



IMPACT REPORT

2021-2022

Contents

1.0

Eunomia’s commitments	5
1.1 Mission	6
1.2 Values	7
1.3 Science Based Targets	8
1.4 UN Global Compact	9
1.5 Living Wage Employer	9
1.6 Pro-bono work	10

2.0

Where we work across the world – our global client base	11
--	-----------

3.0

Policy work	13
3.1 Leading the way in moving towards a circular economy for textiles	14
3.2 Assessing the EU Plastic Bags Directive	15
3.3 Running the EU Foresight System for the Environment	16
3.4 Setting the Extended Producer Responsibility vision for Alberta	17

4.0

Local authorities	18
4.1 Nationwide scheme to collect coffee pods for recycling	19
4.2 Supporting Scottish local authorities with waste collection options	20
4.3 Set up of North Somerset Environment Company	21

5.0

Sustainable business and markets	22
5.1 TOMRA – waste management solutions to reduce global greenhouse gas emissions	24
5.2 Packaging advisor to global logistics company	25
5.3 The environmental advantages of lightweighting – for Ford of Britain Commercial Vehicle Team	26

6.0

Natural economy	27
6.1 Actionable materials for farmers and policy makers on reducing farm-level greenhouse gas emissions	29
6.2 Enabling local investment in nature-based solutions	30
6.3 Design of an evaluation framework for Biodiversity Net Gain in England	31

7.0

Climate change	32
7.1 Setting Liverpool City Council on the path to Net Zero	33
7.2 Duchy of Cornwall scope 3 greenhouse gas emissions	34
7.3 Net Zero Neighbourhoods policy design to decarbonise all UK residences	35

8.0

Our staff	36
------------------	-----------

9.0

The year ahead	39
-----------------------	-----------

Welcome from our Chair

The past year has been another period of rapid growth and success for Eunomia as testament to our increasingly global outlook and clear focus on the impact of what we do.

We want to grow because we want to achieve more. This is an organisation with the core purpose of building a more sustainable future. Our goal is to be influential in bringing about positive change at all levels, and to embrace this in all we do.

Our 22-year record of commercial and impact success has occurred alongside an accelerating worldwide awareness of how important environmental and social challenge is.

Our approach and heritage mean we have something unique to contribute and we increasingly find ourselves exactly where we aim to be – at the heart of addressing issues that are critical to our planet; be that through influencing policy or innovating in practical, operational solutions.

The potential for us to do more – together – is huge as we continue to grow and strengthen many aspects of the organisation.

Strategic focus

To channel our efforts as effectively as possible, we have focused on three principal pillars this year: the climate and biodiversity crises, and the solution-enabling idea of the transition to a circular economy.

To effect real change and achieve a meaningful and lasting impact, we need to take a wider, more holistic approach. The guiding principle for us is circularity, recognising that reducing wastefulness is perhaps our most fundamental challenge. Our most problematic pollution issues (including greenhouse gas emissions)

are the result of dumping the by-products of our consuming lifestyles into the environment. Likewise, our profligate exploitation of natural resources is far and away the greatest driver of habitat and biodiversity loss. In a finite world, our ultimate challenge will be to change our relationship with natural resources.

We know there will be difficult challenges to overcome, and that long-term sustainability will require reduced consumption and a fairer distribution of resources. We are preparing to tackle these testing issues head on.

Clients

We continue to value, expand upon, and deepen our work in advising the public sector, from local authorities through to supranational governments in helping to effect significant change through new policies, legislation, public services, and infrastructure.

Our impact, reputation, and breadth and depth of knowledge are also increasingly seeing us established as a thought leader and trusted advisor of choice for leading organisations in the private sector. In this space, we are helping corporate clients understand what interconnected challenges mean for them strategically, and how treating them in a holistic way can drive genuine sustainability and place ESG at their heart of their business.

As such, we are working with more global corporations who are embracing a radical change agenda, fuelled by consumer pressure and the threats created by our looming environmental crisis. These organisations have enormous reach and influence, with the power to impact government policies and alter consumer behaviour.

In our work to advise NGOs and the public sector, we have in the last year delivered some of our most impactful work ever. We have developed a great relationship with WWF, addressing issues ranging from packaging to agricultural greenhouse gas emissions, with further

collaborations planned in the next 12 months.

We have provided extensive support to the European Commission on policy options that have led to the recently adopted draft Packaging and Packaging Waste Regulation, on options for calculating, verifying and reporting recycled content under the Single Use Plastics Directive, and analysing the effectiveness of Member State measures on waste prevention and carrier bag reductions. The outcomes will influence the design of hundreds of billions of packages and will start to both fundamentally challenge the single-use, throwaway society and drive greater sustainability.

At the heart of Eunomia continues to be our work with municipalities, helping their public services and infrastructure deliver a positive environmental contribution and bringing a wealth of social and environmental benefits to local communities. Our depth and breadth of knowledge on waste management and recycling, climate change and nature-based solutions has enabled us to widen our offering to local authorities and other public sector bodies, supporting them at all stages in their drive towards Net Zero. Our work at the sharp end on change implementation with municipalities and businesses alike continues to be vital in giving us the in-depth practical knowledge that makes our strategy and policy advice uniquely powerful.

Our People

The enthusiasm, dedication and ingenuity of our employees is what makes this company special in generating fresh innovations and building strong relationships. Just as we want to make a positive impact on the outside world, we are equally focused on making a positive impact on the lives our employees.

We want Eunomia to be a place that makes a difference, where employees feel valued and proud to be a part of. Our people make our business what it is, and creating a supportive, nurturing environment will ensure we continue to grow and thrive.

My sincere thanks to our talented colleagues, and to all our fantastic clients who it is a pleasure to support and collaborate with. I wish you all the best and look forward to continuing to work together.



Joe Papineschi

Chair of Eunomia Research & Consulting

Eunomia's commitments

01

1.1 Mission

Collaborating with our clients to drive positive impact - delivering clear, pragmatic environmental and commercial outcomes.

It is our mission to shape a more sustainable future, building a world that benefits both the environment and local communities. We are working with public, private and third sector organisations on a global scale to make this aspiration a reality.

We pledge to stay ahead of environmental trends and work with clients collaboratively to develop practical, cost-effective solutions.

Our approach is based on four key pillars:



1. Insight

We have more than two decades of experience, giving us the skills and expertise to understand a problem and offer informed, intelligent solutions.



2. Investigate

We take the time to look at a problem from every perspective, giving our clients a comprehensive overview.



3. Improve

We are committed and focused on delivering positive improvements that will benefit our clients and all those associated with them.



4. Change

We know there is a better way forward that protects the environment while helping communities to thrive.

1.2 Values

Driven by purpose

We are an organisation that believes in our values. What we do matters, just as much as what we say. They inform every part of our business from how we work with clients to how we respect our employees. They reflect our ethos as an organisation and will drive our progress over the year ahead:

Maximise our impact

We are passionate about changing how the world works and contributing to restoration and regeneration of the planet.

Provide solutions

Solve problems and challenge the status quo through evidence-based research and innovation, within a culture centred on critical thinking and continuous learning.

Walk the talk

Demonstrate the behaviour we hope to see in others through our own actions.

Be actively inclusive

Value everyone's contribution and strive to better reflect the diversity of human experience.

Behave with respect and integrity

Acknowledge and respect the diversity of views and perspectives that we encounter, within a culture that encourages speaking truth to empower.

As we seek to work with new organisations, in new territories, in new fields, these values will remain consistent, anchoring our business to what matters most.

