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Tiffany as exemplary company in the field of sustainability

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The takeover by LVMH raised the media profile of Tiffany last week substantially. Not only financial aspects, but also the sustainability strategy make the company attractive. Tiffany has gone through an impressive development in terms of sustainability.

The company has co-financed or implemented numerous projects to facilitate a better and more environmentally friendly production of diamonds and gold since 1995. Among them is the principle of sparing national parks such as Yellowstone, or the establishment of a "Save the Wild" collection in an effort to protect animals in their natural habitat.

New position makes a difference

The introduction of the position of a Chief Sustainability Officer in 2015 has had very positive repercussions for the development of the company. Tiffany compiles annual sustainability reports with the latest data and measures as well as future plans and goals.

The Management of Tiffany attaches great importance to the diversification of employees. Male and female headcount across all levels is similar. The share of women on management level is even at 60%. Origin and age are diversified as well. Tiffany offers its employees the chance to get training within the organisation.

The wages in manufacture are set on the basis of a designated programme. The programme does not only contain wages with a premium on minimum wage in the various countries, but it also allows for the payment of social needs of the employees such as housing support, healthcare, and transport. The company also complies with numerous safety standards.

Greatest achievement

Among Tiffany's biggest accomplishments over the past years in the field of sustainability is the traceability of diamonds. This milestone was reached in 2018 and confirmed by independent auditors, who also generally check and confirm all other sustainability factors.

Given that Tiffany is a global company, the traceability of diamonds is very complex. Tiffany has thus set very high standards for the sector, as a result of which its competitors may feel the pressure to follow suit. The value chain could in the future be tracked via blockchain and thus become even more transparent. Companies like Vechain focus on this application and already offer various solutions.

Reduce emissions by 15% by 2020

This would make it more transparent and easier for customers and NGOs to figure out how diamonds are produced.

Tiffany basically keeps the ecological footprint as low as possible across all areas. Among its measures is, for example, LED lighting in all new branches. 83% of its global energy demand is covered by renewable energy. This is very high, given the fact that Tiffany also operates in countries like China.

These efforts have caused the emissions per square metre in its branches to fall by 10% from 2013 to 2018. Tiffany has set itself more ambitious goals to facilitate a further reduction in emissions. The plan is to reduce emissions from 2013 to 2020 by 15%. This target will most likely be achieved according to latest data.

Tiffany's long-term goal is not to produce any net emissions by 2050. Of course, one has to bear in mind that such long-term plans are difficult to assess. At the same time, the goals Tiffany has already achieved indicate that the company takes its goals very seriously and could in fact achieve them at the current rate of development.

Conclusion:

In summary, Tiffany's efforts in the area of sustainability have clearly paid off. The company is definitely among the market leaders in this field and can reach the milestones it has set itself at the current pace. The high level of engagement by Tiffany should lead other companies in the sector to step up their efforts in the field of sustainability as well.

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