



Food, Diet and Obesity Committee

Corrected oral evidence: Food, diet and obesity

Monday 29 April 2024

2.45 pm

Watch the meeting

Members present: Baroness Walmsley (The Chair); Baroness Boycott; Lord Brooke of Alverthorpe; Baroness Browning; The Earl of Caithness; Lord Colgrain; Baroness Goudie; Baroness Jenkin of Kennington; Lord Krebs; Lord McColl of Dulwich; Baroness Pitkeathley; Baroness Ritchie of Downpatrick; Baroness Suttie.

Evidence Session No. 14

Heard in Public

Questions 183 - 202

Witnesses

[I](#): Sam Fulton, Group Director of Corporate Affairs & Sustainability, Nomad Foods; James Mayer, Chief Executive Officer, Danone UK & Ireland; Julian Metcalfe, Founder and CEO, Itsu.

Examination of witnesses

Sam Fulton, James Mayer and Julian Metcalfe.

Q183 The Chair: Good afternoon and welcome to this public meeting of the House of Lords Committee on Food, Diet and Obesity. We are today holding the 14th evidence session of the committee's inquiry, exploring the role of foods such as ultra-processed foods and foods high in fat, salt and sugar, in a healthy diet and in tackling obesity. The committee will continue taking oral evidence over the next 10 days to inform our report, which will be published later in the year.

We hear today from senior representatives from the food manufacturing industry. We are very grateful to you for coming today. We are delighted to welcome Sam Fulton, group director of corporate affairs and sustainability at Nomad Foods; James Mayer, chief executive officer for the UK and Ireland, from Danone; and Julian Metcalfe, founder and chief executive of Itsu. You are all very welcome. We very much look forward to hearing your evidence. I ask each of you, please, to introduce yourself briefly the first time you answer a question.

Today's meeting is being broadcast and a written transcript will be made for subsequent publication. It will be sent to our witnesses to check for accuracy before publication. I refer to the list of Members' interests, including my own, which are published on the committee's website and were set out in the committee's first evidence session on 8 February.

Just before we hear from our witnesses, I repeat what I said at the start of the 7 March evidence session and all subsequent sessions: that although it would be inconsistent with Lords committee procedure to compel our witnesses to do so, we will, for the sake of transparency, be giving all our witnesses the opportunity voluntarily to declare any interests that they deem relevant to the work of the inquiry the first time they speak.

Having done that, I would like to ask you all the first question. When you answer, please give a little introduction to yourselves. Some witnesses have told the committee that the food industry drives unhealthy diets and obesity, and they have called for the Government to intervene. In your view, what drives the food industry to promote unhealthy foods?

Sam Fulton: Before I start, I will explain a little about Nomad Foods. Nomad Foods is Europe's leading frozen food company. We are headquartered in the UK, where we are best known for brands including Birds Eye. I will declare an interest: I am also a board trustee of the British Nutrition Foundation. It is an unpaid position, and I am here today to represent not the BNF but the views of Nomad Foods.

When we talk about the food industry, it is worth considering that the food industry is not one homogenous unit. As you know, there are many different kinds of foods, so there are many different kinds of food companies and portfolios. So we do not believe that it is particularly helpful to talk about "the food industry", because there are very different foods and different standards of health and nutrition.

At Nomad Foods, our approach is to help everyone to eat food that is tasty, healthy, sustainable and affordable by basing our decisions on nutrition science and on the government-backed HFSS classification. We are really proud that we have 93% of sales from non-HFSS, and we have a target that will keep improving on that year on year. We also publicly report at least annually on our progress.

So I think we are a good example of a fairly large food company that has a very different approach. Only 7% of our sales are from HFSS products. That is quite different from some of the narrative that may be playing out currently.

The Chair: Thank you. You are of course quite right: the food industry is not a homogenous thing. Indeed, we have invited all the big supermarkets, which comprise about 80% of the sales of food in this country. None of them have agreed to come, so we saw their industry body as a substitute. We have also invited a lot of the fast food high street chains and the deliverers of fast food. None of them have agreed to give evidence to us. So we are particularly pleased to see you all today.

James Mayer: I am president of Danone in the UK and Ireland. I have no interests to declare.

At the end of the Second World War, the food industry, at scale in the UK, was challenged to do two things. One was to feed a growing nation, with plentiful supply at a reasonable cost. If we look back over the last 70 years, arguably it has done an outstanding job in feeding a growing Britain. Sometimes there are unintended consequences of those things, and I think it fair to say that, as a nation, we consume too much product that is high in fat, sugar and salt. You guys know as well as we do that the evidence points to poor health outcomes from that.

We need to turn that tide. We need to make sure that we have a system in place where there is increasingly less consumption of those kind of products. So, much like Sam has said with reference to Nomad, we made our commitments very public last year. We made clear that more than 90% of our portfolio by volume would be in products not high in fat, sugar and salt. That was not a commitment for some date in the future but is a commitment that is already in place. We achieved that in 2023.

We think that is very important, but it does not go far enough. We are a significant food player, but we would like to see much more transparency and reporting on the healthiness of products and for targets to be set. In that way, as an industry we can start to move forward. Without that, it will be very difficult. You will have a few people accepting the invitation to talk to you and doing that, but we need to move at scale.

The Chair: Thank you.

Julian Metcalfe: I am CEO of Iitsu. It is a shame that more people from the industry have not come to answer your questions. It is baffling. I

think they are probably frightened, whether it be the supermarkets, so many of the manufacturers or the fast-food chains. This is an incredibly complex subject and there will need to be an enormous amount more legislation and intervention, I am afraid. I think what you are doing is fabulous. I hope and pray that you can give some very solid, robust advice once all your conclusions are drawn, because this is a really serious subject.

