

strategy day 2024

healthy communities & planet



Agenda

01

company
presentations

02

q&a

03

break

04

break-out

05

closing and drinks

strategy day 2024

healthy communities & planet



01

strong history

We have strong history embedding health and sustainability in our organization and we will continue to do that

02

what does the market look like

Current market dynamics require us to be mindful on how to move forward with our health and sustainability commitments to make sure we keep all our stakeholders on board

03

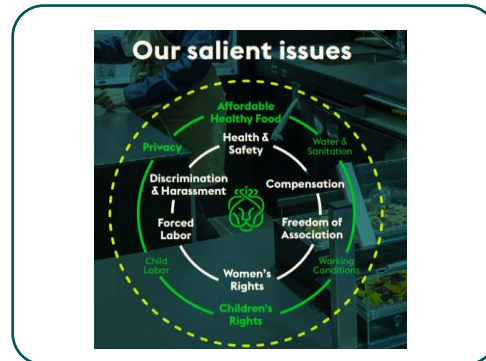
solutions

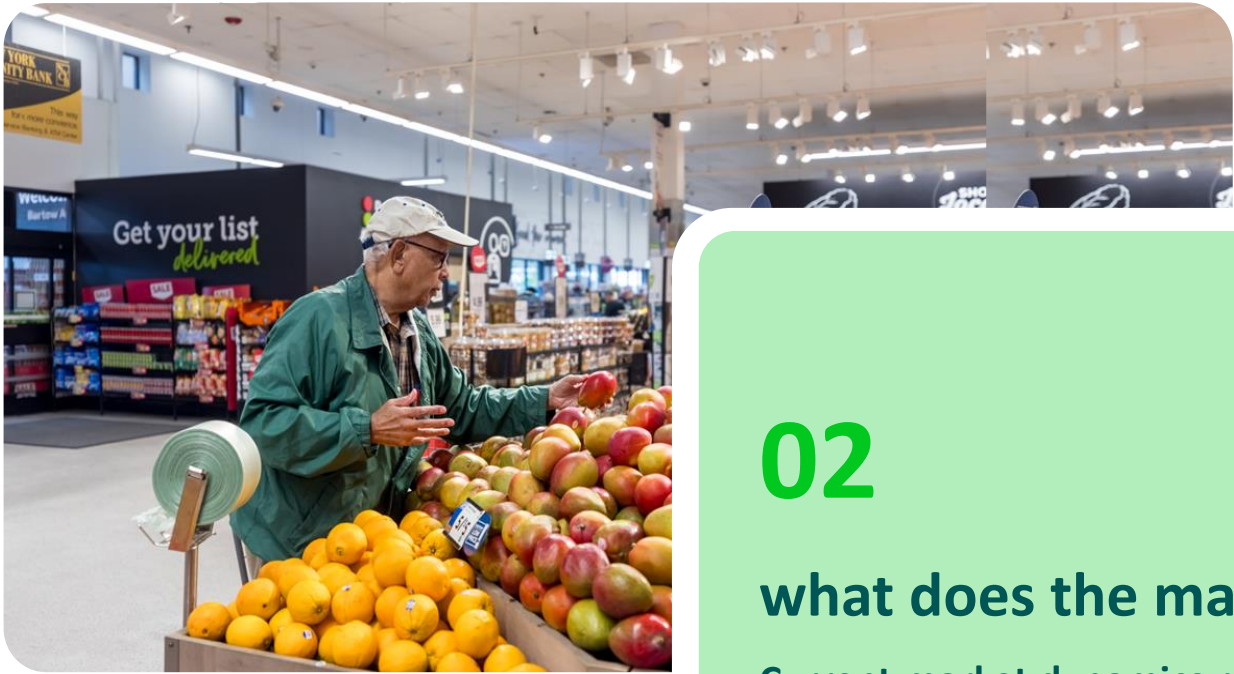
Collaboration and making sure we have local implementation plans to achieve our global goals

01

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Current market dynamics require us to be mindful on how to move forward with our health & sustainability commitments to make sure we keep all our stakeholders on board





