient of these awards who retires from employment during the applicable performance period will vest in a pro-rated portion of the award, reflective of the number of months worked during the performance period, and contingent on the satisfaction of pre-determined performance goals. The Committee again amended the terms applicable to PSUs in January 2017 such that PSUs awarded in January 2017 will continue to vest upon retirement in accordance with their terms (including satisfaction of pre-determined performance goals), without pro-rating based on length of time worked during the performance period, provided that the grant was awarded at least six months prior to the retirement date, and subject to continued compliance with post-employment restrictive covenants.

LIFE INSURANCE BENEFITS

IRS limitations render the life insurance benefits that the Company provides to all full-time U.S. employees in multiples of their annual base salaries largely unavailable to the Company's executive officers. The Company maintains the relationship established for lower-compensated employees between annual base salaries and life insurance benefits through executive-owned, employer-paid whole-life policies. (For an explanation of the key features of the life insurance benefits, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Life Insurance Benefits" at PS-77.) Life insurance premiums are taxable to the executives, and no gross-up is paid. Mr. Nicoletti declined this benefit upon joining the Company.

DISABILITY INSURANCE BENEFITS

The Company provides executive officers with special disability insurance benefits because their salaries are inconsistent with the income replacement limits of the Company's standard disability insurance policies. Thus, these special disability benefits maintain the relationship established for employees compensated below the IRS limit between annual cash compensation and disability benefits. Disability insurance premiums are taxable to the executives, and no gross-up is paid.

EQUITY OWNERSHIP BY EXECUTIVE OFFICERS AND NON-EXECUTIVE DIRECTORS

The Company has in place a share ownership policy for executive officers and non-executive directors, to enhance alignment of management's interests with those of shareholders over the long term.

Significant Portfolio

Under the share ownership policy, executive officers and non-executive directors are subject to restrictions on the disposal of shares of the Company's common stock. For each executive officer or non-executive director, "Significant Portfolio" means ownership of shares having a total market value equal to or greater than the following multiples of their annual base salaries/annual retainer:

Position/Level	Market Value of Company Stock Holdings as a Multiple of Base Salary/Retainer (Significant Portfolio Requirement)
Chief Executive Officer	Five Times
Non-Executive Directors	Five Times
Executive Vice President	Three Times
Senior Vice President	Two Times

Equity Used to Meet Stock Ownership Guidelines

The share ownership policy counts shares owned as follows:

Shares Counted:	Shares not Counted:
Outstanding shares that the person beneficially owns or is deemed to beneficially own, directly or indirectly, under the federal securities laws, including shares held in the 401k Plan.	Rights to acquire shares of the Company's common stock through derivative securities, including stock options or the vesting of restricted stock units.
RSUs issued under the Company's 2008 Directors Incentive Plan that have vested but will not be delivered until retirement of the applicable director from the Board.	Shares of the Company's common stock that are pledged to a third party (for example, where common stock is held in a margin account maintained at a brokerage firm).

For purposes of determining the amount of shares constituting a Significant Portfolio, shares will be valued at the mean of the high and low trading prices on the New York Stock Exchange on the relevant calculation date.

Each officer's or director's attainment of a Significant Portfolio is measured annually on April 1 or the first trading day thereafter. However, an officer or director who acquires a Significant Portfolio after the annual calculation date shall be deemed to hold a Significant Portfolio for purposes of any proposed disposition after such acquisition.

Disposal Restrictions

An executive officer or non-executive director who has a Significant Portfolio may not dispose of shares of the Company's common stock if the disposition would cause his or her holdings to fall below the Significant Portfolio threshold. He or she may, however, dispose of any or all shares in excess of the Significant Portfolio threshold.

For an executive officer or non-executive director who does not have a Significant Portfolio, he or she is permitted to dispose of shares of the Company's common stock only as follows:

- no more than 50% of the net shares deemed issued as a consequence of any vesting or exercise of an equity award;
- under circumstances constituting a financial hardship, as so determined by the Board; or

- pursuant to a qualified domestic relations order.