The Chair: Thank you. We hope the Government will listen.

Julian Metcalfe: I hope they will too.

Q184 **The Chair:** Thank you. It has been interesting to hear what your companies are doing. Would anyone like to hazard a guess why other manufacturers are not doing the same?

Sam Fulton: There are other manufacturers that are definitely making good progress. Obviously, they are not here individually today, and we cannot talk on their behalf, but there are some good examples in the food industry of companies making progress. One key area where Nomad Foods has made progress but others have too is in reformulation. As I said, everybody has different foodstuffs and portfolios, but there are actions that can be taken to make even quite indulgent foods healthier by reducing the nutrients of public health concern—saturated fat, salt and sugar.

One example of that is a Nomad Foods example. When we acquired Goodfella's pizzas in 2018, 17% of sales were from non-HFSS products. Currently, 100% of Goodfella's pizzas are non-HFSS. That is an example of a category where you would not say that it was inherently healthy, but through a lot of work putting in place the right guidelines internally we have been able to make a change, so you can have a pizza that is a better version than others on the market, potentially. There are other good examples of reformulation throughout the food industry.

The Chair: How long did it take you to do that, and was it a costly exercise?

Sam Fulton: We made the acquisition in 2018, so it was over a period of five to six years. It is also an ongoing process; we have new products that come on to the market. I am not sure there is an actual figure that we have put on to it, because it is part of the day-to-day product development. Internally, whether it is pizza or any other product, we have really strong nutrition guard-rails. Every product is mapped against strong nutrition governance before launch. It is part of our ongoing reformulation, but we have done it through various things like adding fibre and reformulating sauces and using different toppings ratios. It is a whole combination of cross-collaborative work in our R&D and nutrition functions.

James Mayer: We need a stronger policy environment to encourage more people to make those moves, I agree. There are pockets, whether it is us here today or others, who are making quite meaningful moves, but,

at large, we are not making enough as an industry. We have a very clear thing on the statute book—the whole policy on products high in fat, sugar and salt. Part of that policy has not been enacted and has been kicked down the road, which is sad, quite frankly. I would really encourage us to adopt that and put the final bits into legislation ASAP.

Alongside that, we need companies to report in a consistent way. At the moment, people can choose to report or not. It is really important that all the work going on in the FDTP concludes, and any reporting that we finally decide on how we are going to define healthiness is mandatory reporting. If we make it voluntary, we are not going to move, so we need to make it mandatory, and then we can set targets from that, because it levels the playing field and makes it transparent. If we are going to have targets, we should then put incentives in place—Julian talked about that. It is very important to put incentives in to help. Reformulation is really hard. If you reformulate too fast, you lose the consumer, because consumer tastes do not change from left to right overnight. We need to bring the consumer on a journey as well.

Julian Metcalfe: I agree entirely.

Q185 **Lord Krebs:** I declare my interests as recorded in the register. I want to pick up on your last point, James, about having a level playing field and mandatory targets. A recent report from Nesta that came out in February focused on the retail sector, but it is planning to broaden it out to cover manufacturing and food service. Its proposal is that there should be a mandatory minimum standard reflected in the average basket bought from the supermarket having a score above 69 on the nutrient profiling model, which would deal with HFSS plus fibre and so on. Would something like that be a plausible way forward if it were applied across the piece?

James Mayer: The nutrient profiling model is well accepted by a broad range of academics and institutions and has been in place for 20 years or so. Any targets we have should be based on that, because it also takes a long time for organisations to plan their way to do this. Let us use what is on the statute book already. It is well accepted, so I would love us to coalesce around that as a set of guard-rails. Whether we add something a little bit extra as Nesta suggested I am not sure, but let us use the current regulation as is in place to drive meaningful change at scale.

Sam Fulton: Nomad Foods would also support mandatory reporting. As James said, it levels the playing field and encourages progress across all companies.

The Chair: We are hearing that from a lot of people, actually.

Q186 **Baroness Ritchie of Downpatrick:** You are all very welcome. I want to develop a theme with you that was raised originally by James about the intake of ultra-processed foods and adverse health outcomes. Studies have shown associations between the intake of ultra-processed foods and adverse health outcomes, and some witnesses to the committee over the

last number of weeks have suggested issuing government guidelines against the consumption of ultra-processed foods. How do you think food manufacturers could respond to this?

James Mayer: This inquiry is all about food, diet and obesity. For me, the most important thing is that we come back to the regulation on high in fat, sugar and salt. If we can get higher consumption of products not high in fat, sugar and salt, that will start to make a meaningful change to diets and ultimately to healthier outcomes.

There is a role for processing in this country. I find it a bit worrying that we can put products in the same basket of processing, whether it be a brown bread, a baked bean, a fruit yoghurt and at the same time a biscuit, a salty snack and a sugary soda. I do not think it is particularly helpful to classify all those things. Let us go back to how you define processing. There is no clear definition. There is a clear definition based on the nutrient profiling model of products high in fat, sugar and salt. We need to be very careful with that debate, because it is not particularly helpful if our job here is to try to drive consumption of healthier products.

Julian Metcalfe: This has all come about in the last couple of years. We hear more about ultra-processed foods, but the truth is that a vast amount of the food we all eat in this country—marmalade, pasta—is processed up to a point. There are four grades. Ultra-processed clearly should have more warnings and should probably be taxed more and goodness knows what.

The real problem starts before that, which is that we need to build far better awareness and knowledge about the food that we eat and the differences between sugar and added sugar. It is not as complicated as all that. All this new terminology such as ultra-processed is confusing people. The ultra-processed stuff is just the extreme tip of the iceberg. The problem starts much earlier than that, and the solution is awareness, knowledge and legislation, and it needs to be very robust.