1.3 Science Based Targets



We have chosen to step up our ambition by aiming to become Net Zero by 2030. Having joined the Science Based Targets Initiative (SBTI) through the SME route, we have committed to reduce our scope 1 and 2 emissions by 90% by 2030 and to measure and achieve a 97% scope 3 emissions reduction per employee by 2030.

Since 2008, we have had a Carbon Fund to compensate for our footprint from business emissions. This fund is created by calculating the carbon cost of the tonnes of CO₂e (CO₂ equivalents) emitted by our business operations using the upper non-traded carbon values for policy appraisal produced by the UK Government’s Department for Business, Energy, and Industrial Strategy (BEIS). We then invest in selected environmental projects aimed at tackling climate change and addressing other environmental issues.

This unconventional method to offsetting was developed as we wanted to go beyond simply purchasing offsets – particularly as many offsets on the market do not align with what we would deem to be sustainable in the long term.

Since 2014, the fund has invested an array of projects in and around the UK, such as providing ‘keep cups’ for conferences and enabling the installation of water fountains close to our offices in Bristol and Manchester. In 2022, we also sponsored three tree-planting projects led by Eunomia employees.



1.4 UN Global Compact

Since 2020, we have been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment, and anti-corruption.



1.5 Living Wage Employer

We are a real Living Wage Employer, and one of the first environmental consultancies to achieve accreditation. This means our employees earn a wage that, at a minimum, meets the costs of living, not just the government minimum wage.



1.6 Pro-bono work

In 2022, Eunomia used its dedicated pro-bono fund to deliver Devon Air Ambulance Trust's carbon footprint assessment.



The work included recommending interventions in reducing carbon emissions and minimising environmental impact, all while continuing to deliver critical services saving lives across Devon.

The Trust delivers critical and emergency care by air and land across Devon, completing around 2,000 missions per year. The Trust is aware of the impact their services have on the environment and has endorsed Devon's Climate Emergency Declaration to achieve Net Zero by 2050 and reduce carbon emissions by 45% by 2030. In addition, the Trust committed to research and quantify their carbon impact and develop a Climate Change Action Plan.

The work assessed the Trust's scope 1, 2 and 3 emissions sources across its operations for 2019 – the Trust's most recent 'typical' year. These

include a fleet of four helicopters, two critical care vehicles, 21 support fleet vehicles, a head office, two air bases and 19 charity shops.

Having established the primary sources of emissions, Eunomia made recommendations for interventions to reduce carbon impact in a way that will allow the Trust to continue to conduct its vital work. Key recommendations were switching to sustainable aviation fuel, electrifying its fleet of vehicles, reducing the emissions intensity of business travel, and following sustainable procurement practices.

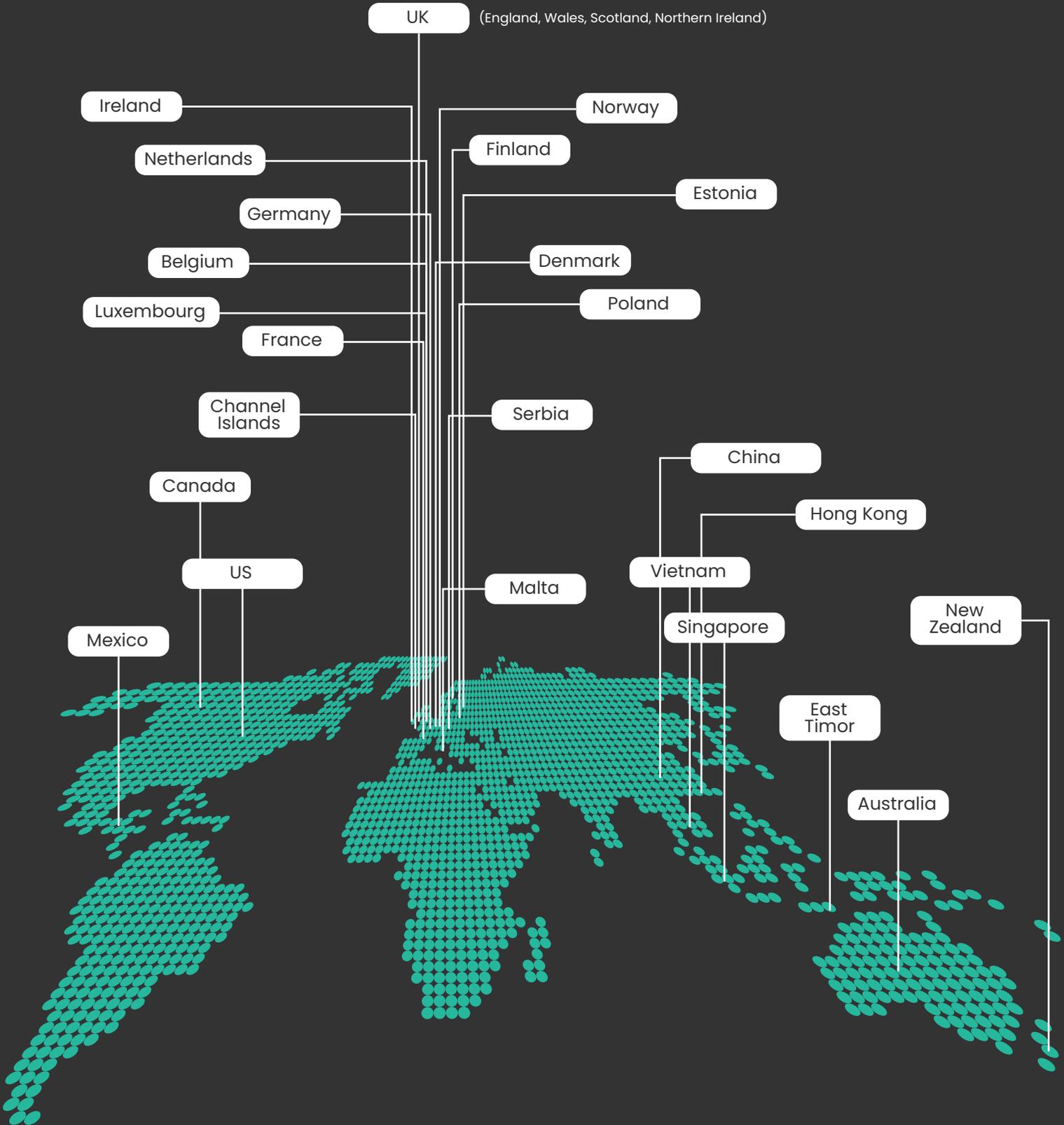
If all interventions were to be implemented, it is calculated that the Trust would be able to reduce its carbon footprint from 1,072 tonnes to 739 tonnes of CO₂e per year.



Where we work across the world

02

2.1 Our global client base



Policy work

We have considerable experience in the design of policies and strategies to address environmental problems at the global, European, national, regional, and municipal level.

This covers a wide range of regulatory approaches, always with the focus on delivering environmental and social improvements in effective and efficient ways.

We have particular expertise on the design and application of market-based instruments, such as taxes and charges – frequently drawing on the use of damage costs; emissions trading and other forms of compliance credits; and on the role of Extended Producer Responsibility (EPR), including Deposit Refund Systems (DRS) within a wider policy framework.

Our major reviews of environmental taxes and charges, and other market-based instruments, mean that we are at the forefront of understanding how novel mechanisms can be used in different settings. This understanding is continually applied to develop solutions across a range of topic areas primarily relating to society's

use of land, materials, and energy, tackling the impacts associated with the magnitude and nature of our consumption.

Examples include incentivizing redesign of products and packaging to minimize life cycle impacts, enhancing natural capital through different approaches to catchment management, addressing the air quality and greenhouse gas impacts associated with different waste management processes, and working on policies to accelerate the decarbonization of heat.

