

Climate Change Toolkit: Practical Guide for SMEs



**WATCH &
JEWELLERY**
INITIATIVE 2030



About Watch & Jewellery Initiative 2030

Co-founded by Kering and Cartier, delegated by Richemont, the Watch & Jewellery Initiative 2030 serves as a multi-stakeholder action platform dedicated to advancing climate resilience, preserving resources, and fostering inclusiveness. We welcome all industry stakeholders worldwide, including Maison's, retailers, distributors, traders, manufacturers, service providers, industry associations, as well as third parties such as NGOs and academic institutes, to support our mission.

Our work aligns closely with the 17 Sustainable Development Goals of the 2030 Agenda. We believe that no one can tackle today's challenges alone, which is why we champion a multi-stakeholder platform for engagement. We see ourselves as part of a broader community across industries, striving to deepen the conversation and leverage the expertise of change agents to support our members and the wider industry in acting and measuring progress on climate resilience, resource preservation, and inclusiveness.

For more information, please visit www.wjinitiative2030.org

**WATCH &
JEWELLERY**
INITIATIVE 2030

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Quantis
A BCG COMPANY

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Welcome to the guidebook

How to use this guidebook

This **practical guidebook is designed for Small and Medium Enterprises (SMEs)** operating across the watch and jewellery value chain - from mining and refining, manufacturing, and component production, to brands, retailers, logistics providers, repair and refurbishment specialists, and other industry actors - in navigating their climate journey.

An **SME is defined by the European Union as a company with fewer than 250 employees and either an annual turnover of up to €50 million or a balance sheet total of up to €43 million.** If your company meets these criteria and operates as an independent business, meaning it is not a subsidiary of a larger corporation, or, if it is, the overall group does not exceed SME thresholds, then this practical guidebook is designed for you.

Throughout its sustainability journey, an SME should actively engage on climate by focusing on reducing carbon emissions within its direct operations and progressively understanding its broader responsibilities across other sustainability areas such as nature and human rights.

Under the **WJI 2030 commitments**, SME members are expected to take clear first steps on climate. At a minimum, within the first year of membership, SMEs should align with the Science Based Targets initiative (SBTi), this includes **identifying organisational boundaries and calculating baseline greenhouse gas (GHG) emissions as the foundation for setting science-based targets.**

This practical guidebook is designed to support smaller businesses in meeting these commitments and going beyond them. It helps SMEs move from understanding the climate journey to implementing it and building a credible path forward.

By the end of this guidebook, you will gain:

- A clear understanding of **every key step your SME needs to take when approaching climate action** and reducing your negative environmental impact: from calculating your baseline emissions to setting targets and implementing practical reduction measures
- Access to **existing tools** that can support you throughout your journey
- A **simplified checklist** of the main actions to prioritise
- Real **peer case studies** from the watch and jewellery sector to inspire and guide you

You will also find practical answers to some of the most common challenges SMEs face, helping you move forward with confidence, clarity, and a structured plan.

The importance of a climate journey for SMEs

We all have a role to play in protecting our environment for current and future generations.

SMEs are important players in the watch and jewellery landscape and play a **key role in the environmental transition of the sector.** By reducing the negative climate impacts of your SME, your business contributes to safeguarding climate, biodiversity and ecosystems while protecting precious natural resources such as metals, gemstones and water - resources on which the sector fundamentally depends.

Acting on climate is no longer just common sense; it is essential to ensuring a viable future for our planet and for our industry. Beyond environmental responsibility, starting a climate journey:

- Strengthens **resilience** across your supply chain and communities,
- Supports a **just transition for workers and suppliers,**
- **Builds trust** with customers, investors, and partners,
- Helps **attract and retain** purpose-driven **talent**
- Enables your business to anticipate evolving **regulations,**
- Improves **operational efficiency,**
- **Reduces costs** and climate-related **risks,**
- Enhances competitiveness and **brand value.**

Before starting your climate journey, here are the **top 5 climate terms every Watch & Jewellery SME should know:**

Net-Zero:

Reducing your greenhouse gas (GHG) emissions as close to zero as possible (typically at least 90%) and neutralising any small remaining emissions through permanent removals. For our sector, this means tackling emissions across mining, materials, manufacturing, transport, retail, and product use.

Science-Based Targets (SBTs):

Climate targets aligned with the 1.5°C goal of the Paris Agreement. For SMEs in watches and jewellery, this means committing to measurable emissions reductions based on science.

SBTi (Science Based Targets initiative):

The organisation that defines and validates science-based targets. SMEs benefit from a simplified target-setting route designed specifically for smaller companies.

GHG Protocol:

The global standard for measuring and reporting emissions. It provides the methodology SMEs use to calculate their carbon footprint across operations and supply chains.

Decarbonisation:

The process of reducing emissions across your operations and supply chain. In the watch and jewellery sector, this often means improving energy efficiency, sourcing recycled or lower-impact materials, engaging suppliers, and optimising logistics.

The SME Climate Journey

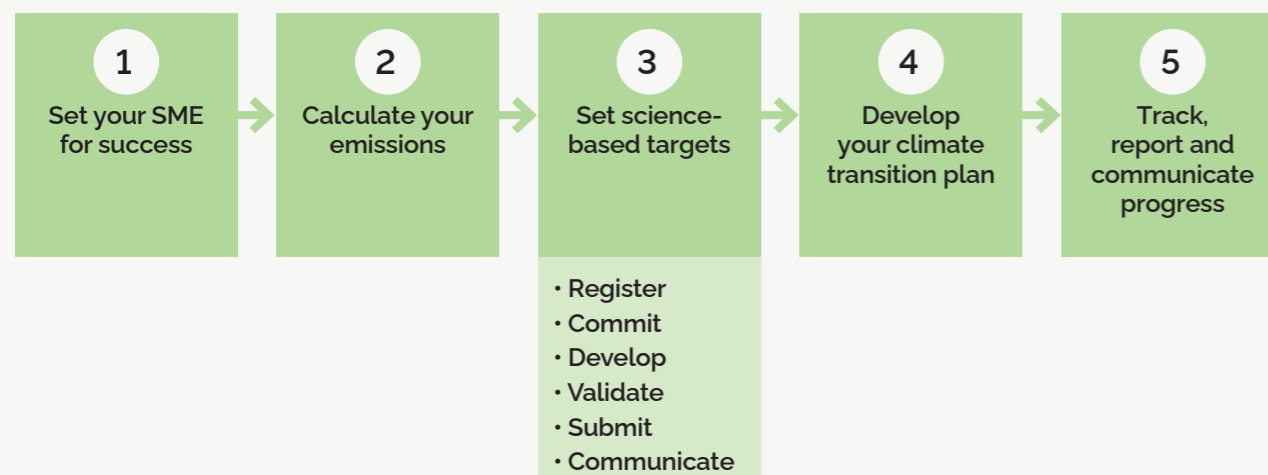
Overview: The SME Route to decarbonisation