Compliance

The amended and restated policy does not contain an express compliance deadline in recognition that the disposal restrictions ensure that the executive officers and non-executive directors are making progress toward meeting the Significant Portfolio requirements and provide for greater administrative ease.

As of January 31, 2017, one NEO held a Significant Portfolio. The remaining NEOs were all appointed to their current positions in Fiscal 2014 or later. As of March 20, 2017, one non-executive director (who became a director in March 2017) did not hold a Significant Portfolio; each of the other non-executive directors held a Significant Portfolio.

HEDGING NOT PERMITTED

The Board adopted a worldwide policy on insider information, applicable to all employees, officers and directors. The policy expressly prohibits speculative transactions (i.e., hedging), such as the purchase of calls or puts, selling short or speculative transactions as to any rights, options, warrants or convertible securities related to Company securities.

RETENTION AGREEMENTS

The Committee continues to believe that, during any time of possible or actual transition of corporate control, it would be important to keep the team of executive officers in place and free of distractions that might arise out of concern for personal financial advantage or job security. Since the Company went public in 1987, it has not had a single controlling shareholder, and, depending upon the circumstances, executive officers could consider acquisition of a controlling interest, as described in the retention agreements, to be a prelude to a significant change in corporate policies and an incentive to leave. To ensure that executive officers remain with the Company, stay focused on the business and maximize shareholder value during a period of uncertainty resulting from a potential Change in Control transaction (as defined below), the Company entered into retention agreements with each of the executive officers (other than Mr. Cumenal, who had an employment agreement), which provide financial incentives for them to remain in place during any such times. For a description of the retention agreements, see "Potential Payments on Termination or Change in Control–Explanation of Potential Payments on Termination Following a Change in Control–Severance Arrangements" at PS-93. For a description of Mr. Cumenal's employment agreement, which contained comparable provisions to those of the retention agreements, see "Other Employment Agreements or Severance Plans for Named Executive Officers" below.

The Committee believes that the retention agreements serve the best interests of the Company's shareholders because such agreements:

- will increase the value of the Company to a potential acquirer that requires delivery of an intact management team;
- will help to keep management in place and focused should any situation arise in which a Change in Control looms but is not welcome or agreement has not yet been reached;
- are a prudent defense to the possibility that one or more senior executive officers might retire or take a competing job offer during a time of transition; and
- are not overly generous.

The Committee also believes that the independent directors are fully capable of weighing the merits of any proposed transaction and reaching a proper conclusion in the interests of the shareholders, even if management would benefit financially from change in control payments to the executive officers.

Dual Triggers

The retention agreements are "dual-trigger" arrangements in that they provide no benefits unless two events occur: (i) a Change in Control followed by (ii) a loss of employment.

Definition of "Change in Control"

The retention agreements in place for executive officers deem a "Change in Control" to occur only in the following four situations:

- a share acquisition resulting in a person, syndicate or group beneficially owning 35% or more of the voting power of the Company;
- incumbent directors (including those appointed or nominated by incumbent directors) cease to be a majority of the Board;
- a corporate transaction, such as a merger, in which the shareholders prior to the transaction do not thereafter own more than 50% of the voting power of the resulting company's shares; and
- a sale of 50% or more of the consolidated assets of the Company or its subsidiaries.

No Gross-Ups

The retention agreements do not provide executive officers with reimbursement for excise taxes or other taxes in connection with severance payments or other amounts relating to the change in control.

OTHER EMPLOYMENT AGREEMENTS OR SEVERANCE PLANS FOR NAMED EXECUTIVE OFFICERS

Aside from the retention letters previously described and the arrangements described below, the Company is not party to any employment agreement with an NEO that currently provides for cash severance or other severance benefits upon termination (absent a change in control), although the Company is permitted to provide such benefits if it deems appropriate to do so.

Under his employment agreement with Tiffany, Mr. Cumenal was entitled to cash payments and other severance benefits upon termination of his employment under certain circumstances. Under the offer letters extended to them, Messrs. Erceg and Galtie are similarly entitled to severance benefits upon termination of employment under certain circumstances. The foregoing arrangements were negotiated in connection with the recruitment of those individuals to the Company.