Our leading work in this area is gaining an increasingly strong global presence, with the continued growth of our North America office, building upon our strong foundations in Europe (where we remain very closely involved in supporting the development of policy through our work for the European Commission) and the UK.

3.1 Leading the way in moving towards a circular economy for textiles

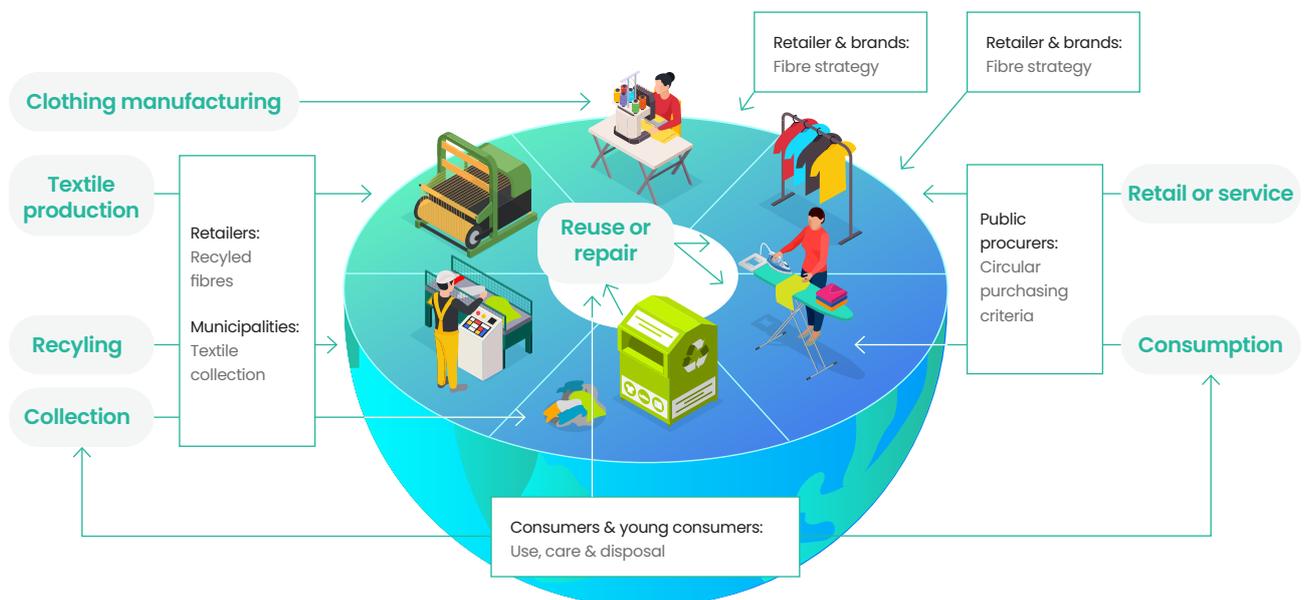
Changing Markets and the European Environmental Bureau commissioned Eunomia to investigate the role of Extended Producer Responsibility (EPR) and supporting policy measures in creating a circular economy for textiles in Europe.

Consumption of textiles accounts for the EU’s fourth highest negative impact on the environment and climate change. It also has the third highest impact on water and land use from a global life cycle approach after food, housing, and mobility. As demand for textiles, especially for clothing, continues to grow, the environmental impacts of their production, consumption and disposal will increase. While other product streams, such as Waste Electric and Electrical Equipment (WEEE), batteries and packaging, are already subject to specific EU directives, there is little in the way of policy regarding textiles sustainability.

Eunomia’s study explores the extent to which EPR could drive circularity in the textiles sector through making producers responsible for the end-of-life costs of their textile products. The report sets out the core aspects of an EPR scheme, such as who should pay, for what products, the nature

of scheme targets, the way in which fees might be modulated, and scheme governance. It also highlights the limitations of EPR, and thus the need for specific supporting policy measures to move towards a genuinely circular economy for textiles – such as banning the use of hazardous substances in textiles and minimum repairability requirements.

This study recommends a comprehensive policy framework for textiles. We presented the key findings and recommendations to the European Commission in advance of the publication of the EU Strategy for Sustainable and Circular Textiles. This has now been published, and the proposals within the Strategy align in many cases with those that we advocated for in our study. The Strategy is a high-level statement of intent; going forward Eunomia will actively seek ways to support and influence its implementation to achieve a meaningful shift to a circular economy for textiles.



3.2 Assessing the EU Plastic Bags Directive

The Plastic Bags Directive, adopted in 2015, amended the Packaging and Packaging Waste Directive and required Member States to reduce consumption of lightweight plastic carrier bags (LPCBs).

Under the Directive, Member States could either adopt measures to meet consumption targets for LPCBs or prohibit their provision to consumers free of charge.

The European Commission Directorate-General (DG) for Environment appointed Eunomia to review the policy measures that Member States had implemented in response to the Directive. Using national consumption data, wider research, and stakeholder engagement, we identified a variety of measures used by Member States to reduce LPCB consumption and assessed their impacts. The measures included environmental taxes, banning certain types of LPCBs and consumer-facing charges. We explored possible substitution effects and the impact of

Covid-19 on consumption. We also assessed the effectiveness of the Directive in achieving its aims of combating littering, changing consumer behaviour, and promoting waste prevention.

Based on our analysis, we recommended ways in which the Plastic Bags Directive could be strengthened. This included amending certain definitions, suggesting additional reporting requirements, and a set of options for further regulatory measures. The Commission is now considering the various recommendations in the context of the revision of the Packaging and Packaging Waste Directive, where Eunomia has also played a key role in providing support to the impact assessment.



3.3 Running the EU Foresight System for the Environment

Since 2018, Collingwood Environmental Planning (now part of the Eunomia group) has been supporting the European Commission Directorate-General (DG) for Environment in running the EU Foresight System for the Environment known as FORENV.

FORENV is a horizon scanning and expert-led process to improve EU policy makers' understanding of emerging environmental issues.

Each year, ten priority emerging issues are identified alongside the implications they may have for EU environmental policy. In its most recent annual cycle, FORENV provided policy relevant input to the development of the European Commission's Zero Pollution Action Plan and associated monitoring and outlook framework.

As part of this work, we presented the findings to the Zero Pollution stakeholder group, who are advising the Commission on delivery of the Zero Pollution ambition for air, water, and soil pollution to be reduced to levels no longer considered harmful to health and natural ecosystems.

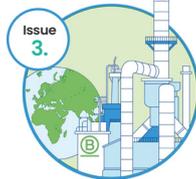
FORENV is part of the European Commission's recent focus on better understanding long-term risks and opportunities, reflected in the establishment in 2020 of an EU Strategic Foresight programme.



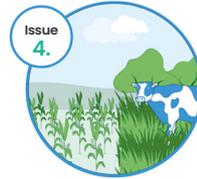
Urban settlement patterns and demographic change: implications for pollution.



Will regenerative buildings and living materials in Europe help deliver the zero pollution ambition?



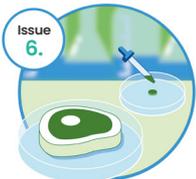
Purpose driven business: will the emergence of initiatives such as certified 'B' corporations play a major role in realising zero pollution?



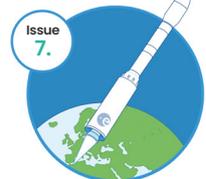
Will regenerative agriculture emerge as a key trend in Europe that helps deliver the zero-pollution agenda?