Decarbonisation may sound complex, but the journey can be clear, structured, and manageable. Tackling climate is no different from managing other areas of your business: **plan, do, check, act**. The climate journey follows the same logic.

- Plan: calculate your emissions, set targets, and develop your transition plan
- Do: implement concrete measures to reduce your emissions
- Check: track your progress, measure results, and report transparently
- Act: continue implementing what works and adjust what needs to be adjusted

Rather than overwhelming you with technical detail, this overview focuses on what truly matters for SMEs: identifying your **main impact areas**, using **practical tools**, and progressing step by step toward **measurable climate action** aligned with global standards. The following sections of this guidebook provide a deeper dive into each of these steps.

Overview of the SME route to decarbonisation:



Step 2 and 3 can be done simultaneously

To keep in mind:

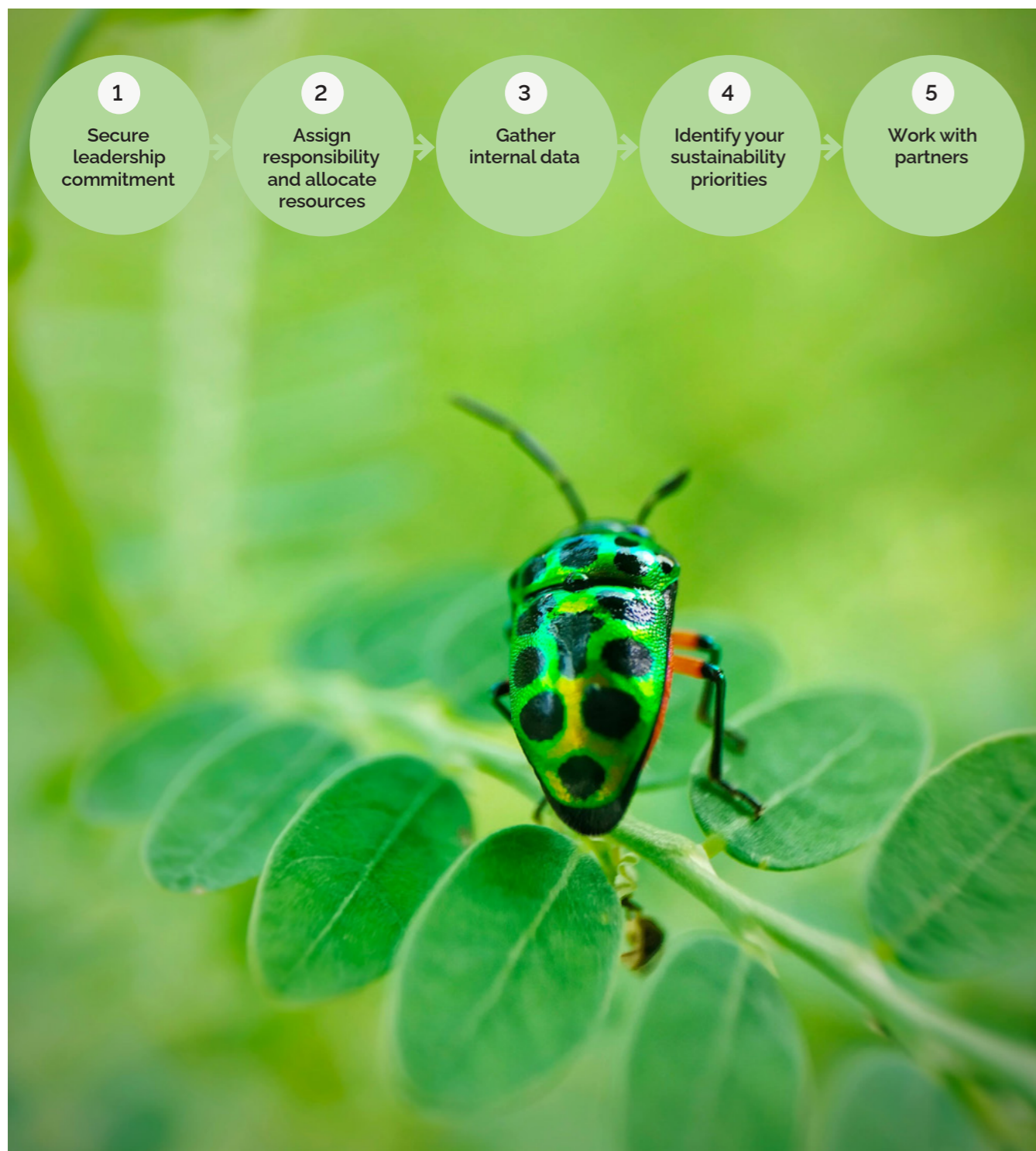
SMEs benefit from a simplified and streamlined target-setting route under the Science Based Targets initiative (SBTi) compared to larger enterprises, making it easier and more accessible to set science-based climate targets. In addition, under the updated EU Omnibus scope, mandatory CSRD sustainability reporting does not typically apply to SMEs. However, companies that are part of larger or more complex corporate groups may still face obligations at group level.