Sam Fulton: We have several concerns about the terms “ultra-processed” or “level of processing” being used as a marker for nutrition, partly because none of these definitions were really designed to measure nutrition. They were designed to measure a level of processing. As has been mentioned, you therefore end up demonising some perfectly healthy foods and healthy food products.

I can give you an example. There are various definitions. As you know, one is that a food is ultra-processed if it has more than four ingredients, is made in a factory or is wrapped in plastic. That means that if I made a fish finger—a Birds Eye fish finger is fish, breadcrumbs and some rapeseed oil—in my kitchen, it would be fine. If we make it in a factory and then sell it in a supermarket, it becomes an ultra-processed food, with the caveat therefore that you should somehow limit that. There are another couple of examples where the fish finger is a non-HFSS product. If you use the Nova system, for example, you could presume that it would be healthier to feed your children red meat fried in lard, because

that has much lower levels of processing. Using some of these classifications to assess whether a food is or is not healthy leads to some quite strange anomalies.

Our other main concern is that there is clearly a developing body of science, but there is no conclusive evidence yet to show that all ultra-processed foods have damaging health outcomes. I know you are hearing the evidence later, but the UK Government's own advisory body, SACN, has also said that more evidence is needed, because it is not conclusive. So we have concerns about processing being used as a proxy for good or bad nutrition.

Q187 The Earl of Caithness: A quick question for Julian. High in fat, sugar and salt was a turn-off. Nobody understood it, but everybody knows, or thinks they know, what ultra-processed food is, but they do not. How do you grab people's attention, which is now on this important subject—for the first time since the war, people are focusing on this—keep them interested but go back to HFSS and possibly to fibre and calories?

Julian Metcalfe: That is an incredibly good question. I hope that at the end of all your meetings you will be able to help the Government work out how to do exactly that. It is about awareness and knowledge and starting very early in schools with teachers. I saw that 92 per cent of children take lunchboxes to school with no nutrition in them at all. These lunchboxes are being packed by parents who clearly love their children, but there is a terrible lack of awareness and understanding of the difference between sugar and added sugar or fat or even fish fingers and HFSS—something as basic as that. A lot of frozen food is actually really good.

I do not know why the supermarkets are not here. They are not driving this. They are there just to allow people to shop. There is truly a terrible lack of awareness and incentives. There are no incentives at the moment. So even when people spend years trying to advise the Government, they are completely ignored. There is so much we could do immediately, such as putting more tax on the terrible stuff and releasing VAT on vegetables. There is VAT on all eat-in food in pubs, restaurants, takeaways, whatever. You could immediately reduce VAT on good healthy food and put 5% more on fried food or whatever. This is a massive hundred billion pounds a year problem that needs really strong action.

The Chair: The carrot as well as the stick, perhaps.

Julian Metcalfe: Of course, and the industry will react very quickly to that.

James Mayer: Consumers may be unclear about what those definitions are, but the manufacturers are not unclear. If the manufacturers are clear, we can drive change at scale. That is important. That regulation and understanding of products that are high in fat, sugar and salt is there. It is quite well embedded and informs a lot of innovation plans that a lot of manufacturers use. That should be a mechanism for us to

accelerate change. We should conclude on front of pack nutritional labelling as well. That has been studied and, as far as I am aware, stopped. So we would also advocate for nutritional labelling, which would help to educate consumers on how healthy a product is. We should have one standard across all food in the UK. Otherwise, if you get different manufacturers or retailers choosing, it leads to huge confusion.

Q188 **Baroness Goudie:** Good afternoon, and thank you for coming to give evidence this afternoon. An updated version of the Government's nutrition profiling model was produced in 2018 but has not yet been implemented. Why is that, and what would the benefits of the 2018 version be?

Sam Fulton: As a food company we cannot comment on why the Government have not progressed.

Baroness Goudie: I am so sorry. That was the next question. I got ahead of myself and picked up the wrong piece of paper. This is my question.

Some witnesses to the committee have raised concerns about reformulating processed foods to reduce fat, salt and sugar, arguing that such foods may be hyperpalatable and therefore promote overconsumption. What is your view? I know that, with some of these foods, people keep eating them.

Sam Fulton: At Nomad Foods our view is very much that food plays a role in diet and life but is meant to be enjoyed, so making food palatable is important. I know there is some scientific disagreement over the term hyperpalatability, but at Nomad our focus is very much on how to make food that is healthy and tasty. If you research consumers, the majority of consumers say that they genuinely want to eat healthy food; they know that it makes them feel better and they can live a healthier and more balanced lifestyle, but there start to be barriers. Sometimes it is cost. Taste is definitely a barrier, so when you are making healthy products you also have to make them tasty and have a nice texture.

We understand that there are concerns about overconsumption of certain foods that were never designed to be consumed in large quantities, but we think that palatability and the taste of food needs to be taken into consideration by food manufacturers, because there is an enjoyment factor. To refer to the earlier question, we believe that it is important to have positive messages for consumers. Food is not meant to just be something that you endure. We think that the enjoyment factor is important and needs to be balanced against quite valid concerns about health and nutrition.

James Mayer: Taste is really important. You have just heard that. If we reformulate and forget taste, no one is going to buy it and we are not helping ourselves. So it starts with taste, but you can take consumers on a journey. If you want to reduce something very dramatically overnight, that is not a sensible way to do it. We have worked very hard over the

past eight years to reduce sugar in Activia yoghurts, for example. We have reduced it by more than 20% in increments. When you do that, you bring consumers on the journey, and eight years down the line you have suddenly made a very meaningful reduction in something that we want to reduce in our diet. You can do that, but never forget that people buy food because they want it to taste good. You can take people on a journey by doing it in stages.