Will new ways of pollution information provision influence behaviours towards low pollution lifestyles that go beyond current trends to low / zero waste?



Low pollution food: will new, less polluting, methods of producing protein, fats and tissues emerge to replace traditional agriculture?



An accelerating race to space: what will be the direct and indirect pollution impacts?



The COVID-19 pandemic has led to increased interest in resilience. Will a resilient Europe also be a zero pollution one?



Will new innovations in synthetic biology emerge that accelerate pollution reduction and mitigation?



Our growing digital consumption could challenge the 'zero pollution' ambition.

The EU Environmental Foresight System (FORENV) – Final report of 2020-21 annual cycle – Emerging issues impacting the delivery of a zero-pollution ambition by 2050, Publications Office of the European Union, Luxembourg, 2022 ISBN 978-92-76-40682-2, doi 10.2779/653635

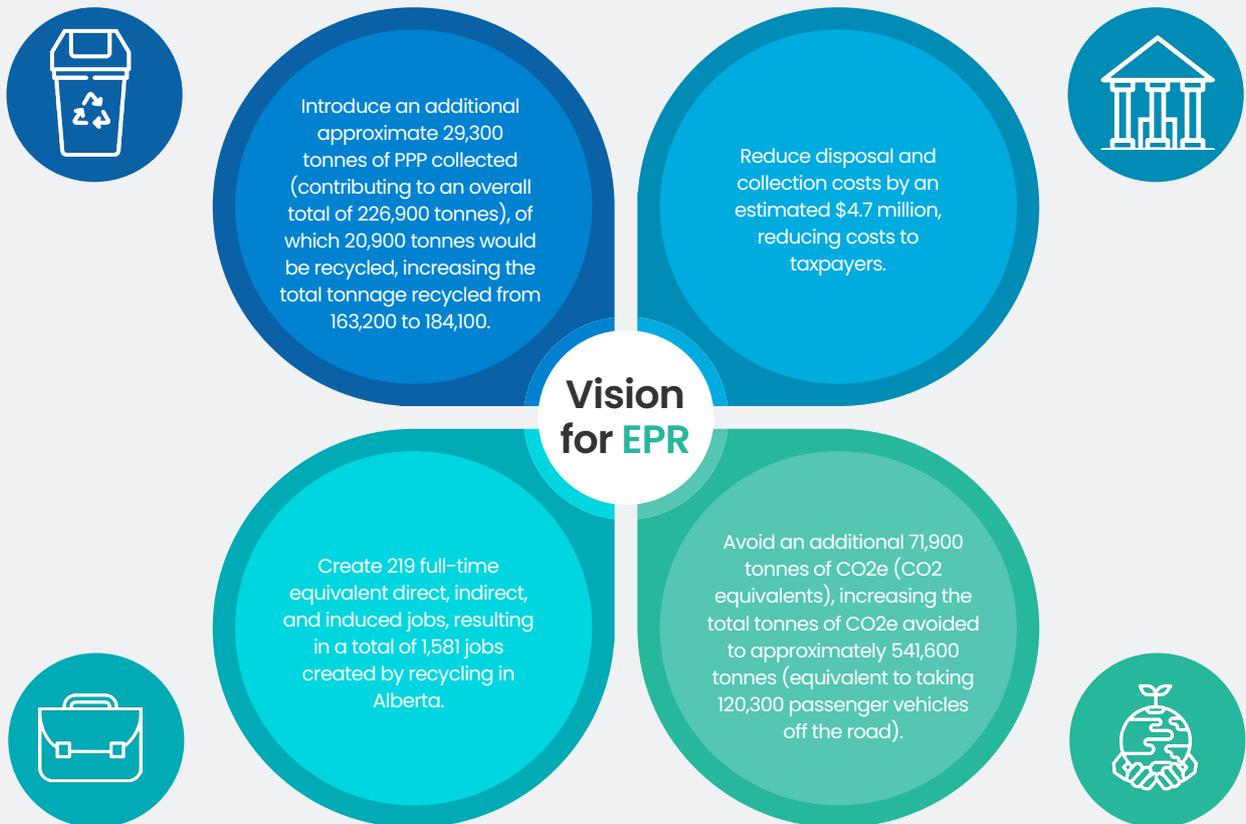
3.4 Setting the Extended Producer Responsibility vision for Alberta

In 2021, Alberta passed a bill to commence implementing an Extended Producer Responsibility (EPR) policy for packaging and paper products (PPP) across the Canadian province. This bill was directly supported by Eunomia’s study for the Alberta Urban Municipalities Association (AUMA) and the City of Calgary.

The project included working with municipalities across the province to calculate for the first time the environmental, social, and economic benefits of the existing Alberta recycling system, and to better understand which communities had

service provision and where improvements could be made. Collaborating with a multi-stakeholder group, a vision for EPR in Alberta was developed that considered existing programmes in neighbouring provinces.

Eunomia then modelled the triple bottom line benefits associated with a future state where PPP services are delivered under an EPR system that would achieve the following:



The report also outlined what will need to be considered when implementing a residential PPP EPR system, and how the roles and responsibilities of existing stakeholders will need to change to ensure success.

Local authorities

In 2021 to 2022 Eunomia provided direct support to 49 local authorities. Our work centred on providing evidence-based advice in policy and practice to improve the environment for different regions, cities, and towns.

This has included the management of waste and recycling, communication and behaviour change, design and implementation of local environmental policies, training and capacity building, street scene improvement, managing green spaces and reducing air pollution.

Alongside our direct support work, we also worked with WRAP, WRAP Cymru and Zero Waste Scotland via various frameworks, providing a variety of support including infrastructure planning and permitting and waste collections options modelling, supporting an additional 17 local authorities.

04

4.1 Nationwide scheme to collect coffee pods for recycling



Eunomia continued to provide support for the roll-out of a nationwide recycling scheme to collect single-use coffee pods – the first voluntary Extended Producer Responsibility (EPR) scheme in the UK.

The scheme, Podback, sees leading coffee pod brands come together in a first-of-its-kind industry collaboration to increase the amount of coffee pods collected for recycling. While there have long been schemes in place to enable coffee pods to be collected for recycling at participating retailers and at some council recycling centres, the Podback scheme augments these established systems with an easier to access route for recycling – via householders' local authority kerbside collection system.

Eunomia helped design the kerbside collection service and worked to sign local authorities up to the scheme – with eight now operational across the UK. Coffee pods are now collected at the kerbside for 500,000 homes.

Once collected, the coffee pods are taken to UK-based reprocessors where the plastic or aluminium is separated from the used coffee grounds so that it can be recycled into new products. The leftover coffee grounds are treated through a process of anaerobic digestion, which produces both fertiliser and biogas.

Our work is helping to create a more effective system to enable the recycling of a problematic, small-scale material stream that would otherwise become residual waste, and to support an industry in taking responsibility for reducing its environmental impact.



4.2 Supporting Scottish local authorities with waste collection options



In November 2021, Eunomia was appointed to a three-year framework with Zero Waste Scotland (ZWS) as the sole contractor conducting waste collection options appraisals for Scottish local authorities. This is a critical role in helping Scotland meet its ambitious national recycling target of 70% by 2025.