Step 1

How to set your SME up for success

Use the checklist on the next page to make sure your SME is ready to start its climate journey. Once completed, move to *Step 2: Understand and calculate your emissions*



1. Secure leadership commitment

- Present a short business case to leadership explaining why climate action matters for your company and obtain leadership buy-in. Clearly link climate action to business value:
 - Cost savings (energy reduction, operational efficiency, waste reduction)
 - Risk reduction (regulation, supply chain disruption)
 - Market opportunities (customer expectations)
 - Competitive advantage (innovation, differentiation)
 - Reputation & talent attraction

2. Assign responsibility & allocate resources

- Appoint one responsible person (or small team) to lead the climate journey
- Ensure time and budget are allocated (for example, SBTi target-setting can take 6+ months).
- Build basic knowledge before starting:
 - Complete the UN Global Compact e-learning module: [First Steps to Sustainability: An Interconnected Approach for SMEs in the Watch & Jewellery Industry](#)
 - Review the [WJI2030 Climate Change Navigator](#)

3. Start with the data you already have

- Gather existing internal data (energy bills, fuel use, business travel, supplier details)
- Create a simple data management plan
- Plan data improvement

4. Identify your sustainability priorities

- Engage internal teams early (operations, procurement, finance, marketing)
- Map key stakeholders (suppliers, customers, employees, investors, communities)
- Conduct a basic materiality assessment to identify your most important sustainability topics. Use available guidance:
 - [UN Global Compact SME Sustainability Guidebook](#)
 - [WJI2030 Impact Assessment Guide](#)
 - [EFRAG Implementation Guidance on Materiality Assessment](#)

5. Don't do it alone, work with partners

- Engage with peer companies or industry networks, and use available tools and guidance from:
 - [WJI 2030](#) – Sector-specific guidance, tools and peer collaboration for the watch and jewellery industry
 - [SME Climate Hub](#) – Free tools, guidance and resources for SMEs
 - [UN Global Compact](#) – Practical guidance and learning resources for SMEs on sustainability and climate action
 - [Science Based Targets initiative \(SBTi\)](#) – Official criteria, target-setting guidance and SME validation route

To take away:

Take the time to secure leadership commitment and allocate the necessary resources before starting your climate journey. Setting your SME up for success from the outset will make the journey clearer, more manageable, and achievable.

Step 2

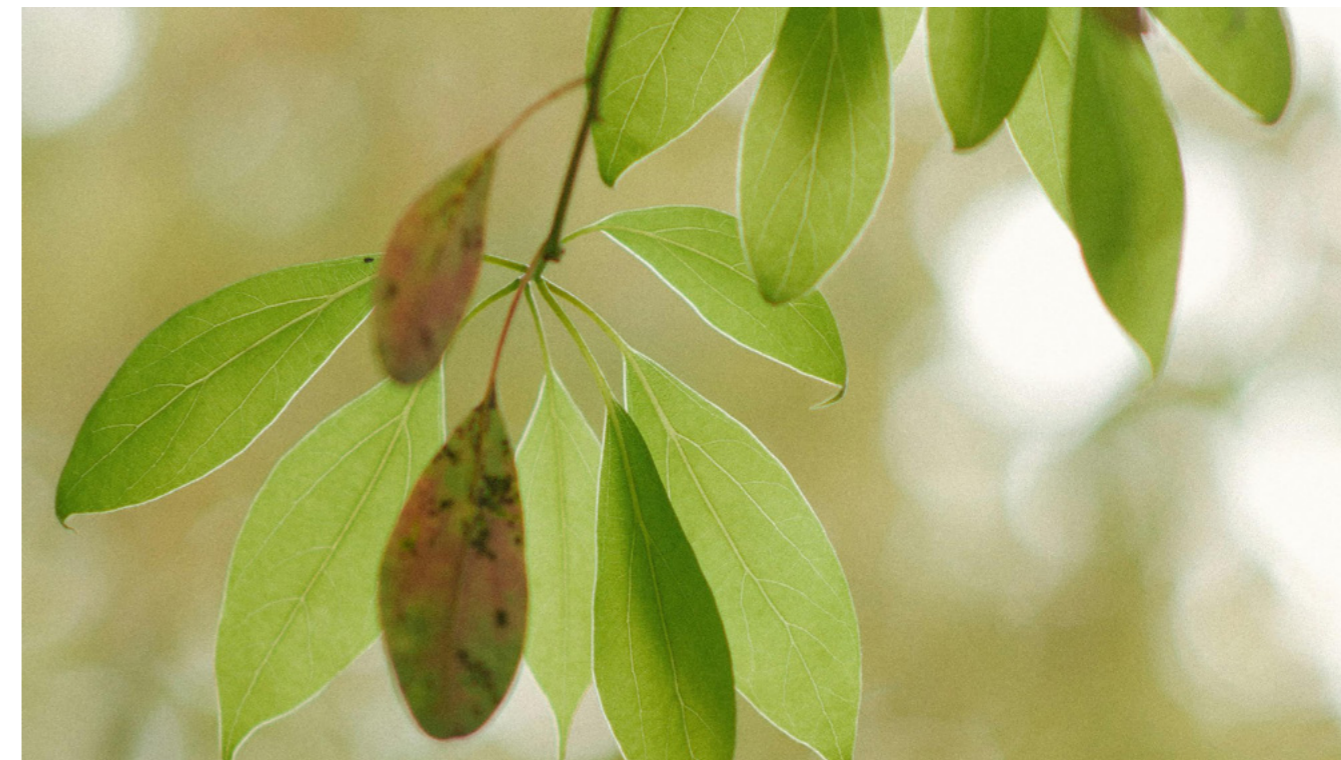
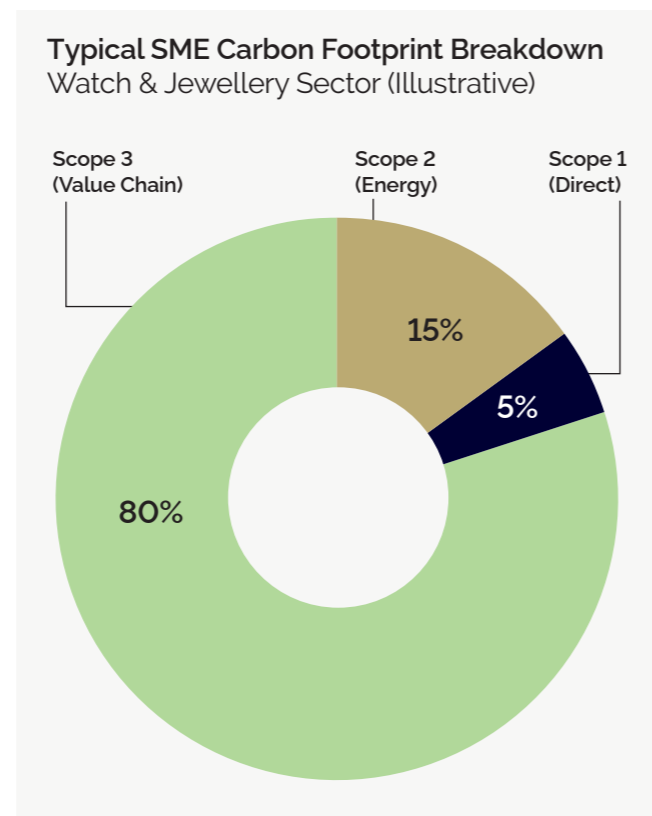
Understand and calculate your emissions