Julian Metcalfe: The tricky thing is that salt, sugar and fat are incredibly addictive, so we will have to change what we expect from food a bit. We cannot go on expecting everything we eat to be absolutely moreish and delicious, because we cannot go on the way we are. Things have to change, so people will have to get used to food being better for you and less preposterously addictive—again, through legislation, I am afraid, and robust advice.

The Chair: This committee is not in the business of recommending tasteless food, even if it is healthy.

James Mayer: Very good.

The Chair: It sounds to me as though it can be tasty and healthy.

Q189 **Baroness Boycott:** I declare my interests as set out at the beginning of this committee. We have had a lot of conversations during the committee about whether we should have taxes on unhealthy food and substitutes for healthier food, so maybe we can break them into two parts. In a sense, this is saying that everyone agrees that the sugary drinks tax was a big success as it led to reformulation. What do you think stage 2 is of the possible role that taxation could play in trying to get us better food to eat?

Sam Fulton: In our view, taxation currently is not where we think the Government should be going. That is because, as we outlined in our written submission, we believe that there are areas where more could be done before moving to taxation. I know that James touched on it earlier. We are, for example, part of the Government's food data transparency partnership. We fundamentally believe that if there is a fair playing field in terms of the kind of data that companies need to report, it could be made mandatory for every company to have to report, so that there is much more transparency on progress and it encourages reformulation, as I said earlier. We think that companies should be required to publish targets, that it should be mandatory. Again, it increases transparency and drives change.

There are various things that are probably delayed from government. The Government have yet to publish new salt-reduction targets, for example, and a timeline for meeting these. There are things that are still pending. The 2020 front-of-pack nutrition labelling consultation is pending. There is no outcome. We believe that there should be an outcome and that, again, front-of-pack labelling should be made mandatory.

So there are various things that have yet to happen. That is why we think it is quite a dangerous narrative to suddenly move to taxes when some of the other mechanisms have not even come into play. We also fully support the restrictions on promotion and advertising HFSS products and, again, we feel that should be brought into play in October.

Various things have been discussed or are at different stages of consultation or legislation, but the follow-through is not yet there, so we think it would be a bit extreme to suddenly move to taxes, having not done some of these other activities.

Baroness Boycott: The other activities have not really worked, partly because the Government have had so much push-back on the advertising or the two-for-the-price-of-one offers, for instance. As far as we understand it, that has been largely the fault of the industry's lobbying, for instance, about not advertising. Is the resistance to taxation to do with the levels of profit that you make?

Sam Fulton: Some 93% of our sales are non-HFSS, so the bulk of our products are healthier foods. We have not lobbied against the restrictions.

Baroness Boycott: In which case, you would not get taxed that much.

Sam Fulton: Our position is not really about Nomad Foods. Even though Nomad Foods might not get taxed, and because we have a healthier portfolio, we fundamentally believe that there are a whole range of measures that are yet to be properly implemented and that other things are probably due for review. The *Eatwell Guide*, for example, which, as you know, advises people how to put together a healthy diet, has not been reviewed since 2016. It does not really take into consideration cultural diets. We believe that some of these things should be implemented first and then monitored and measured before we potentially move to taxation.

Baroness Boycott: James, can you pick up that question? Regarding all the things that Sam said about the mandatory targets and reporting et cetera, what would be the penalties if you failed to comply with them? Is that how you see the picture as well in answer to the question?

James Mayer: I start with a healthy portfolio, as measured by the HFSS policy. We are more than 90%. Taxes could be a bit of a blunt instrument in the wider food industry. There are so many different product categories that I am not sure how you would do it. To build on what Sam said, we need to start reporting from each and every food company and make that mandatory. From there, you can set targets. Probably the most effective way in which we will move forward at scale, impacting health outcomes, is to put incentives in place around formulation. Incentives will have a much bigger impact on health overall.

Baroness Boycott: Can you illustrate that?

James Mayer: R&D. Reformulation is difficult and expensive. Not every food company will necessarily have the means to be able to do it, so we need to incentivise people to go on that journey. That will start, I hope, to impact on a much greater scale than is happening today. You have good examples on the panel today, but we are here for a reason.

Baroness Boycott: Going back to my original question, how would you be monitored, and what would be the penalties if companies failed to report and do all these potentially mandatory things that Sam outlined as a way to make life healthier?

James Mayer: Companies will be put under pressure to act. Making reporting mandatory is incentive enough, because the information will be publicly available and there will be clear lists of people who are either here or there. That will really encourage change. That is the way industry works. You do not want to be singled out as someone who is here versus there. That could make a difference, but we need to move forward on that and really incentivise change. It is not easy to reformulate at scale.

Baroness Boycott: Basically, you are on the record, as the food industry, as saying that there is no second stage of taxation after the initial sugar tax. You would not support it.

James Mayer: I believe there are more effective ways to achieve a faster outcome, and that is where we should focus.

Julian Metcalfe: I am a restaurateur and a manufacturer, and all my career I have not advocated and do not particularly like interference and bureaucracy, but in this case I think incentives would be great and there could be a great many and that in many cases higher taxes on some stuff would work. I can assure you that we are very quick to react in our industry, we really are. As long as there is clarity, we can react, and we will react and we do react. It is incredible how quickly the industry will react if we get clarity and incentives. Honestly, it would be very quick.

Baroness Boycott: What do you call very quick?

Julian Metcalfe: In a matter of a year or two. As you saw when all the legislation changed on drinks and things, it was incredibly quick how manufacturers suddenly started releasing all these drinks. The effect on restaurateurs and pubs in relation to VAT changes on the way we eat would be very quick. It is incredible how people react quickly if there are incentives. I promise you. It is not that tricky.