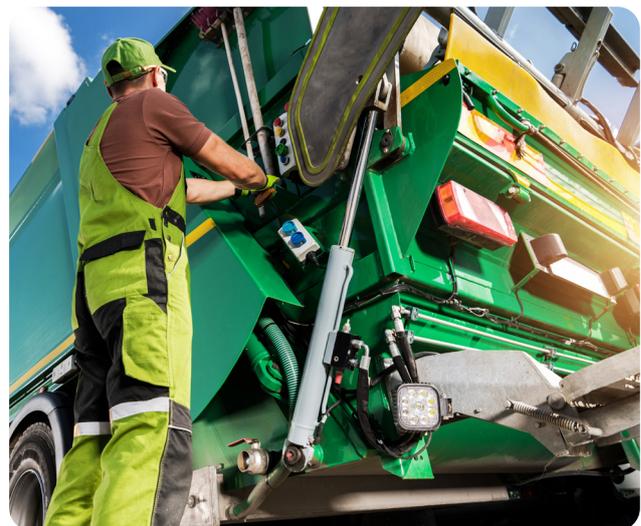
ZWS is funded to support the delivery of the Scottish Government’s circular economy strategy. To this end, ZWS provides help to Scottish local authorities looking to increase recycling rates through service changes, including aligning their services to Scotland’s Household Waste Recycling Charter.

The options appraisal work led by Eunomia helps local authorities understand the financial and environmental impacts of changes they could make to their recycling system. This enables them to choose the collection system that best meets their needs, and to show whether they qualify for financial support with changes to their waste and recycling collection services. We use a sophisticated range of waste collection modelling tools to conduct baseline assessments of the current service provision, provide comprehensive options appraisals and conduct critical reviews of those already undertaken by local authorities.

In the last year, Eunomia has worked with some of the authorities facing the biggest challenges in improving their performance, whether due to housing stock and demographic issues (e.g., in Glasgow) or extremely dispersed populations in rural areas (e.g., the Highlands and the

Scottish Borders). Our work has been delivered against the backdrop of a significant shift in the policy landscape that will impact upon local authority collections, including the introduction of Scotland’s Deposit Return Scheme (DRS) and wider UK plans for an Extended Producer Responsibility (EPR) system.

Ultimately, our work underpins local authority decision making to support them in delivering waste and recycling collection services that are practical, meet residents’ needs, and achieve improved environmental outcomes.



4.3 Set up of North Somerset Environment Company



In 2021, North Somerset Council transferred its waste and recycling collection and Household Waste and Recycling Centre (HWRC) operations, which had previously been operated by a private contractor, to its newly formed local authority owned company, North Somerset Environment Company (NSEC).

Eunomia project managed the set up and mobilisation of NSEC with overall responsibility for the success of the transition of one of North Somerset’s highest profile services. The task was particularly challenging as the transition took place while COVID-19 restrictions made it difficult to undertake work in person at the council’s facilities.

This included setting up the initial contracts for treatment of all recyclable materials collected at the kerbside and through the HWRC network; supplier contracts required for NSEC to run their business (including an in-house vehicle workshop); coordination of the staff induction and training process; and managing the TUPE transfer process for staff alongside the council’s human resources team.

In our feedback from the council, Eunomia was credited with enabling a seamless transition of the services, with no negative impact to residents. We also succeeded in maximising income for the local authority via contracts for the sale of key high-tonnage materials.

The transfer to NSEC resulted in an instant decrease in missed collections and an improvement in service performance across the authority area, benefiting local residents.



Sustainable business and markets

Eunomia prides itself on its diverse global client portfolio, working with them to understand and reduce their impact on the environment, whether through their own operations or through their services, products, and supply chains.

We are one of the leading consultancies for providing robust strategic and operational advice designed to help businesses address the most pressing issues of our time, including climate change, biodiversity loss and plastics pollution.

We guide organisations to ensure they are not just legally compliant but also prepared for future changes. This drives long term performance,

building resilience and reducing commercial risk. We also help businesses understand their environmental and social impact hotspots, deal with market developments and consumer concerns, protect their reputation and stay ahead of the competition. This is underpinned with commitments and action plans that are realistic, and science based.

In 2021-22 we delivered projects in:



Carbon foot printing and Net-Zero strategy

Green procurement and supply chain management

Sustainability strategies

Product and packaging sustainability assessment



Market assessment

Horizon scanning and policy insight

Resource and energy efficiency audits

True-cost-of-waste analysis

Cost-benefit analysis and financial modelling



Internal and external benchmarking

Commercial and technical Due Diligence

Business case development



5.1 Waste management solutions to reduce global greenhouse gas emissions

Eunomia delivered a series of data-led projects for TOMRA looking at the potential contribution of waste management solutions to reducing greenhouse gas (GHG) emissions across the globe.

TOMRA is a global waste collection and sorting system provider that takes a collaborative and technology-led approach to circular economy solutions.

Through implementing ‘good practice’ waste management and recycling solutions around the world, the work estimated that GHG emissions can be reduced by between 2.1 and 2.8 billion tonnes of CO₂ per year by 2030, around 5% of global GHG emissions. Implementing good practice solutions switches global waste management from being a net generator of emissions to a sector that generates a net saving of 0.8 to 1.1 billion tonnes of CO₂ each year.



Three readily available solutions were identified as the focus of ‘good practice’ waste management systems:

- Effective collection and sorting of recyclable materials and food waste.
- Moving ‘open dump’ waste into managed residual treatment.
- Undertaking mixed waste sorting of residual waste to remove remaining recyclables prior to incineration or landfill.



Whilst the work was delivered for TOMRA, it underpins all of Eunomia’s work across the circular economy sector and illustrates the impact the waste management sector can make through implementing these already-deliverable approaches:

- Delivering significant carbon reductions to ‘buy time’ for sectors that are harder to decarbonise.
- Increasing the amounts and quality of recyclate to support the shift in consumption habits towards a circular system that helps minimise global temperature rise.
- Sustaining biodiversity by preventing pollution of rivers, seas, and oceans through the improved capture of materials.



5.2 Packaging advisor to global logistics company

Deutsche Post DHL Group

Deutsche Post DHL Group (DPDHL), the global logistics company, appointed Eunomia to review the global policy and recycling landscape in relation to their packaging, the aim being to support the development of a Plastic Packaging Strategy.

The company uses plastic in a variety of ways across its operations, including in its iconic express mailer bags, pallet wrap, void fill materials, tape, and labels.

The initial review looked at existing and upcoming plastic packaging policies in key global markets – detailing what was happening to constrain the use of plastics and recommendations on what DPDHL could do to mitigate against the identified constraints.

The review considered single-use plastic (SUP) bans; plastic taxes; and Extended Producer Responsibility (EPR) fees set against the physical reality of recycling – looking at a wide variety of markets, including the EU, Middle East, India, and China.

Having understood the potential constraints, Eunomia supported DPDHL with identifying low impact packaging alternatives and supplier

outreach and soft market testing, to see what the leading packaging suppliers could feasibly provide.

Key considerations when assessing alternative options included performance (fitness for purpose), embodied carbon, impact on litter and marine environments, recyclability, and consumer perception.

Options included reusable systems, paper-based, bio-based, and compostable packaging, as well as the use of recycled content. Eunomia also advised DPDHL on certification schemes for bio-based plastics and paper packaging so that the company knows which can be relied upon.

DPDHL has since, with our support, used the research we provided to establish new Green Packaging Standards for operations across the business and have implemented a ban on the use of expanded polystyrene.

5.3 The environmental advantages of lightweighting – for Ford of Britain Commercial Vehicle Team

Eunomia was commissioned by Ford of Britain Commercial Vehicle Team to understand the environmental benefits that lightweighting vehicles can deliver.

The transport sector is the largest single emitter of greenhouse gas (GHG) emissions in the UK. It is also a significant source of air pollutants. As such, addressing the negative externalities of this sector is of critical importance to achieving Net Zero targets and improving public health.