Partnerships like W23 and the Consumer Goods Forum show collaboration in our industry to improve health and sustainability in our industry

global sets direction, strategy and targets and supports regions and brands on implementation



our **regions and great local brands** are responsible for their own operations and localize strategy and approach where needed to ensure it fits their market and consumers

03

solutions

Solutions I see are in collaboration and make sure we have local implementation plans to achieve our global goals

our growing together strategy

our purpose

**inspiring everyone to eat and live
better, for a healthier future for
people and planet**

our vision

**together, we are your trusted local
food retailer**

our values

teamwork
care
humor

integrity
courage



our strategic priorities

trusted
product

vibrant
**customer
experiences**

healthy
**communities &
planet**

driving
**customer
innovation**

portfolio & operational
excellence

thriving
people



healthy communities & planet

May 2024

agenda

01

how Healthy
Communities
& Planet is integrated
in our purpose
& strategy

02

targets

03

enablers of
our strategy

04

how we measure success

our growing together strategy

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we have 6 strategic priorities

across different dimensions of our business, to support our vision for the company by 2030

trusted product

We translate our passion for food into **healthy, fresh and affordable products that are accessible** for our customers

We serve our **customer's life needs** through our core, and an **expanding ecosystem** of integrated products, services, channels and data

vibrant customer experiences

healthy communities & planet

We lead the transition to a **healthy and sustainable food system** and create a brighter future for our communities

We drive further growth by building profitable **complementary businesses, managing our portfolio** and **innovating** to support our **customers*** of tomorrow

driving customer innovation

We use **technology & data**, we **save for our customers** every day and we leverage **scale** to become the most operationally efficient in our industry

portfolio & operational excellence

thriving people

We create a caring place to work inspiring growth and collaboration, where everyone is heard, valued and finds purpose in serving our communities

inspiring everyone to eat and live better

healthier communities and planet plan

customers & communities

inspire our customers and communities to engage in positive habits

assortment

offer the right assortment

associates

support our associates to be ambassadors for our mission and to eat and live better



healthy communities

healthy planet

climate

accelerate value chain decarbonization

nature

protect nature and biodiversity

circularity

scale circular models for packaging and unsold food



Ahold Delhaize

is a family of great local brands



global sets direction

strategy and targets and supports regions and brands on implementation

our regions and great local brands

are responsible for their own operations and localize strategy and approach where needed to ensure it fits their market and consumers



FOOD LION

STOP&SHOP



The GIANT Company

Giant

Albert Heijn



Etos

albert

bol.

MAXI



Βασιλόπουλος
...και του πουλιού το γάλα!



ENA FOOD
CASH & CARRY

Gall&Gall
SINDS 1864

Healthier Choices

52.3% of total own brand food sales from healthy products by 2025.

Aim to have customer-focused nutritional navigation systems at all brands by 2025.

health

Own Operations

Reduce absolute emissions from stores, distribution centers, operations and offices by 50% by 2030 (as compared to the 2018 baseline).

Supply Chain

30.3% reduction in forest, land and agriculture (FLAG) emissions by 2030 (as compared to our 2020 baseline)

42.0% reduction in energy and industrial (E&I) emissions by 2030 (as compared to our 2020 baseline)

climate

Critical Commodities

No deforestation and land conversion through sustainable sourcing of soy, palm oil, cocoa, coffee, tea and wood fiber for our own-brand products by 2025.

100% of own-brand seafood products certified

100% of Own Brand non-food paper and wood products certified sustainable against an accepted standard

nature

Food Waste

Operations to reduce food waste by 50% by 2030 (as compared to the 2016 baseline).

Plastic Waste

Reduce virgin plastic in own-brand packaging by 5% by 2025 (as compared to the 2021 baseline).

25% of total own-brand plastic packaging made from post-consumer recycled content.

100% of primary own-brand plastic packaging is reusable, recyclable or compostable in practice and at scale by 2025.