Q190 **Lord Colgrain:** Does it follow that a requirement for reformulation means a reduction in profit for the manufacturing company, or not?

Julian Metcalfe: I would say that it does not in the long term. Anyway, it is irrelevant, in the sense that this is not about manufacturers or people making a profit; this is a really serious situation where we have to change incentives in the way we consider, eat and are aware of the food we eat. If there is a short-term hit to people, I am pretty sure they will work out a way to get around it, I promise you.

Lord Colgrain: To go back to the question that I think was asked previously—forgive me, but I was not here right at the beginning—using Nestlé as the case in point, its shareholders have asked it to reformulate to make its product healthier, and it has said that it is not going to. What do you conclude from that?

Julian Metcalfe: I would have thought that it probably will. I am sure it will. We heard of one huge manufacturer threatening to sue the Government for asking it to reformulate some of its pretty shocking products. It is absurd. These people will fall into line. They just need you to be tough and clear. Honestly, I promise you.

James Mayer: I have nothing to add.

Q191 **Lord Krebs:** I will follow up on Baroness Boycott's question about taxation. You keep using the word incentive, and I am not absolutely clear what it means. James, your definition of incentive was essentially to name and shame, because if everybody has to declare publicly their products against the nutrient profiling model, people who are doing badly will get embarrassed, and you said that that will drive change. Could each of you say what top two or three incentives would bring about change?

The Chair: Could there be subsidies for healthier food, for example?

James Mayer: There could be subsidies/incentives. If you take the basket of goods today, very simply, we want to have more that are not high in fat, sugar and salt. We need to go on that journey. We have talked about some organisations that are on that journey, but clearly we are not on that journey as an industry at scale, which is why we all read the obesity stats that we do. Those incentives/subsidies would be around research and development. That is where we will be creating next year's products. We need to focus on that, reformulating some of the existing products but making sure that innovation is really in a basket that is not high in fat, sugar and salt. That would start to move it.

On reporting and transparency, if you make the reporting mandatory, of course it will be very visible to everybody, and that drives change.

Sam Fulton: I do not have much to add. I agree. Anything that can support innovation is helpful, because sometimes the innovation that you need to deliver is well beyond your own company budget. Also, if companies have to report, ultimately that becomes a disincentive to continue to act as they currently do. It is a combination of things, really.

Julian Metcalfe: Your question was good, but it is not as complicated as you think. Thinking about incentives, there is no VAT on nuts, for instance. If you add salt to the nuts, there is VAT. That is a huge difference to the retailer—20% less profit. That is just one example. I could give you thousands where these incentives would very quickly trickle down to the benefit of this country and consumers, but the retailers need clarity, they really do.

Q192 **Lord McColl of Dulwich:** Would you accept the official figure that it is all

right to have 30 grams of saturated fat per day, which is what you would get out of a litre of whole milk? With all this talk about a low-fat diet, is it not time to emphasise that unsaturated fat is very good for you? It limits obesity, because when it goes into your duodenum it releases CCK, which delays the emptying of the stomach and you feel full early on, so you do not eat as much. Why can we not emphasise that the right sort of fat is fine?

Julian Metcalfe: It is a good question, but then you have to ask why a national newspaper recently had an entire page comparing a sandwich with chicken breast, avocado and toasted seeds with a Big Mac? The point was that the Big Mac has fewer calories than the chicken breast, the avocado and the seeds. It is thoroughly shocking that this type of thing is going on. It is just wrong that the British public could be hoodwinked and treated like this.

Not everyone knows nearly as much as you do about this. Your gut feel, your instinct, your knowledge is correct. Good fat is good. You cannot compare the fat of an avocado with the fat of a Big Mac. It absurd, but unfortunately that is where we are.

Lord McColl of Dulwich: Why can we not stop saying "low-fat diets"? That is the order of the day: low-fat diets. That is why the obesity epidemic started.

Julian Metcalfe: I think the answer to that question is that there are a great many people who are anti even putting calories on food. They genuinely do not realise that if you consume an entire bucket of fried chicken, it will probably not be very good for you. That is why we have been pushing low fat, but that is pretty basic. You are quite right: it is more complex than that, it really is.

Q193 **Baroness Pitkeathley:** You have been robust about the need for strong action. I would like to consider the situation if we did succeed in banning absolutely the marketing of unhealthy foods across all media. Several of you have referred to putting mandatory warning labels on those foods. What impact could those measures have on the food industry and on public health?

James Mayer: I would enact what already sits on the statute book around the non-HFSS guidelines. Advertising after the watershed was pushed backwards, so you can still advertise whenever. We would advocate for that to be put in place as soon as practically possible. At the same time, what was also delayed was action on the advertising of products high in fat, sugar and salt, with buy-one-get-one-frees, two-for-ones and all those kinds of activities. The only thing that has been enacted so far is the location in a supermarket.

So let us bring forward what already sits on the statute book. That would start to make an impact. Those rules were created for a reason. They have just been kicked down the road.

Baroness Pitkeathley: And the impact on the industry itself?

James Mayer: Julian has just said this: an industry will recalibrate and find a new status quo. We need consistency for industry. Once we have decided something, let us make that a consistent policy and allow the industry to adapt and find its new status quo. We have the current regulation on high fat, sugar and salt. Let us not change that. Everybody is geared around that. It allows companies to make change, so I think you will see that happen. Let us enact what was already decided.

Baroness Pitkeathley: What effect would you expect to see on public health as a result of doing that?