The range of business models and industry drivers in the commercial transport sector are complex, meaning opportunities for decarbonisation based on operational practice are restricted. As a result, the sector is largely reliant on technological advances to reduce CO2 emissions. One such technology-

driven opportunity is vehicle lightweighting: the reduction of a vehicle’s unladen weight (excluding passengers and anything the vehicle might be used to carry).

Thus far, a holistic approach to quantifying the environmental benefits associated with lightweighting has not been explored. Therefore, Ford of Britain Commercial Vehicle Team commissioned Eunomia to conduct targeted research in this area and to build a model that quantified and, where possible, monetised the full suite of environmental benefits that lightweighting vehicles can deliver.

Air quality



Improved

GHG emissions reductions



Improved

Soil quality



Improved

Water quality



Improved

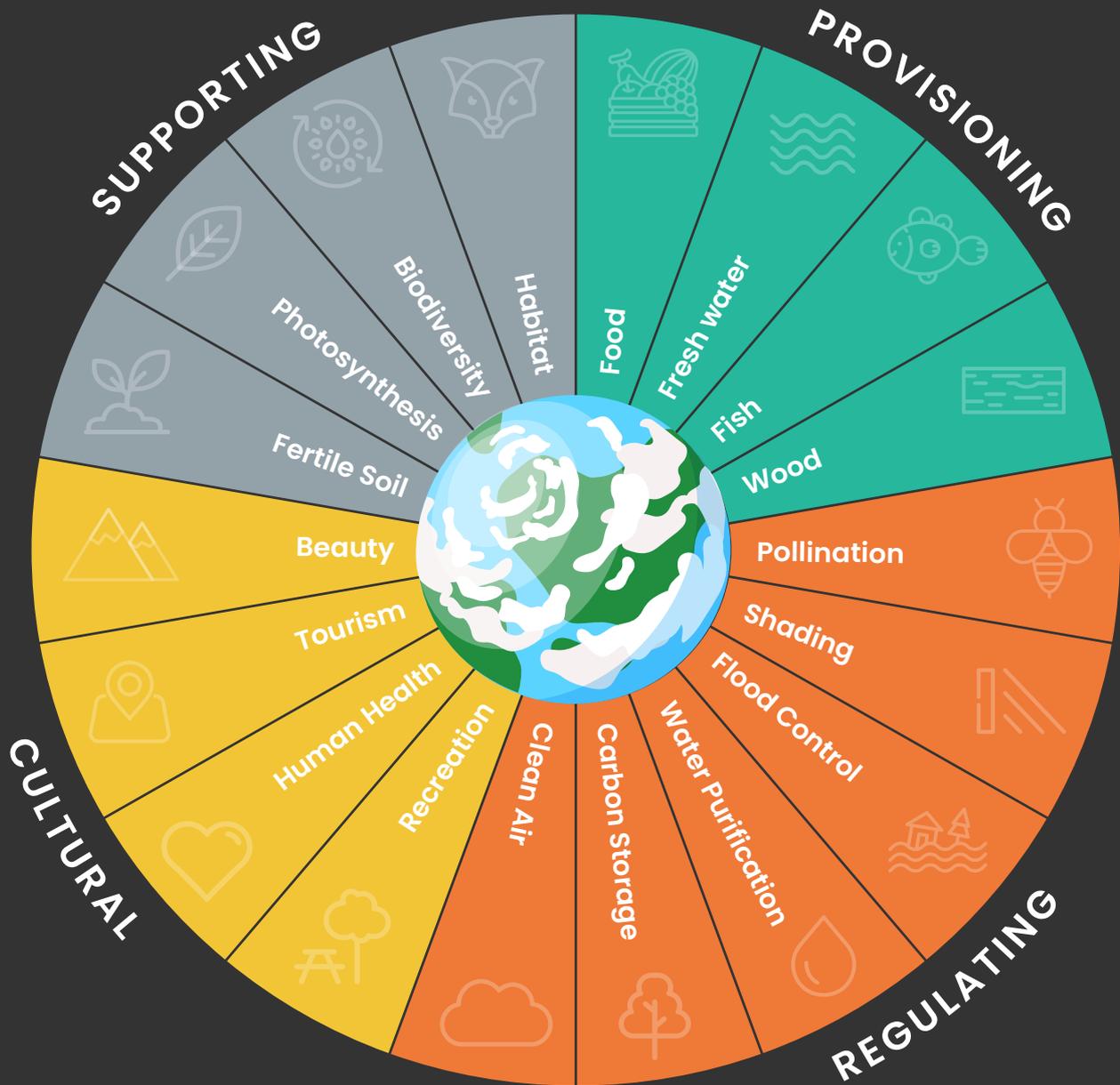
Natural economy

Natural economy is a key area through which Eunomia underpins its mission by supporting action to facilitate a better natural environment.

The benefits the environment provides us all have long been taken for granted and better investment is urgently needed to restore nature, biodiversity, water, air and land. Eunomia is passionate about finding solutions to enable this and is working to support better policies, strategies and actions at national and local level.

Ecosystem services

The benefits people obtain from ecosystems



6.1 Actionable materials for farmers and policy makers on reducing farm-level greenhouse gas emissions

In 2021 Eunomia, working with Innovation for Agriculture and the Royal Agricultural University, undertook research commissioned by WWF to identify actions UK farmers could take to reduce greenhouse gas (GHG) emissions.

Eunomia analysed 20 farm-level interventions for the dairy, beef, lamb, pig, poultry, and arable sectors. The work considered the impact of the interventions on scope 1, 2 and 3 emissions and the carbon opportunity costs and so included the impact on emissions generated 'off-farm' such as those linked to livestock feed and the manufacture of artificial fertilisers.

Working closely with the farming community, literature derived costs of implementing the interventions were compared to farmers perceptions of the 'on-farm cost-benefit'. Three interventions emerged as 'win-win' opportunities to reduce GHG emissions: use of feed additives for ruminants to reduce methane; introduction of novel animal feed alternatives that reduce land use; and on-farm food waste reduction.

The results of the project were presented at the Oxford Farming Conference and provided actionable materials for farmers and policymakers. Project results provided a basis for WWF's Land of Plenty report and the farmer facing resource 'Reducing Greenhouse Gas Emissions at the Farm Level: The Go-To Guide', which launched via Farmers Weekly reaching over 50,000 farmers.

Eunomia continues to work closely with WWF to deliver its Food Transformation Programme. Our recent research has supported WWF in working with UK retailers on the Basket Metric, Levelling up the Food Agenda, and Building a Sustainable Welsh Food System.



6.2 Enabling local investment in nature-based solutions

Eunomia's initial concepts for a local Natural Capital Trust as a mechanism to integrate funding for multi-benefit projects at a local level, was highlighted as good practice in the UK's 25 Year Environment Plan.

We continue to expand and develop impact in this core area, collaborating with our clients to develop investable propositions and explore local funding mechanisms that also benefit the wider community.

Early work with South Gloucester Council led to them being awarded funding under Defra's Natural Environment Investment Readiness Fund (NEIRF) to create a South Gloucestershire 'Wild Belt' Small Sites Aggregation Scheme. This will enable Eunomia to help South Gloucester Council develop processes to prepare portfolios of environmental credits and other investment-ready opportunities. In Phase 1 this will deliver over 100 hectares of new or restored habitat, providing environmental outcomes for carbon storage, biodiversity, natural flood management, cleaner water and air, better health, and amenity value.

This builds on the learnings from Eunomia's work for Cornwall County Council which explored the feasibility of, and appraisal options for, establishing a new strategic local brokerage mechanism for coordinating investments for developers, landowners, residents, and local organisations.