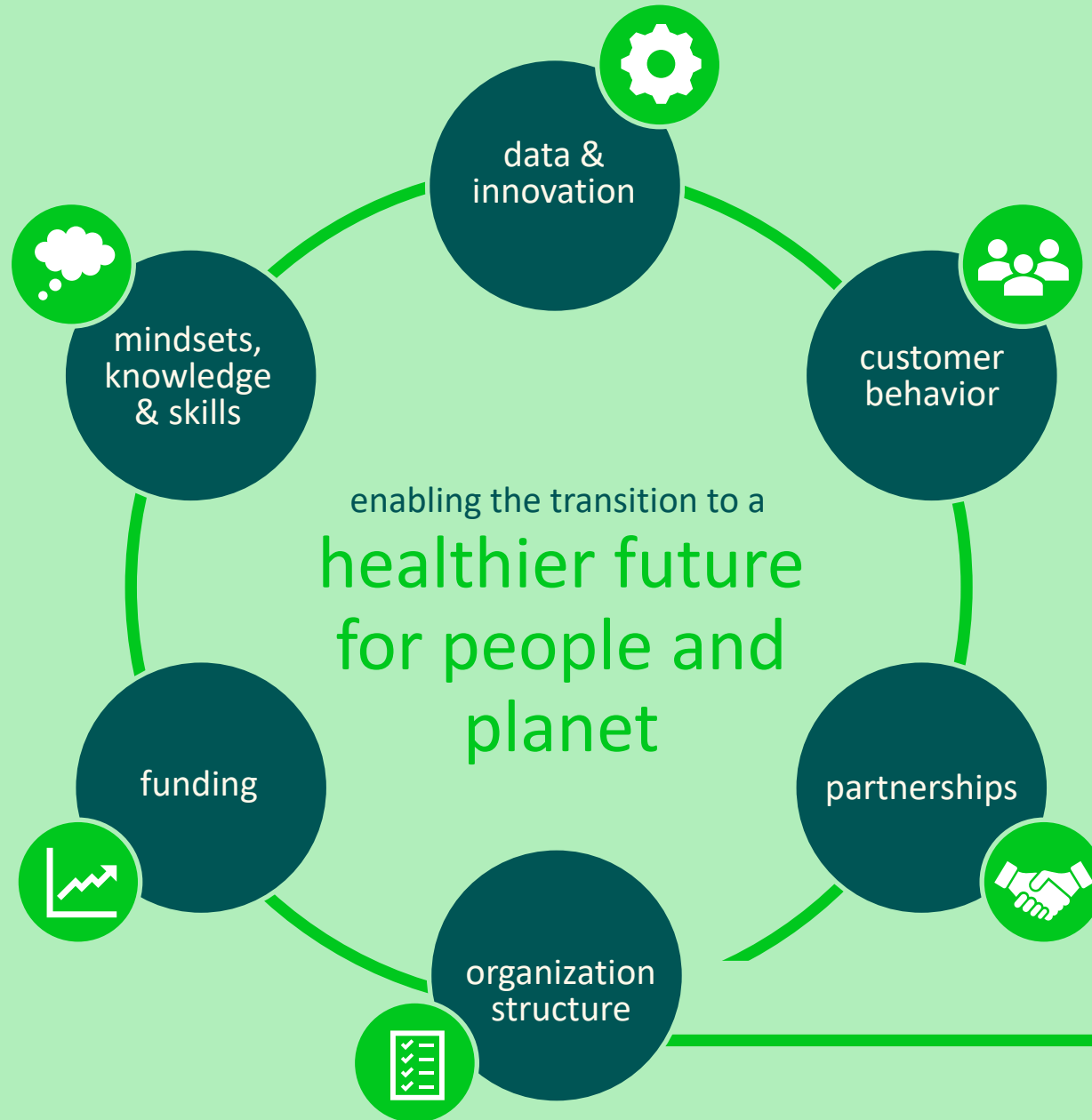
circularity

climate: own operations targets are validated by SBTi. Supply chain targets are submitted to SBTi but pending validation

nature: We utilize certification to mitigate risks connected to these commodities, and are aiming to have 100% of the listed commodities certified against Ahold Delhaize-approved standards by 2025.