Understanding Corporate Carbon Footprint

Before setting any emissions' targets or reducing emissions, you must understand where they come from. Companies measure their greenhouse gas (GHG) emissions following the GHG Protocol, which divides emissions into three categories:

- **Scope 1 – Direct emissions:** Emissions from sources you own or control, such as fuel used in company vehicles or gas used in workshops.
- **Scope 2 – Purchased energy:** Emissions from electricity used in your offices, ateliers, boutiques, or production sites.
- **Scope 3 – Value chain emissions:** Indirect emissions across your supply chain and product life-cycle, including purchased gold, silver, gemstones, components, packaging, transport, and business travel.

SMEs should prioritise taking concrete action on **Scope 1 and Scope 2 emissions**, where they have direct control. The levers for reducing these emissions — such as switching to renewable electricity, improving energy efficiency, upgrading equipment, or renovating buildings — are generally accessible and effective for smaller businesses. Reducing direct emissions as much as possible is therefore a logical first step in any decarbonisation strategy.



However, for most SMEs in the watch and jewellery sector, **Scope 3 emissions account for the largest share of total emissions**, often driven by purchased precious metals, mined materials, components, and logistics — particularly in upstream mining and material processing activities. Reducing Scope 3 emissions is typically more complex and may involve higher costs, especially for smaller organisations with limited influence over suppliers. That said, meaningful progress is still possible. Quick wins — such as increasing recycled material sourcing, optimising transport, or requesting supplier data — can often be implemented relatively quickly. In the longer term, **supplier engagement is critical**: working collaboratively with refiners, manufacturers, and logistics partners is key to driving real and sustained reductions across the value chain.

To resume, creating your Corporate Carbon Footprint (CCF) means calculating your SME's total annual greenhouse gas emissions. Before moving to Step 2, it is essential to select a representative **baseline year**. The emissions calculated for this year will serve as your reference point, against which all future emissions and progress will be measured. Choosing a consistent and realistic baseline allows you to track reductions over time and demonstrate credible progress toward your targets.

Options to Calculate Your Corporate Carbon Footprint

There is no single correct way to calculate your emissions. The best option depends on your company's size, internal capacity, budget, and data availability. SMEs typically choose one of the following three approaches:

1. Internal calculation (Do It Yourself)

This option is best for small SMEs with limited budgets but available internal time.

You can calculate your carbon footprint internally using:

- The GHG Protocol [methodology](#) and [tools](#)
- Public emission factor databases
- Excel-based calculations

➔ Find further guidance and tips on how to calculate your SME Corporate Carbon Footprint internally in the [SME Climate Hub](#).

➔ Further information on GHG footprinting can be also found in the [WJI 2030 Climate Change Navigator](#).

2. Use SME-friendly carbon calculation tools

SMEs wanting **structured, affordable, and guided calculation** can reach out to digital platforms available in the market such as [SME Climate Hub calculators](#) or the [EPA Simplified GHG Emissions Calculator](#). Additionally, there is a larger variety available of digital solutions in the market that would be an option for larger SMEs with a secured budget for sustainability and limited internal capacity.

3. Work with a consultant or advisory firm

This option is best for SMEs with **limited internal capacity**, time, or with complex supply chains. It is recommended to seek expert support when establishing the baseline corporate carbon footprint.

To take away:

- Choose how you would like to calculate your corporate carbon footprint (internally/digital tool/consultant)
- Focus on your Scope 1 and 2: Identify your top **1–2 emission hotspots**.
- Set clear, realistic actions for the next 12 months.
- Progress in the largest areas will deliver the greatest impact.

Please keep in mind that if your SME's activity is mainly based on a specific product, then it is relevant to undertake a [product environmental footprint](#) (life-cycle assessment) of that product, with the aim of finding eco-design solutions or solutions that are more suited to the product.



WJI 2030 Action Framework – Reporting in progress:

If you are a member from WJI 2030, this step helps you reporting on:

Pillar 1: Climate resilience:

- Scope 1 GHG emissions
- Scope 2 GHG emissions
- Scope 3 GHG emissions
- GHG emissions intensity
- Energy Consumption

Step 3

Set Your Science-Based Target (SME Route)

Once you understand your emissions, the next step is to formalise your ambition by setting a [Science-Based Target \(SBT\)](#).

What is SBTi?

The Science Based Targets initiative (SBTi) is a global body that helps companies set greenhouse gas (GHG) **reduction targets aligned with climate science** and the 1.5°C goal of the Paris Agreement. SBTi defines the criteria, reviews company targets, and validates that they are credible and science aligned.