Eunomia have also developed a bespoke tool which combines components of the ORVal tool, the Department of Food and Rural Affairs (Defra) Biodiversity Metric, and the Natural Capital and Accounts tool to assess the natural capital value of local sites.

Assessments created for South Gloucester Council led to a successful £1.1 million bid to acquire land to create a river reserve - with the client crediting this achievement to Eunomia's level of precision in terms of insight and knowledge in its Natural Capital Asset work.



6.3 Design of an evaluation framework for Biodiversity Net Gain in England

The Environment Act 2021 in the UK requires that new development provides a minimum of 10% Biodiversity Net Gain (BNG) as a condition of planning permission.

The aim of mandatory BNG is to secure a measurable improvement in the extent and value of habitat provision for biodiversity through the planning system, whilst streamlining the planning process and creating better places for local communities.

Defra and Natural England, as well as other government departments and interested parties, need to be able to evaluate the delivery of BNG and assess its environmental, social, and economic impact throughout its implementation. It was against this backdrop that Natural England commissioned Eunomia to design an Evaluation Framework for Biodiversity Net Gain.

The design of an Evaluation Framework for BNG was divided into two stages: scoping (review of

existing evidence, development of the theory of change, and evaluation questions) and the evaluation itself (design of evaluation approach and methods, identification of data requirements and stakeholder participation).

The output from this project was used as a reference document for the tender to design and deliver a future monitoring and evaluation programme for BNG.

In leading the project, Eunomia was supported by a wider consortium including GeoData Institute at the University of Southampton, BSG Ecology, Centre for the Evaluation of Complexity across the Nexus (CECAN) and Vivid Economics. This allowed us to bring in valuable areas of expertise across different key areas and disciplines.



Climate change

At Eunomia we are committed to supporting our clients around the world in designing strategic approaches and policies to mitigate against and adapt to the potentially catastrophic effects of climate change.

We engage with the issue of climate change across the range of services we provide and for all types of clients. Our work on the climate change impacts of the choices around how we manage waste and resources, as well as how we design products, has helped to bring about important shifts in opinion over the last 20 years.

As we have broadened our range of services, we have become increasingly involved in supporting the argument for, and the development of, policies and strategies that seek to constrain the warming of the planet within levels deemed as acceptable under the Paris Accord. In all our service areas, the way we think about decisions that confront us is always shaped by consideration of the climate-related impacts.





7.1 Setting Liverpool City Council on the path to Net Zero

In 2019, Liverpool City Council declared a climate emergency and set a challenging Net Zero target for the city to reach by 2030, a full 20 years ahead of the one set by the UK government for the country. To help achieve this goal, Eunomia, along with sub-contractor, Centre for Sustainable Energy (CSE), developed a public-facing roadmap for the city of Liverpool to achieve this testing target.

The project reviewed four core sectors: buildings and heat, power supply, transport, and waste. We undertook an emissions baseline, developed a roadmap to Net Zero, and from this developed a Net Zero 2030 plan. This was achieved through extensive stakeholder engagement to test the viability of proposed solutions.

The outcome was a practical evidence-based action plan. A 2030 goal for a city is exceptionally challenging as a local authority does not control the majority of emissions sources, and it is significantly dependent on government policy to drive change. This was accounted for in the plan which focuses on what the council and broader civil society can do to reach the goal.

This practical focus will enable the council to maximise emissions reductions in the city in the coming decade, maximising the chance of meeting the goal and minimising their contribution to global heating.

The work builds on Eunomia's Climate Emergency Action plan support for Darebin City Council (DCC) in Melbourne, Australia, which focused on how the city could reduce carbon emissions from waste – this was the first local authority in the world to declare a climate emergency. It also drew upon our work for Hounslow Council where we developed a Climate Emergency Strategy and related Net Zero work for the UK Environment Agency and Bristol City Council.

7.2 Duchy of Cornwall scope 3 greenhouse gas emissions

In 2021, Eunomia was commissioned to lead on a scope 3 greenhouse gas (GHG) emissions project for the Duchy of Cornwall – a complex and historic estate, one of the two Royal Duchies in England.

The Duchy's portfolio is made up of residential and commercial buildings, farms, peatland, woodland, some foreshore and riverbed, and financial investments. The estate's GHG footprint also included an assessment of a prison, lighthouse, castle, and anaerobic digestion plant.

This work involved assessing the land regarding sequestration in trees, emissions from soil management, livestock-generated emissions through digesting food, and emissions from tractors. It also included buildings – assessing energy consumption, waste, procurement, and service delivery such as construction. Land use and farming is by far the estate's biggest source of GHG emissions – with peatland also a significant contributor. Altogether the emissions for the estate were calculated at 226,266 tonnes CO₂e per year.

The project delivered a calculation review report, recommended improvements to scope 3 calculations and for ongoing data recording, monitoring and verification; reporting structure and template; and roadmap to a Science Based Targets submission.

Eunomia was subsequently recommissioned to implement the recommendations regarding improvements to measurement and reporting.

As one of the more complex estates in the UK, this work pushed the boundaries of thinking around how to footprint and report on an estate, setting the bar for major landowners in the UK. By developing rigorous approaches that ensure estates account for as much of their emissions as possible, we hope to drive greater action than would otherwise be the case.

The project adds to Eunomia's successful record in undertaking consultancy for estates and major landowners such as the National Heritage Memorial Fund, Trinity College and St Johns College, Cambridge, and Englefield Estate.



7.3 Net Zero Neighbourhoods policy design to decarbonise all UK residences

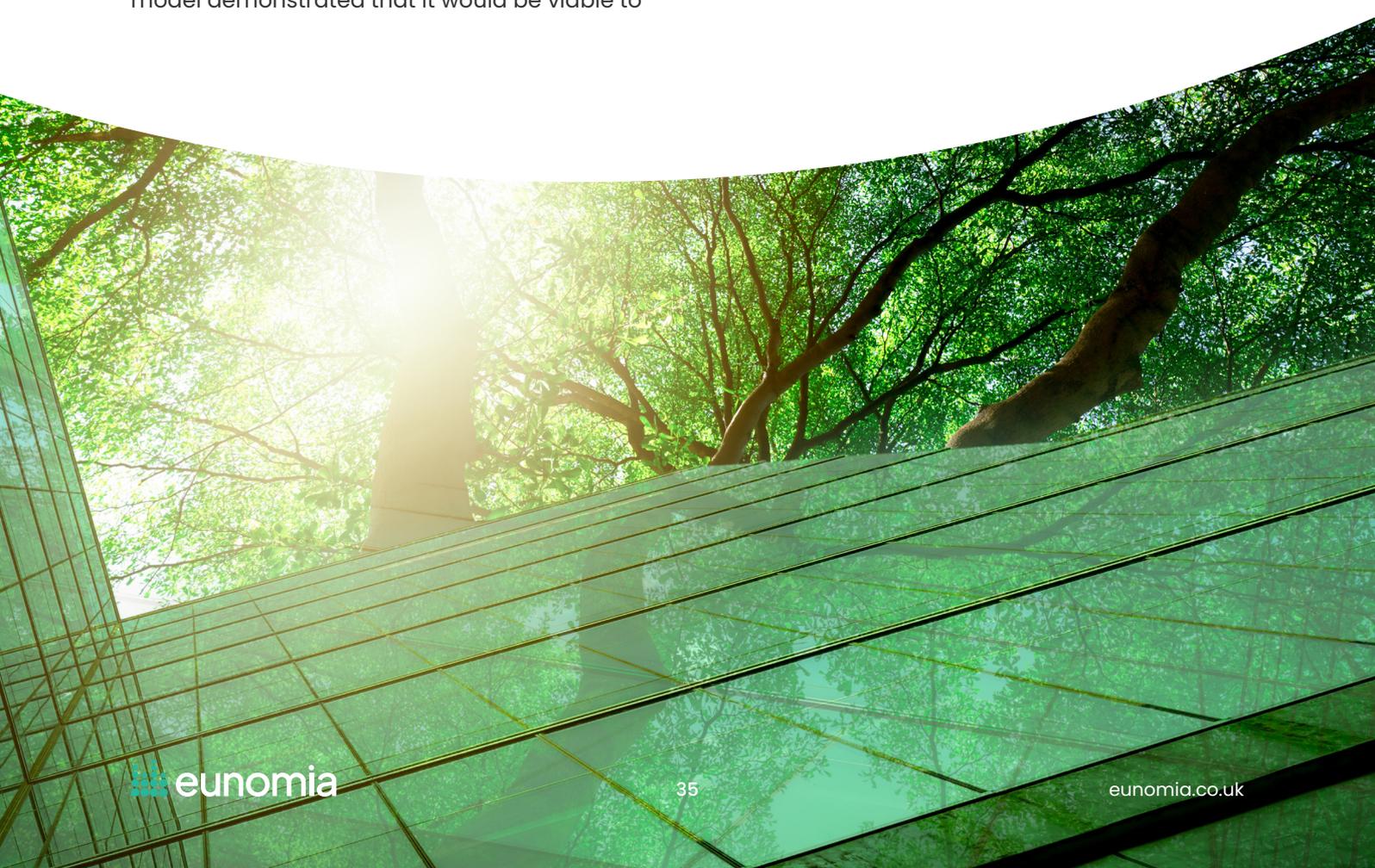
3Ci is a national consortium between Connected Places Catapult, Core Cities UK, London Councils, and other Local Authorities across the UK, aimed at supporting local authorities to secure long-term finance for achieving Net Zero Neighbourhoods.