Frederic Cumenal Employment Agreement

On March 10, 2011, Mr. Cumenal commenced employment with Tiffany as an executive officer and was promoted to CEO effective April 1, 2015.

Tiffany entered into an employment agreement with Mr. Cumenal as part of the recruiting process in Fiscal 2011. The employment agreement, which was approved by the Committee, addressed certain elements of the personal costs, foregone compensation and professional risk that Mr. Cumenal incurred to accept the position and relocate his family to the United States.

The employment agreement included the following key compensatory features, subject to increase:

- Term: Sequential one-year terms following an initial term;
- Initial compensatory terms related to base salary, short-term incentive award and long-term incentive award, a sign-on equity grant and a one-time relocation award;
- Deferred compensation: Credit of $365,000 per year, subject to cost of living adjustments, for the first 10 years of employment to an interest-bearing account for retirement. Mr. Cumenal became fully vested in this account after three years of employment. Together with the sign-on equity awards, these payments were intended as "make whole" payments for significant long-term pension benefits Mr. Cumenal forfeited at his prior employer;
- French pension scheme payments: Payment of approximately $75,000 annually for the benefit of Mr. Cumenal's account with certain French social security and pension schemes. This payment was intended to avoid loss of Mr. Cumenal's accruals under those schemes;

- Severance absent a Change in Control - Applicable in the event of termination without Cause or resignation for Good Reason, including Tiffany's refusal to extend the term: $605,000, subject to increase based on annual cost of living adjustments; base salary for the balance of the term (minimum of one year); any unpaid short-term incentive award for the last completed fiscal year; and continuation of medical and dental benefits for one year;

- Severance payments and other benefits following a Change in Control - Certain payments and other benefits applicable in the event of termination without Cause or resignation for Good Reason, including Tiffany's refusal to extend the term; and
- Absent termination with cause or for disability, upon termination of employment, Tiffany would pay an additional $200,000 if it wished Mr. Cumenal to continue to comply with non-competition covenants.

The employment agreement contained definitions of "Change in Control," "Cause" and "Good Reason." For additional information about Mr. Cumenal's compensatory arrangements, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Frederic Cumenal Employment Agreement" at PS-77.

For a discussion of benefits provided to Mr. Cumenal upon his departure in February 2017, pursuant to the above employment agreement and otherwise, see "Chief Executive Officer Transition" at PS-39.

Mark J. Erceg Offer Letter

On October 18, 2016, Mr. Erceg commenced employment with Tiffany and was appointed Executive Vice President – Chief Financial Officer. The key terms of the offer letter were:

- Initial Base Salary: $850,000 per year;
- Initial Target Annual Incentive Award (beginning in Fiscal 2017): 80% of base salary;
- Initial Target Long-term Incentive Award (beginning in Fiscal 2017): 250% of base salary;
- One-time sign-on awards of (i) RSUs equal in value to $2,000,000 on the grant date, to vest in equal installments on the first, second and third anniversary of the grant date; (ii) stock options equal in value to $2,000,000 on the grant date, to vest in equal installments on the first, second and third anniversary of the grant date; and (iii) a $750,000 cash sign-on bonus, and an additional cash payment of $750,000 as reimbursement for the repayment of a sign-on award to his prior employer, both of which are subject to recoupment pursuant to a schedule in the event of resignation without good reason or termination with cause on or before January 31, 2020; and
- Severance benefits, absent a Change in Control, in the event of termination without Cause or resignation for Good Reason prior to the second year anniversary of hire: one year of base salary; any unpaid short-term incentive award for the last completed fiscal year (or if the last completed fiscal year is Fiscal 2016, the unpaid portion of the cash sign-on bonus); pro-rated short-term incentive award for the current year (calculated based on actual corporate results and as if individual achievement goals had been met at target or, if the termination or resignation occurs in Fiscal 2016, then a pro-rated portion of the cash sign-on bonus); plus reimbursement of continued health coverage for one year.