Setting an SBT ensures **your climate ambition is not arbitrary but grounded in internationally recognised methodology**. Within 24 months from effective membership with WJI 2030, SMEs are to complete their SBTi SME registration, develop a detailed roadmap to enable them to meet their SBTi commitments.

Why Submit Targets?

Submitting your targets to SBTi:

- Demonstrates credibility and transparency
- Aligns your company with global climate science
- Strengthens trust with customers, investors, and partners
- Future-proofs your business against regulatory developments
- Positions you competitively in the value chain

For many SMEs in the watch and jewellery sector, SBTi validation is increasingly becoming a commercial advantage.

Who is eligible for the [SBTi SME route](#)?

Companies that have:

- Have <10,000 tCO₂e across scope 1 and location-based scope 2 emissions
- Are not classified in the Financial Institution (FI) Sector or Oil & Gas (O&G) Sector
- Are not required to set targets using sector-specific criteria (such as the Sectoral Decarbonisation Approaches) developed by the SBTi (see the SBTi's sector guidance documents for requirements)
- Are not a subsidiary of a parent company whose combined businesses fall into the standard validation route
- **And three or more are true:**
 - Employ <250 employees
 - Turnover of <€50 million
 - Total assets of <€25 million
 - Are not in a mandatory Forest, Land and Agriculture (FLAG) sector

If your SME responds to the criteria above, you can follow the SBTi streamlined route made for SMEs, a simplified approach to set targets.

THE SME CLIMATE JOURNEY

What are the costs and timeline for SBTi validation of my targets?

Submission review typically takes around 30 business days. Targets submitted through the SME route will undergo a due diligence process by the Target Validation Team. Once the review is successfully completed and payment is confirmed, the targets will be published on the SBTi website. SME validation fees are significantly lower than for large corporations (Approximately \$1,250 – \$2,000 per target submission - check latest [SBTi fee schedule](#)).

What does SBTi expect from my SME?

- Calculate emissions in line with the GHG Protocol (Scope 1 & 2 emission needed, and start evaluating Scope 3)
- Select a baseline year
- Commit to pre-defined 1.5°C-aligned reductions for Scope 1 and 2 within 5-10 years (near-term targets)
- Measure and work toward reducing Scope 3 (setting a formal Scope 3 reduction target is encouraged but not mandatory under the SME route)
- Submit targets through the SME streamlined platform

How does the SME route look like?



Start your SBTi submission by registering to the portal [here](#). To begin the target submission and validation process, your company will need to register in the new SBTi Services Validation Portal. During registration, your SME will need to provide supplemental documents, including documentation for annual revenue, total assets, and headcount (e.g., annual financial statements, consolidated financial statements, tax returns, payroll records, balance sheets, etc.). We recommend watching SBTi video tutorials to complete the registration form prior to registering. After your company has registered, SBTi will verify its eligibility to set SBTs and categorisation as an SME. This verification must be completed before being able to submit targets for validation.

SMEs can then select from predefined validation options available in the portal, which simplify the standard target-setting process. While SMEs are required to set near-term targets for scope 1 and 2 emissions, they are not required to set near-term scope 3 targets; however, they must still commit to measuring and reducing their scope 3 emissions.

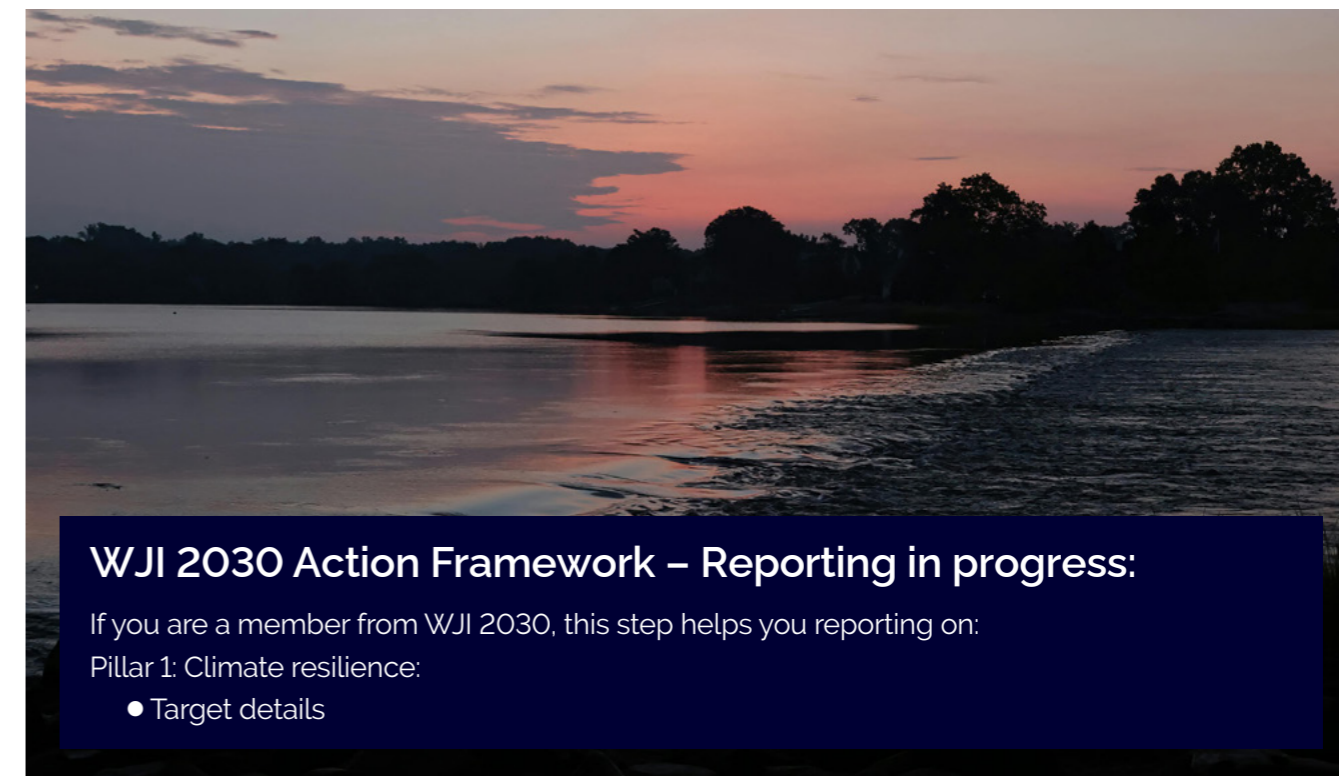
Upon submission and successful validation by SBTi Services, the company can publicly communicate its approved science-based targets.