The Net Zero Neighbourhoods concept is a novel model for delivering the decarbonisation required to reach Net Zero across the UK. It involves rolling out decarbonisation interventions, such as insulating homes and installing electric vehicle charge points, street by street at a local level. This place-based roll-out is achieved through a blending of public and private finance, meaning there is no upfront cost for residents, and their bills are reduced after the roll-out.

Along with partners Bankers without Boundaries and Arup, Eunomia developed a workable model to deliver this in practice, with a focus on the financial, legal, and operational arrangements for operating the scheme. The model demonstrated that it would be viable to

finance the roll-out over 40-year periods whilst still providing savings to residents. The model was tested extensively with national and local government, investors, and broader stakeholders such as the Green Finance Institute with significant support being generated for taking the model to a demonstration stage. This was brought together into an Outline Business Case which included detailed descriptions of how the model can be take forward.

As a result of this work, more than ten local authorities have now started seeking or ringfencing funding for designing a Net Zero Neighbourhoods 'implementation demonstrator area'.



Our staff

Eunomia offers a fast-paced working environment in which operational and policy experts from different disciplines work together creatively to solve problems for clients.





The Eunomia family – our community

With excellent peer support and a strong sense of community that spans our different offices across the UK, Europe (Greece and Brussels), North America and New Zealand; Eunomia is a dynamic place to work, that offers the opportunity to learn and to develop careers. We are also guided by an ethos of social and environmental responsibility, underlined by becoming one of the first environmental consultancies to be accredited as a Living Wage Employer.



Committed to equal opportunity

Our approach to equal opportunities means that we will not discriminate, whether on grounds of gender reassignment, marital status or in a civil partnership, being pregnant or on maternity leave, sex, sexual orientation, race, ethnic or national origin, religion, age, or disability.

This philosophy runs through our approach to recruitment, training, and career development.

Indeed, last year we further formalised this with the introduction of a dedicated Diversity and Inclusion Committee, made up of staff from across the company. This group has played a key role in working to develop and launch new diversity and inclusion policies; arranging talks, presentations, and other events; bringing people together in celebrating related awareness days; and raising funds for an array of charity causes.

Giving back to our communities

We were also pleased to introduce our staff volunteering policy – which gives staff two days annual leave to undertake volunteering. This builds on our company-organised volunteer activities which have seen staff enjoy team-building days out to do litter picks, tree planting, and encouraging individuals to get involved in the Big Plastic Count.



Supporting our people to be happy and healthy

We believe it is important to maintain a healthy work-life balance, although we acknowledge that as a service provider, we also need to be able to react quickly to clients' needs as and when they arise. For clients to be able to rely on Eunomia, we must be able to rely on our staff. Goodwill is an essential ingredient in our culture, and we try hard to ensure both our clients and our staff feel positive about the company.

An example of this is our progressive approach post-Covid, which enables our staff to work much

more flexibly, operating a hybrid model between working in the office and from home. This has reaped professional benefits in being betterable to attract the most talented expertise. We also give our staff a wellbeing budget to spend on anything outside of work that helps support their health and wellness.

As the company continues to grow and expand geographically, we have also put new mechanisms in place to create future opportunities for inter-company transfers.

Staying connected

Staying connected with each other in a progressive and growing company is important to our 'Eunomia family' ethos. We have regular virtual all-company meetings, lunch-time knowledge sharing seminars, office 'breakfasts', a new in-person annual conference for UK staff, and a summer team building weekend away which colleagues can also bring their families along to.

The passion, talent, and dedication of our staff are what make us so special and successful; as a leading and fast-growing environmental consultancy that is driven and empowered by our shared ethical values, reward, and recognition – a great place to work and to do business with.



The year ahead

A key focus for the year ahead will be evolving and further developing our deep knowledge base across our three pillars of circular economy, biodiversity, and climate change. Our continued growth, success and impact depends on how they interlink, and having invested heavily over the past year in staff recruitment across all levels and areas, we will be focusing on training and career development to achieve this.

Realising our strategy

As we further implement our Strategy, launched in 2021, we will stay true to Eunomia's mission. In doing so, every project we undertake will deliver environmental and/or social benefit, while proactively avoiding projects that risk any support of 'greenwashing' – so growing the scale of the business will also enable us to grow genuine impact and reputation for both Eunomia and our clients.

Walking the talk

Our values are more than just words to us. It is our intention that they will be living, breathing parts of the business. Therefore, our values will also play an integral role in driving our progress in the year ahead. A key example is our commitment to achieve B-Corporation certification in 2023, aligning us with other likeminded organisations across the globe that are 'walking the talk' in their commitment to making more sustainable business a reality. This will further build on our existing policies and commitments, including ISO certification for environmental management.

Maximising reach and impact with and for our clients

This year we will be focused on achieving greater follow-up with clients to better understand the impacts that our work facilitates. We also want to communicate to and engage with wider external audiences about what we are achieving together – this includes creating a learning platform on our new website where our audiences can readily find our latest thoughts, insights and research on key environmental topics and services.

Empowering our people and culture

Internally, as a leading consultancy wishing to continue to attract and retain the best knowledge, talent, and expertise as we grow, we will be implementing our new Employee Value Proposition and further developing our Diversity and Inclusion agenda. We will also be further embedding and broadening out the amazing work of our internal Environmental Working Group, to share responsibility and sense of ownership across the full company. This will again contribute to our pending B-Corporation submission.

Thank you – and to the future...

In all, another fantastic year of growth, achievement, impact (and much hard work), has really paid off and sets up for another exciting year, which we hope you will share the journey with us on. Thank you for your continued support and collaboration and we hope you have enjoyed reading this report.

From all of us at Eunomia Research & Consulting