Julian Metcalfe: To answer your first point, it would be great. There is no reason for any of us to worry about banning that style of marketing and advertising. That should happen immediately. It is completely unnecessary. What would that do to the food manufacturers? The answer is very little. It would not hurt them at all; they would just reformulate and sell slightly better food. Thirdly, what would it do for public health? It would be great for public health. It should be done, no question.

Sam Fulton: We agree with James. We fully support the legislation. In our view, it is not a silver bullet, but limiting visibility of HFSS products across the food landscape is part of a wider programme of activity that starts to limit visibility and, ideally, reduces attraction, et cetera.

One of the challenges, however, is that the devolved Administrations are in different places. So the other thing that we would ask is that this is across the UK. That would help food companies to plan for it but would also mean that there is a fair landscape across the UK. It is definitely not a silver bullet, but we think it is one part of limiting the visibility of HFSS products per se.

Baroness Pitkeathley: How soon would you expect to see results in the public health arena if we did this?

James Mayer: Honestly, I do not know, but this is long term. You need to make things happen and then you will see the results at scale years down the line. We need to get on with it.

Q194 **Baroness Browning:** Good afternoon. Could I ask you about baby food and the challenges in that sector, particularly Mr Mayer. We saw in the commercial foods marketing index this year that there were some comments about Danone baby foods, with 38% not meeting WHO Europe standards. Are you able to throw any light on exactly what these standards are that apply to baby foods, and what challenges there are to meet those standards?

James Mayer: I am not aware of that report. In the UK, we no longer sell baby food. We sell infant formula. That is an industry that is tightly governed by a set of standards and regulations, and of course all our products fully comply. In fact, in many cases, they go way above those regulations. We are not an active player in baby foods in the UK.

Baroness Browning: Does anybody else have any knowledge or

comments that could help us here? As you will probably gather, I am of a generation where, as babies were weaned and started to eat solids, you took a portion of what you were cooking for the rest of the family—all fresh vegetables, meat et cetera—and liquidised it. You went from there. Of course, the market has changed, and people do less of that type of cooking at home. As manufacturers, can you say whether you lose for example all the water-soluble vitamins in the formulation of baby food because of the process and the heat that might be required for a long shelf life? Can you throw any light on those challenges?

James Mayer: It is only fair that I answer that, as these guys are not in baby food.

Sam Fulton: I was going to say that we do not have any baby foods.

James Mayer: We exited the baby food market in the UK about three years ago.

Baroness Browning: Was there a reason for that?

James Mayer: It was a commercial reason. My biggest customer is the NHS, not a big supermarket. We are the leading player in nutritional solutions, tube feeding and sip feeding to the NHS, so it is an incredibly important partner for us. When we looked across our portfolio of different categories we decided to exit that market. It was a commercial reason, no more than that, to be honest.

The Chair: So you still sell formula. Is that right?

James Mayer: Yes, infant formula, which is quite different from baby food, which I think is what this question is about.

Baroness Browning: The infant formula you sell is Aptamil, is it not?

James Mayer: Yes, and Cow & Gate.

Baroness Browning: A lot of the criticism in that area is perhaps not so much about what is in it, or the formulation, but the encouragement of mothers not to breastfeed or not to continue breastfeeding, because it is easier. What is the weight gain for babies on infant formula? How does it vary compared to breast-fed babies?

James Mayer: I do not want to go into the technical part of that, because honestly I am not a nutritionist. What is really important to know is that, first and foremost, breastfeeding is by far and away the best start for any baby in life. We are very clear on that. We make that very clear to anybody we ever deal with. If a mother chooses not to or cannot breastfeed, they need access to a product that is safe and available when they need it. That is where the industry, and we as a major player in that industry, come in. But it is only if a mother chooses not to or cannot breastfeed, and there are very many regulations on the infant formula industry.

Baroness Browning: There has been regulation in recent years to try to sway the marketing of that.

James Mayer: There are all sorts of regulations, from product composition to the way you communicate. Absolutely. That is pretty strict the world over and is strongly endorsed, and rightly, in the UK.

Baroness Browning: I remember when my children were born, over 50 years ago, that the little tag at the end of the cot that had their chosen name and birth weight was sponsored. It had the advert on there as well, just so you knew what to ask for.

James Mayer: Yes. You will not find us doing that today.

The Chair: Some experts have told us that things like “hungry baby” milk, high-protein milk, follow-on milk—all those—are entirely unnecessary. Do you agree with that?

James Mayer: No, I do not. A four week-old baby has very different nutritional requirements from an eight month-old. There are regulations that govern the way in which we create a slightly different product for those who are six to 12 months old—rightly, given the different specific needs as a baby grows into an infant.

Q195 **Baroness Boycott:** I completely agree that what you put in the formula is incredibly tightly controlled. Can you comment on the fact that the CMA reported that the cost of infant formula has been going up by more than the import cost? I understand that you and Nestlé have now reduced your prices. Why were you in the targets of the CMA about Aptamil?

James Mayer: I do not want to get into the CMA inquiry, because it is ongoing.

Baroness Boycott: We would love to know a bit about it.

James Mayer: There are two separate things. There has been an inquiry into pricing in the marketplace from a retail or manufacturing perspective and there is a follow-up inquiry into infant formula. We made a distinct and separate commercial decision on the pricing of Aptamil, as you quite rightly said, which was made—

Baroness Boycott: Why “quite rightly so”, given that it is exactly the same as all the others, essentially?

James Mayer: We made a decision based on where our pricing sits in the marketplace and how we compete in the marketplace.

Baroness Boycott: You were trying to sell Aptamil as a better milk.

James Mayer: There was no change to the brand. It was just at a slightly lower price.

Baroness Boycott: It is very much about the advertising at that point. The Chair just remarked on “hungry baby”, which seems to be an

amazingly emotive term for a baby food to destabilise a young mother.