Additional relevant documents:

- [SMEs FAQ](#)
- [Target validation application checklist for SMEs](#)
- [SME Climate Hub](#)
- [SBTi video tutorials](#)

To take away:

- Submitting targets via SBTi demonstrates credibility, transparency and trust to your stakeholders.
- SMEs benefit from a streamlined process, the [SBTi SME route](#), with predefined target options, simplified submission, and lower validation costs compared to large companies.
- Watch the [SBTi video tutorials](#) videos before each step of the route.



WJI 2030 Action Framework – Reporting in progress:

If you are a member from WJI 2030, this step helps you reporting on:

- Pillar 1: Climate resilience:
- Target details

Step 4

Your Practical Climate Transition Plan

Before diving in, it is important to clarify: a **formal climate transition plan is not mandatory for SMEs under the current EU Omnibus adjustments to CSRD**. Nonetheless, it is important to plan how to achieve your targets and what you need to put in place to get there. Having a simple and structured transition plan greatly strengthens the credibility of your science-based targets and demonstrates that your company is serious about delivery, not just commitment.

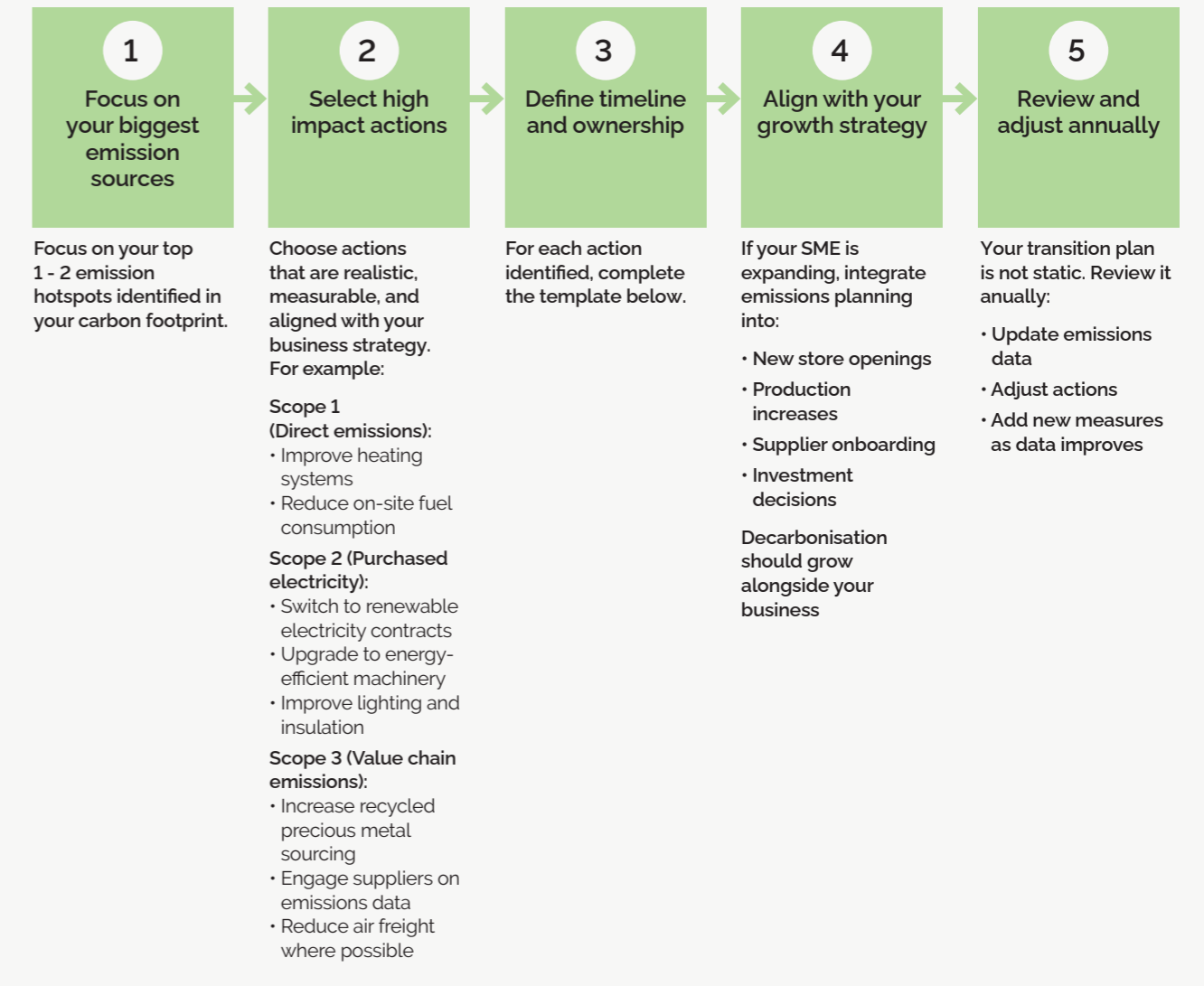
A climate transition plan moves your company from “*what we want to achieve*” to “*how we will achieve it*.” For SMEs, this does not need to be complex. At a minimum, you should develop a clear roadmap outlining your priorities, actions, timelines, and responsibilities. A short, leadership-supported **Climate Transition Plan, even one page, can be highly effective**. It signals engagement from the CEO and leadership team, builds internal alignment, and focuses attention on the most impactful actions (especially within Scope 1 and Scope 2, where SMEs have direct control).