nature: In 2023, we started to prepare for the EU's new Deforestation Regulation (EUDR), including by mapping supply chains and engaging with key suppliers. This work will continue into 2024








creating a culture

where healthy communities & planet are fully integrated into how we do business




grounded in goodness executive programme
4 days (in person)

key programme themes

-  Systems change, pressures & trends
-  The business case, mitigating risks and seizing opportunities
-  Dilemmas, Goals, Values and Messaging

supervisory board leadership education 3
modules (hybrid)

key programme themes

-  Context, Business Strategy & Purpose
-  Supervisory Board Duties
-  Leadership & Governance

ESG Benchmarks



Sustainability Bonds

- Sustainability Bond – 2019
- SLB, 2021, 2024
- Green Bond 2023, 2024
- Sustainability-Linked Revolving Credit Facility 2020
- Sustainability-Linked Commercial Paper Program, September 2023

04

how we measure success

2023 Performance

- 35% reduction in absolute GHG emissions Scope 1 & 2 compared to 2018 baseline
- 37% reduction in food waste compared to 2016 baseline
- 54.8% of healthy own-brand sales
- 10% reduction virgin own brand primary plastic packaging compared to 2021 baseline

Achievements of our local brands



thank you

proud companies of  Ahold
Delhaize

FOOD  LION

 STOP&SHOP



 The
GIANT
Company

 Giant

 Albert Heijn



Etos

 albert

bol.

 MAXI



 Βασιλόπουλος
...και του πουλιού το γάλα!



 ENA FOOD
CASH & CARRY

Gall&Gall
SINDS 1884



ADUSA Health & Sustainability

May 22, 2024



Getting to know Ahold Delhaize USA



→ 5 brands

→ 2,040+ stores

→ 19 states where brands operate

→ 83 million customer trips per month

→ \$58 billion+ US sales in 2023

→ Top 10 US sustainable grocer



25% of ADUSA shoppers have the strongest attitudes, most knowledge and most frequently act, over-indexing against the total US population.



88% of US consumers are familiar with the term sustainability, yet only **26%** can identify a sustainable product.



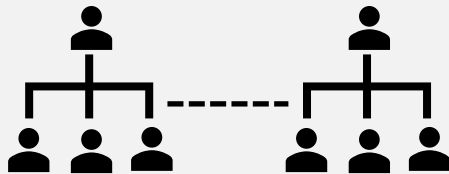
79% of ADUSA shoppers say acting sustainably is important and **32%** say they buy sustainable products, cost and availability contribute to the value-action gap.

...and how we approach health & sustainability in the evolving US landscape

Governance



ADUSA CSO
Now in place and on the
US Leadership Team



Cross functional workstreams and
dedicated brand resources

NGOs



Strategic partnerships
advance ambitions while
providing credibility &
accountability

Regulatory Environment



Fragmented Regulations
Lack of federal regulation leads
to patchwork of state and local
recycling laws

Federal Climate Rules
US SEC paused implementation
of Sc 1,2 disclosure; Sc 3
remains unmandated

Emerging Health Regulations
Federal Food & Drug Administration
(FDA) definitions for "healthy" and
front-of-pack "high in" label

Supporting Healthy Communities through our brands and services

- **54%** Own Brand Healthy Sales by 2025
- **Public disclosure** of total-store healthy sales
- **Guiding Stars** proprietary nutrition guidance program
- **Dietitian services** in-store and online
- **3rd party funding** to aid healthy food purchases



WHITE HOUSE
CONFERENCE ON
**HUNGER,
NUTRITION,
& HEALTH**

National programs & platforms involvement



WE PROUDLY ACCEPT



Supporting a Healthy Planet through food donations and waste reduction

→ 50% food waste reduction by 2030

→ 1bn meals donated since 2020

→ Flashfood App supports sale of nearing best-buy food

→ 10x20x30 + US Food Waste Pact enables precompetitive collaboration



**FEEDING
AMERICA**

10x20x30

**U.S. Food
Waste Pact**

Supporting a Healthy Planet through activities in our own operations

- **Net-zero GHG emissions** across our own operations by 2040
- **Net-zero GHG emissions** across the entire value chain by 2050
- **Investments** in energy efficiency, refrigeration systems, and modernizing fleets, transition from fossil fuels and invest in renewable energy initiatives
- **Energy Star certified** stores conserve energy and resources
- **GreenChill awards winners** for refrigeration systems emissions reductions and stringent store criteria