James Mayer: To come back to the pricing question, that was a commercial decision that we made quite a few months ago back in the autumn, which went live in the market in January. It was unconnected to the CMA inquiry.

Baroness Boycott: Would you disagree that, when you are slightly anxious, you will often just buy the most expensive because you believe it is the best?

James Mayer: I have been in infant formula for almost 20 years now, and I would say no. That is not what all our insight work goes into in understanding mums and what they tell us. Typically in the UK, they will make an informed decision based on what a midwife or friends and family tell them. It is not about deferring to the most expensive but about the most appropriate, which they believe is right for their baby. That is how choices are typically made in the UK.

Q196 **Baroness Jenkin of Kennington:** When we were talking about what we wanted to do on this committee, we said we would like to visit a factory. The clerk tried quite hard to find places. As a manufacturer, would you have been prepared to welcome us to see some of your facilities?

James Mayer: Absolutely.

Baroness Jenkin of Kennington: Thank you. Some witnesses to the committee have argued that policy-making on diet and obesity should be protected from industry influence, like policy-making on tobacco. What are your views on that?

Julian Metcalfe: It depends on who you are seeing and who is sharing information with you, frankly. People have compared tobacco with food. It is tricky, because you do not need tobacco but we need food to live. In the 1950s, it was completely normal to be able to advertise: "More doctors smoke Camels than any other cigarette". Can you imagine? I have others—"20,000 doctors here prefer Luckies, because they don't irritate their throat as much".

Baroness Jenkin of Kennington: But we legislated for that.

Julian Metcalfe: It is an interesting question. Hopefully, the answer is that you should welcome people from the industry to talk to you, with knowledge and facts about the industry.

James Mayer: I fully agree. Health, diet and obesity is a really important topic. Industry, government, civil society and NGOs need to collaborate and do this together—much like the climate action plan and the race to net zero in 2050, which is being done through collaboration. I would love to see us continue to collaborate on these really tough issues that we need to crack at scale. It is really important that we collaborate.

Sam Fulton: I agree. There are some really good examples of the food industry and other industries being one of a set of informed voices that help to set policy. It is very positive that food has a voice, but it is only one among many interests. It is also important, because there is a narrative around food being legislated on in a similar way to tobacco, to note that, as Julian said, tobacco is fundamentally different. You do not need tobacco to stay alive, and there are no safe guidelines for it in the way that there are recommended guidelines on how you can put together different foods to make a balanced diet. We do not agree that food should be regulated in the same way as tobacco.

The Chair: We have all accepted that we have a problem, but I hear that you would like to be part of the solution. Is that true?

Sam Fulton: Absolutely.

James Mayer: Yes.

Q197 **Baroness Suttie:** You have all touched a little on regulatory measures. What regulatory measures do you think would be most effective in transforming the food system to one that delivers significantly healthier outcomes?

James Mayer: I would continue what we have with the current regulation of HFSS. That was put in place a few years ago and we have only started to implement some of those measures. I would love us to implement them in full and finish the work on FDTP to make sure that we have a clear definition. We would then make reporting mandatory, and from that we could set targets. That would start to help us move the needle in a really meaningful way around the healthiness of our diets and, ultimately, influence health outcomes more positively.

The Chair: Do you know when the work on data gathering and standardisation will be completed?

James Mayer: I do not. I asked that question on the way here today and it was not clear. We are still trying to agree the final definition of healthy food. I think we broadly have one with the nutrient profiling methodology and HFSS, so I hope we will get there but I do not know.

Sam Fulton: At the risk of repeating myself, my answer is very similar to James's answer and to the points I made earlier. The only thing we would add is that it would be great to look at how government could be part of the positive messaging on positive nutrition and healthy diet. The food industry obviously has a role to play and we clearly want to make sure that we are promoting and helping people to understand how our products can be part of their diet, but there is potentially more that government can do to look at how we can balance it and make sure that there is as much information on how to be healthy as there is on the danger narrative currently playing out.

Julian Metcalfe: We definitely need to act quickly on the regulation, but sticks and carrots will be very important here. Nothing will generate change more quickly than that. It is not that complicated.

Q198 **Baroness Suttie:** How could the food sector help with the incentive side of things—the carrots?

Julian Metcalfe: Goodness, where do you begin? A lot of the really unhealthy food is not formulated to be cheap. A lot of it is often quite expensive. Much healthier food is often very time-consuming to prepare, which is one of the problems. It is simply not convenient. It is often not nearly as moreish or addictive. If you reduce VAT on baked potato, hummus and sweetcorn, for instance, it would probably cost half as much as a kebab and fries. Then people would buy it. Until you do that, if they are the same price, people will not, because arguably one tastes marginally better than the other, but even that is due to your awareness and knowledge. It is a combination.

Q199 **Lord Krebs:** I want to go back, if I may, to the question that you were asked about involving the food industry in policy development. You said, quite rightly, that it is important that everybody gets around the table. You guys have detailed knowledge about how to make food and that is an important part of policy development. However, looking at it from the outside, as well as my previous experience of looking at it from the inside when I was chair of the Food Standards Agency, we know that certain sectors of the food industry who are threatened by regulation or developments in policy will push back very hard. I remember when we developed the nutrient profiling model, which we have heard a great deal about today, that some of the food manufacturers that produced products that came out badly in that modelling were extremely aggressive in saying, "This is a bad way to go, and we'll be extremely critical and do everything we can to undermine it".

If we accept your position that the food industry should be around the table, how do we deal with the bad guys who feel threatened by new regulation and will do everything they can to push back? You see yourselves as the good guys, so you are okay. I am not talking about you, but you can probably guess who I am talking about. What would you say, James?