A simple SME transition plan should include:

- **Your baseline and target** (Baseline year, Scope 1 & 2 reduction target (SBTi-aligned), scope 3 engagement ambition)
- **Your key emission hotspots** (Where your largest emissions sit e.g., metals, electricity, transport)
- **Priority actions** (next 1–3 years) (Clear actions linked to each hotspot)
- **Responsibilities and governance** (Who is accountable? How often will progress be reviewed? How to incentivise individual action and responsibility?)
- **Monitoring and communication** (How you will track progress? How you will communicate internally and externally)



How to build your action plan



Find below a simplified action template providing guidance for your Climate Transition Plan:

Action	Example: Switch workshop electricity to renewable energy contract
Scope (1, 2, 3)	2
Emission Hotspot	Electricity use (atelier, office)
Feasibility	High
Implementation costs (material, financial, human)	Low financial cost, minimal operational effort
Responsible person	Operations Manager
Target completion date	Q4 202X
Status	In progress
Estimated Emission Reduction (tCO₂e)	15

THE SME CLIMATE JOURNEY

Additional relevant documents:

- [Transition Plan template – Exponential Roadmap Initiative](#) (the template is aimed for larger companies, but can be used as guidance for SMEs)
- [Carbon reduction and Net-Zero for SMEs](#) – Carbon Trust
- [4.4 The Net-Zero Journey for Small-and Mid-Sized Companies](#) – World Economic Forum

To take away:

- A climate transition plan translates your emissions targets into concrete actions, timelines, and responsibilities, helping your SME move from commitment to implementation.
- A one-page roadmap is often enough for SMEs: identify your main emission hotspots, select a few high-impact actions, and assign clear ownership for delivering them.
- Your transition plan should evolve with your business—review progress regularly, update actions as needed, and embed climate considerations into operations, investments, and supplier relationships.



WJI 2030 Action Framework – Reporting in progress:

If you are a member from WJI 2030, this step helps you reporting on:

Pillar 1: Climate resilience:

- Emissions reduction plans
- Energy efficiency
- Taking action in the value chain

Step 5

Track, Report & Communicate Progress

For SMEs, tracking and reporting should be practical and proportionate. You do not need complex sustainability reports or dozens of indicators. At a minimum, you should track your **annual Scope 1 and Scope 2 emissions**, monitor key Scope 3 categories (especially your main hotspots such as precious metals, components, or transport), and **follow progress against your science-based target and priority actions**. Focus on **consistency year over year** rather than perfection.

When communicating progress, credibility is essential. Be transparent about what you have achieved, what is still in progress, and where challenges remain. Avoid claims such as “carbon neutral” unless they are backed by substantiated, verifiable targets and a credible transition plan; do not overstate emissions reductions. Clearly distinguish between emission reductions and offsetting (compensation of emissions by financing projects that reduce/remove an equivalent number of emissions elsewhere). Sustainability communication is about striking the right balance between **decomplexifying the technical terms** yet using **factual language** backed up by data. Transparency builds trust; exaggeration damages it.

Companies with approved (validated) SBTs are required to publicly disclose their GHG emissions inventory and progress against targets each year. We recommend SMEs to publish this simply on their website and in sustainability reports, which can follow existing standards such as [VSME](#) or [GRI Standard](#).

Finally, align your tracking and communication with [WJI 2030 commitments](#), which encourage members to set science-based targets, report progress regularly, and demonstrate measurable climate action across their operations and value chains. Even if you are not legally required to report under CSRD, aligning with WJI 2030 expectations **strengthens your credibility** within the watch and jewellery sector and reinforces your commitment to collective progress toward net-zero.

To take away:

- Focus on monitoring your Scope 1 and Scope 2 emissions annually and keep an eye on your key Scope 3 hotspots. Consistency over time is more important than perfect data.
- Regularly review your emissions data and the implementation of your climate action plan to understand what is working and where adjustments are needed.
- Communicate transparently and credibly.

WJI 2030 Action Framework – Reporting in progress:

If you are a member from WJI 2030, this step helps you reporting on:

Pillar 1: Climate resilience:

- Energy efficiency
- Taking action in the value chain

Annex

Common SME Challenges & How to Overcome Them

“We don’t have a sustainability team.”

Most SMEs do not. Climate action does not require a dedicated department. Assign a responsible person, secure leadership backing, and integrate climate tasks into existing roles (operations, procurement, finance). Use external tools and sector initiatives such as WJI 2030 and SME Climate Hub to support you. The SME route to SBTi is designed to be manageable without large internal teams.

- ✓ Appoint one accountable lead
- ✓ Integrate into existing functions
- ✓ Use external guidance and tools

“We don’t have all/perfect data.”

You don’t need perfect data to start. The Climate Navigator emphasises **progress over perfection** and alignment with the GHG Protocol principles of relevance, consistency, and transparency. Begin with the data you already have (energy bills, fuel use, supplier spend), use recognised emission factors where primary data is not available, and clearly document your assumptions. Improve data quality over time. A reasonable estimate that improves annually is better than waiting years for perfect numbers.

- ✓ Start simple
- ✓ Document assumptions
- ✓ Improve year by year

“I am a fast-growing SME — how can I set targets?”

SBTi requires absolute emissions reductions for SMEs using the simplified route, which can be challenging or even unrealistic for (fast) growing companies. The key is to integrate decarbonisation into your growth strategy. Invest early in renewable electricity, efficient equipment, and lower-impact sourcing so emissions do not grow at the same pace as revenue. While SBTi focuses on absolute reductions, you can internally track emissions intensity (e.g. per product or per revenue) to monitor efficiency improvements. Plan growth and emissions reduction together, not separately.

- ✓ Plan growth with emissions in mind
- ✓ Invest early in low-carbon solutions
- ✓ Monitor both absolute and intensity metrics internally

“We don’t control our suppliers.”