The offer letter incorporates definitions of "Change in Control," "Cause" and "Good Reason." For additional information about Mr. Erceg's compensatory arrangements, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Mark J. Erceg Compensatory Arrangement" at PS-77.

Offer Letters Extended to Other NEOs

Offer letters were also extended to Messrs. Nicoletti, Bellaiche and Galtie in connection with their respective recruitments to the company. Each of these offer letters captures the key terms negotiated as part of the recruitment, including compensatory terms relating to base salary, short-term incentives, long-term incentives and sign-on awards. Mr. Galtie's offer letter also provides for severance benefits and payments to certain retirement schemes. For a more detailed discussion of these arrangements, see "Discussion of Summary Compensation Table and Grants of Plan-Based Awards–Ralph Nicoletti Compensatory Arrangement," "–Jean-Marc Bellaiche Compensatory Arrangement," and "–Philippe Galtie Compensatory Arrangement" beginning at PS-78.

CHANGE IN CONTROL PROVISIONS

Equity awards and certain executive retirement benefits provide certain entitlements following a Change in Control, which entitlements will only be triggered on a loss of employment (a "dual trigger") or if the Company does not survive the transaction. For a more detailed discussion of applicable change in control provisions, see "Potential Payments on Termination or Change in Control–Explanation of Potential Payments on Termination following a Change in Control" at PS-93.

TERMINATION FOR CAUSE

Stock options granted under the 2005 Employee Incentive Plan or the 2014 Employee Incentive Plan may not be exercised after a termination for cause. PSUs will not vest if termination for cause occurs before the conclusion of the three-year performance period. Likewise, time-vesting RSUs will not vest if termination for cause occurs before the vesting date provided for in the award.

RESTRICTIVE COVENANTS

Mr. Nicoletti is subject to restrictive covenants that will terminate in January 2018 or, if earlier, a change in control (as defined in such covenants). Mr. Cumenal's employment agreement also provided for certain post-employment restrictions (as modified by his separation agreement). See "Other Employment Agreements or Severance Plans for Named Executive Officers–Frederic Cumenal Employment Agreement" at PS-63.

The remaining NEOs are required to sign restrictive covenants with a post-employment term that will end upon the earlier of a Change in Control (as defined in the retention agreements), or the first anniversary of the termination of employment. The restrictive covenants include a non-compete restriction, a non-solicitation restriction with respect to employees and customers and a no-hire restriction with respect to employees.

Violation of the covenants will result in:

- loss of certain benefits under the nonqualified retirement plans;
- loss of all rights under stock options, RSUs and PSUs (whether or not vested); and
- mandatory repayment of all proceeds from stock options exercised or RSUs or PSUs vested during a period beginning six months before termination and throughout the duration of the non-competition covenant.

CLAWBACK POLICY

The executive officers are subject to a policy that expressly provides for recoupment of executive incentive-based compensation if an accounting restatement is required due to material noncompliance with any financial reporting requirements. For purposes of the policy, incentive-based compensation means pay which has been calculated based on objective performance criteria included in publicly reported financial information reported by the Company, and includes PSUs and cash incentive awards. Time-vesting stock options and RSUs, or proceeds therefrom, are not subject to this policy.

Under the policy, in the event of a material restatement, the Board will review the incentive-based compensation paid to executive officers during the three-year period preceding the issuance of the restatement to determine if excess incentive compensation was paid. Excess incentive compensation is defined to be any incentive compensation in excess of that which would have been paid if the applicable material restatement had been applied at the time of payment.

The Board may seek recoupment of after-tax excess incentive compensation from one or more of the executive officers who received excess payment.

COMPENSATION RISK ASSESSMENT

The Committee has reviewed an assessment by management of the Company's compensation programs and practices for employees, including executive and non-executive programs and practices. Selected key areas that were reviewed, together with management's assessment of these elements, included pay mix, performance metrics, performance goals and payout curves, payment timing and adjustments, equity incentives, stock ownership requirements and trading

policies, and leadership and culture. Sound practices were identified in each of these respective areas. As a result of the review, the Committee determined that any risks that may result from the Company's compensation programs and practices are not reasonably likely to have a material adverse effect on the Company.