James Mayer: I think it is a journey you go on. We started as a company with a DNA rooted in health. We started selling yoghurts in Barcelona in pharmacies in the early-1900s and, through time, we have bought and sold businesses. We have chosen a particular route to try to build a very healthy food and nutrition company, and that takes hard work. I can only really talk about what drives us, what our purpose is, and what, I hope, excites our 2,500 people in the UK every Monday morning when they get up, or every weekend when they are working in one of our factories.

You will always have people who have a foot in a slightly different place. If we can be stronger in enforcing some of the direction that is already on the book, you will find that the industry will move over time. But, again,

we are talking about long-term moves for long-term improvement in health outcomes. Ultimately, that is what this is all about.

Lord Krebs: If you are a company making stuff that is inherently HFSS, and that is why it is delicious and that is how you sell it, it is a bit tough when you are told you cannot carry on making it.

James Mayer: I imagine it is a bit tough, but, again, I am in a different kind of organisation, and I have been here for 20 years for a reason. That does not mean that we stop moving forward. That is really important—we have to move forward. When you have stats showing that 25% of kids leaving primary school in year 6, aged 11, are obese, everybody should sit up and think, “What am I going to do to drive that number down in the years to come?”

Q200 **The Earl of Caithness:** While we are looking at food, diet and obesity, should we not include portion control and limit the number of calories per serving/per portion?

Julian Metcalfe: It is interesting. I wonder how. In America, the situation is far worse than in Europe. As those of you who travel there will all know, portion sizes are vast. There is no question but that portion sizes are often way too big. I do not know how you regulate that, though. Number one is awareness: you tell people the calories that you are offering them. Number two is that you incentivise them to make portions appropriate and more sensible.

The Chair: Would it work to have a maximum percentage of the recommended daily calorie intake for one particular dish?

Julian Metcalfe: Yes, the law could be much tougher and clearer. Much of the legislation is very easy to change. When they are meant to guide a consumer on how many calories there are in a product, they will pretend that a large thing is meant to be divided and shared by four people, when clearly it is only being eaten by one. That legislation could be changed very quickly. It is just a question of being smart and dealing with it. But portion sizes are less of a problem than what the food is to start with.

The Earl of Caithness: As a restaurateur, would you be concerned if there was a law saying that you could not produce a serving more than 30% of the recommended daily allowance?

Julian Metcalfe: I would not be concerned at all, no. It would be good.

James Mayer: It is a difficult one, controlling consumption. We need to move to having nutritional labelling on front of pack and having one mechanism that can go across the industry. That is the way in which you start to inform consumers on what they are eating, and make it consistent across the industry.

Sam Fulton: Education is part of it. There are no nationally or internationally agreed portion sizes. It tends to vary. When we develop products, we try to think about a realistic, responsible size portion to

recommend and to formulate a product for. You can take portion into consideration when you develop a new food, or potentially reformulate, but currently there is no agreement, so it would probably require yet another consultation.

Q201 **Baroness Boycott:** We had an evidence session from a lot of experts, primarily in South America, who had instigated very tough new labelling—skull and crossbones-type things—especially on children’s cereal. What is your view on that?

Julian Metcalfe: Is that in Chile?

Baroness Boycott: Yes, Chile, Colombia, and various other places.

Julian Metcalfe: I do not know how much the terrifying labelling on cigarettes, for instance, contributed to the massive drop in cigarette smoking. I think it did a bit, but not much. Labelling and awareness are helpful, and the skull and crossbones may put people off buying extremely—

Baroness Boycott: Our evidence is that removing cartoons, for example, has worked very well for children. What do you think of that?

Julian Metcalfe: I think we could help parents.

James Mayer: I am not sure that being too draconian and scaremongering is helpful in what we are trying to do here. Giving people the information on which to make decisions is important. I would not be an advocate for scaring and frightening people. I have not seen the packs in South America that you are referring to.

Sam Fulton: I am afraid I do not know enough about the criteria, but I agree with James. There is the general point that if you have front-of-pack nutritional labelling, for example, whether that is Nutri-Score or the traffic lights system, at least you can compare between different products, so that if you want to choose something a bit more indulgent, you can at least make a more informed choice. I think there are ways to help people to choose healthier foods that are not necessarily black warning labels.

Q202 **The Chair:** I have a little question about advertising. You have all been saying that the current legislation should be implemented, and you, and a whole lot of other people in the industry, are all asking for a level playing field. Some people have asked for HFSS foods to be banned from being advertised at all. It strikes me that it is easier to regulate what goes on with food manufacturers like you, and in supermarkets and retailers generally. What is harder is to reach the fast-food delivery people and the high-street fast-food takeaway people.

If advertising bans of whatever level are put in place, should they include brands as well as particular foods? Very often the brand is associated with a particular unhealthy food. Can we have your view on that?

Julian Metcalfe: My view is that if these companies are peddling food that is clearly not healthy, do not allow them to advertise. It is really simple.

The Chair: Thank you. That might catch some of the delivery people and high-street takeaway people who were not willing to come and give evidence to us.

James Mayer: I think we need to have a level playing field for what is sold in a supermarket and all the out-of-home consumption of foods. The danger is that at the moment we do not have that. However we do that, we need to level the playing field. Would I advocate for a complete ban on any product that is high in fat, sugar and salt? No. I think the first step is to do what is already on the statute book, which is the post-watershed. Let us do that and continue on a journey.

Sam Fulton: I would agree. I do not know enough about some of the brands to know whether all their products are HFSS, for example. I think we need to implement what has currently been agreed and then review before potentially taking that further.

The Chair: Thank you. That brings us to the end of our evidence session. I want to thank you all very much indeed, and remind you that the transcript will be sent to you and that you can make any corrections that you need to.