

The Rt Hon Boris Johnson MP
Prime Minister
10 Downing Street
SW1A 2AA

15 July 2021

Dear Prime Minister,

The undersigned investors and their representatives representing over £2.8trn in assets under management or under advice support the National Food Strategy's recommendations for promoting a healthier and more sustainable food system in the UK. We look forward to reading the full details of the review and its recommendations following publication and call on the government to be ambitious in its response to the urgent challenges facing the food system.

We recognise the multitude of risks and opportunities facing the food industry linked to issues such as food waste, nutrition and sustainable supply chains. How companies respond to these issues and to the changing regulatory, consumer and other stakeholder demands surrounding them will influence not only their social licence to operate but also the long-term resilience of their operating models and supply chains.

We believe that well-designed regulation creates an essential enabling environment for businesses seeking to build long-term thinking and sustainability into their business models. Likewise, it facilitates the allocation of capital toward more sustainable investment opportunities and supports the transition to a sustainable and healthy food system.

We understand that many of the issues facing the food industry are too wide-ranging and complex for individual companies to effectively address in isolation. We therefore welcome the Strategy's recommendations on mandatory reporting of nutrition and sustainability metrics (both backward and forward-looking) for food sector companies above a certain size. As shown by the Food Foundation's [Plating Up Progress](#) work, while voluntary reporting has the potential to be useful, it can result in inconsistent data both in terms of scope and transparency, making it impossible for investors to accurately understand what progress is really being made. Plating Up Progress clearly shows this to be true in the food industry.

While enhanced disclosure is welcome, we recognise that it is not sufficient to combat short-termism in the market on its own. Past fiscal interventions such as the Soft Drinks Industry Levy have proven highly effective at generating significant change at scale and in a relatively short time. Given the urgency of the issues linked to the way we produce and consume food, we encourage the government to consider the full range of available regulatory tools to embed long-term sustainability within the food system.



The undersigned investors and their representatives recognise the material ESG risks and opportunities associated with the food system. The food system is responsible for a third of global GHG emissions and is one of the principal drivers of biodiversity loss. At the same time, in the UK over half the population is classed as being overweight or obese (identified as a risk factor in severe Covid-19), and the World Health Organization has declared anti-microbial resistance to be one of the top 10 global public health threats facing humanity. If left unmanaged, these issues will result in systemic risks for the economy, society and investors.

We seek to integrate these issues into our investment analysis, decision-making processes and our engagement and stewardship activities. Signatories to this statement have played a key role in supporting ongoing investor engagement on this issue via initiatives such as the [Access to Nutrition Index](#), the Food Foundation's Plating up Progress initiative, ShareAction's [Healthy Markets investor coalition](#), and the [FAIRR](#) Initiative. The aims and objectives of these projects align closely with our call to the UK government today. We would be happy to support the government in shaping its response based on our experience and evidence of what works well for companies and investors.

We therefore call on the Government to demonstrate clear leadership and ambition in its response to National Food Strategy in order to create a food system that promotes health and wellbeing for the entire population while preserving and enhancing the environmental systems on which we all rely.

Specifically, we encourage the government to:

- **Implement clear and consistent mandatory reporting requirements for companies in the food sector;**
- **Consider the full range of regulatory tools at its disposal – including fiscal interventions and enhanced regulation - to promote sustainability in the food system, focusing in particular on internalising the externalities currently borne by the environment and society;**
- **Be bold and ambitious in its response to this major social and environmental challenge.**

Signatories:

Rathbone Greenbank Investments

Aviva Investors

Castlefield Investment Partners LLP

EOS at Federated Hermes (on behalf of its stewardship clients)

Guy's & St Thomas' Foundation

Newton Investment Management

ShareAction

The Food Foundation

Legal and General Investment Management

c.c. Rt. Hon. Sajid Javid MP