LIMITATION UNDER SECTION 162(m) OF THE INTERNAL REVENUE CODE

Section 162(m) of the Internal Revenue Code generally denies a federal income tax deduction to the Company for compensation in excess of $1,000,000 per year paid to any of the NEOs other than the CFO or any officer who ceases employment prior to the end of the tax year. This denial of deduction is subject to an exception for "performance-based compensation" such as the PSUs, stock options and annual incentive awards discussed above. Although the Committee has designed the executive compensation program with tax considerations in mind, the Committee does not believe that it would be in the best interests of the Company to adopt a policy that would preclude compensation arrangements subject to deduction limitations.

The compensation actually paid to the executive officers is expected to be deductible by the Company except in the following respect: compensation that exceeds $1,000,000 in any single year for any single NEO to whom Section 162(m) applies, consisting of the following elements: "Salary" and "All Other Compensation" in the Summary Compensation Table at PS-68, plus compensation that relates to the RSUs described in note (c) to the Summary Compensation Table. The Committee may decide, in the course of exercising its business judgment, to adjust payouts under one or more other compensation components in a way that disqualifies such payouts as performance-based for a particular year.

* * *

REPORT OF THE COMPENSATION COMMITTEE

We have reviewed and discussed with the management of Tiffany & Co. the Compensation Discussion and Analysis section of this Proxy Statement. Based on our review and discussions, we recommend to the Board of Directors, to the Interim Chief Executive Officer and to the Chief Financial Officer that the Compensation Discussion and Analysis be included in this Proxy Statement and the Annual Report on Form 10-K for the fiscal year ended January 31, 2017.

Compensation Committee and its Stock Option Subcommittee:

Gary E. Costley, Chair
Rose Marie Bravo
Abby F. Kohnstamm
Charles K. Marquis
Peter W. May
Robert S. Singer

March 15, 2017

SUMMARY COMPENSATION TABLE
Fiscal 2016, Fiscal 2015 and Fiscal 2014

Name and Principal Position	Year	Salary ($) (a)	Bonus ($) (b)	Stock Awards ($) (c)	Option Awards ($) (d)	Non-Equity Incentive Plan Compensation ($) (e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (f)	All Other Compensation ($) (g)	Total ($)
Frederic Cumenal CEO [1]	2016	$1,246,644	$ —	$3,125,069	$3,128,754	$1,631,250	$—	$941,686	$10,073,403
	2015	$1,239,931	$ —	$2,886,364	$3,131,796	$1,406,250	$—	$758,640	$9,422,981
	2014	$896,625	$ —	$2,919,875	$3,041,032	$1,136,250	$—	$755,209	$8,748,991
Mark J. Erceg Executive Vice President CFO [2]	2016	$224,971	$ —	$2,979,811	$3,065,962	$—		$815,104	$7,085,848
Ralph Nicoletti	2016	$252,206	$ —	$—	$—	$—	$—	$50,577	$302,783
Executive Vice President - CFO [2]	2015	$747,986	$ —	$715,840	$776,779	$420,000	$—	$33,667	$2,694,272
	2014	$642,117	$ —	$2,851,466	$1,484,359	$530,250	$—	$166,913	$5,675,105
Jean-Marc Bellaiche Senior Vice President	2016	$747,986		$866,539	$289,140	$445,500	$—	$157,879	$2,507,044
- Strategy and Business Development[3]	2015	$747,986	$ —	$519,542	$563,737	$315,000	$—	$597,105	$2,743,370
Pamela H. Cloud Senior Vice President	2016	$597,909	$ —	$828,904	$276,630	$356,400	$170,297	$53,920	$2,284,060
- Global Category Marketing	2015	$572,977	$ —	$484,952	$526,151	$258,750	$—	$64,667	$1,907,497
	2014	$547,852	$ —	$534,625	$560,758	$333,300	$1,576,062	$86,572	$3,639,169
Philippe Galtie	2016	$572,018	$ —						