While you may not control suppliers, you can **influence and/or engage** them. In the watch and jewellery sector, most emissions sit in Scope 3 (materials, refining, logistics), so supplier engagement is essential. Start by identifying your largest suppliers, communicate your climate ambitions, and request basic emissions information. If supplier-specific data is not available, use industry averages as a first step. Over time, collaboration, not pressure, drives better data and reductions.

- ✓ Focus on the most important/high-emitting suppliers first
- ✓ Communicate expectations early
- ✓ Use secondary data if needed
- ✓ Build long-term partnerships

“Collecting data from suppliers is too resource-intensive.”

Generally, collecting data from suppliers is not a limiting factor, but it does require a significant amount of human and financial resources to be implemented comprehensively. It is important to have the support of the SME’s management team to ensure that the rest of the team remains enthusiastic about this process, which can be time-consuming and lead to complications (changing suppliers if they are considered too polluting or not in line with the new strategy, difficulty in collecting the right data).

The following points are recommended:

- ✓ Seek internal commitment: a voluntary approach must be supported by the SME’s stakeholders. All employees are crucial to the successful implementation of new processes and data collection.
- ✓ Be patient: assessing Scope 3 emissions and implementing a decarbonisation strategy is often a lengthy process. Establishing a relationship of trust and a willingness to partner between the company and its supplier(s) may be necessary. It may also involve a profound systemic transformation of the SME, a new business model, and a change in corporate culture.
- ✓ Step by step: Share successes within the SME that highlight the benefits.

Checklist

✓ Step 1. Set Your SME Up for Success

- Get leadership on board
- Appoint one person to lead the climate journey and allocate time
- Climate lead and team to build basic knowledge by completing an introductory sustainability or climate training: [Sustainability: An Interconnected Approach for SMEs in the Watch & Jewellery Industry](#)
- Climate lead to gather existing data (energy bills, fuel use, supplier list) and accept that you do not need perfect data to begin the journey
- Identify your priorities by:
 - Engaging key internal teams (operations, procurement, finance)
 - Identifying your main stakeholders (suppliers, customers)
 - Making a [materiality assessment](#) to determine your most important sustainability topics

✓ Step 2. Understand Your Emissions

- Choose how to calculate your Corporate Carbon Footprint baseline (either internally, or with support from a digital tool, or with consultants)
- Choose a baseline year by selecting a recent, representative year and documenting why you chose it
- Use the relevant data gathered in Step 1 to calculate your SME's carbon footprint. Leverage existing tools and guidance such as: [SME Climate Hub calculators](#), [GHG Protocol Excel-Based Calculation Tools](#) or [EPA Simplified GHG Emissions Calculator](#)
- Highlight your top 1–2 hotspots in Scope 1 and 2

✓ Step 3. Set Your Science-Based Target (SME Route)

- Confirm that you are eligible for the SME Route
- Prepare your baseline (covered during Step 2)
- Select your SME near-term target
 - Choose the pre-defined 1.5°C-aligned reduction option
 - Commit to reducing Scope 1 & 2 emissions
 - Start to measure and address Scope 3 emissions
- Submit through the SME streamlined platform
 - Watch the [SBTi introduction videos](#)
 - Complete [online registration](#)
 - Upload required information
 - Pay the SME validation fee
 - Await validation (~30 business days)
- Prepare for growth & absolute reductions:
 - Plan decarbonisation alongside business growth
 - Integrate emissions into expansion planning
 - Monitor absolute emissions carefully

✓ Step 4. Set Your Science-Based Target (SME Route)

- Document your baseline year (Step 2)
- Confirm your SBTi near-term target (Scope 1 & 2) (Step 3)
- Clarify your Scope 3 ambition
- Identify your top 1–2 emission hotspots (Step 2)
- Create a one-page roadmap supported by leadership to increase credibility, including:
 - 3–5 realistic actions for the next 1–3 years, focusing first on your largest emission sources (ensure actions are measurable and achievable)
 - A responsible person appointed for each action
- Define how often progress will be reviewed (quarterly recommended)
- Integrate climate into business decisions:
 - Consider emissions impact in new investments
 - Align expansion plans with decarbonisation
 - Integrate climate criteria into supplier selection
 - Factor energy efficiency into operational upgrades

✓ Step 5. Track, Report & Communicate Progress

- Track and report annually:
 - Establish a simple tracking system (e.g., action tracker)
 - Measure and review Scope 1 and Scope 2 emissions annually
 - Monitor your main Scope 3 hotspots
 - Track progress against your targets and action plan
 - Update your action plan based on results and adjust priorities if needed
 - Ensure progress aligns with your SBTi targets
- Communicate transparently:
 - Inform employees about actions and progress
 - Share updates with key customers or partners (share what you have achieved, be clear about what is still in progress, and avoid vague or exaggerated claims)
 - Publicly report your emissions and progress against targets (SBTi requirement) on an annual basis

Key tools & links for SMEs

Build foundational knowledge before starting your journey:

- [First Steps to Sustainability: An Interconnected Approach for SMEs in the Watch & Jewellery Industry](#) (UN Global Compact e-learning module)

Sector-specific and general sustainability guidance:

- [UN Global Compact SME Sustainability Guidebook](#)
- [Transition Plan template – Exponential Roadmap Initiative](#)
- [WJI 2030 Climate Change Navigator](#)
- [WJI 2030 Impact Assessment Guide](#)
- [EFRAG Implementation Guidance on Materiality Assessment](#)

Platforms & initiatives supporting SMEs:

- [WJI 2030](#)
- [SME Climate Hub](#)
- [UN Global Compact](#)
- [Science Based Targets initiative \(SBTi\)](#)
- [World Economic Forum](#)

Methodologies & calculation tools:

- [SME Climate Hub calculators](#)
- [GHG Protocol Excel-Based Calculation Tools](#)
- [Product Environmental Footprint \(PEF\) framework](#)
- [EPA Simplified GHG Emissions Calculator](#)

Official SBTi SME resources:

- [SBTi SME Route](#)
- [SBTi SME FAQs](#)
- [Target Validation Application Checklist for SMEs](#)
- [SBTi SME Criteria Assessment Indicators](#)



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