Stop & Shop's **anaerobic digester** has generated nearly 32 million kWh of electricity since 2016 and **4+ million kWh generated in 2023.**

Supporting a Healthy Planet through pilot programs and supplier collaboration



→ **Pilot programs** for regenerative agriculture and manure management

→ **Low-carbon product** assortment

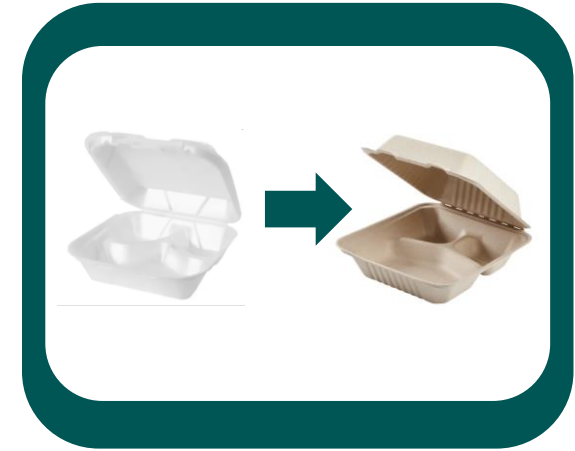
→ **Supplier collaboration** to learn and grow with us



Supporting a Healthy Planet through circularity & plastic reduction



→ 3,250 MT of virgin plastic reduced in 2023



→ US Plastics Pact elected Advisory Council Member in addition to serving on the policy working group



→ 1st US retailer to demonstrate closed-loop recycling on food-grade flexible film



*Inspiring everyone to eat and
live better, for a healthier
future for people and planet*





Health & Sustainability Albert Heijn

22nd of May 2024

Together we make eating better the easy choice. For everyone.



A trusted and inspiring partner for more than 135 years.



1,268

stores in the Netherlands and Flanders

6 million

plates per day



19,8 million customer transactions per week



37.1% market share in the Netherlands¹



More than **18 billion** in consumer sales²



More than **950,000** My Albert Heijn Premium members

More than **4.5 million** active AH app users per month



Your shopping delivered to your home from **9** Home Shop Centers
26 delivery hubs
by **3,800** delivery drivers



188 AH to go's



Reducing food waste

With AH Overblijvers, dynamic markdowns and the use of AI technology in 2023

Saved up to **6 million** kg of packaging in 2023



Largest organic provider
1.900 products

Turnover share of own-label Nutri-Score A/B **55,7%**



Over 125,000 employees.



Elected as favourite part-time job employer for the 5th time.

The Dutch Dynamics at a glance

Customers

Customers are more outspoken in the changes they want to see



Increased number of actions directed at AH



Systems change through supply chain, both locally and abroad

NGO's

NGOs are focused on single issues and very vocal, many benchmarks



Single issue approach of NGO's

Ranglijst Superlijst Groen 2023

Welke Nederlandse supermarkten maken van duurzaam voedsel de makkelijkste keuze?



Increased number of benchmarks, and more to come

Governments

Governments are holding retail responsible and accountable



Government focus on transition in agro, where retail is expected to take leading role



Increase of reporting from both EU but also national government

Our purpose driven strategy



Our purpose

**Together
we make
eating better
the easy choice.
For everyone.**

Who we are

**Albert Heijn
is your trusted
and
inspiring
partner.**

Our ambition

**A meaningful
contribution to a
healthy, social &
sustainable
society.**

How we make impact

Grow in a
**Sustainable
way**



Offer one
**Smooth customer
experience**



Excel with the
**Best
product**



Use the
**Benefit of
scale**



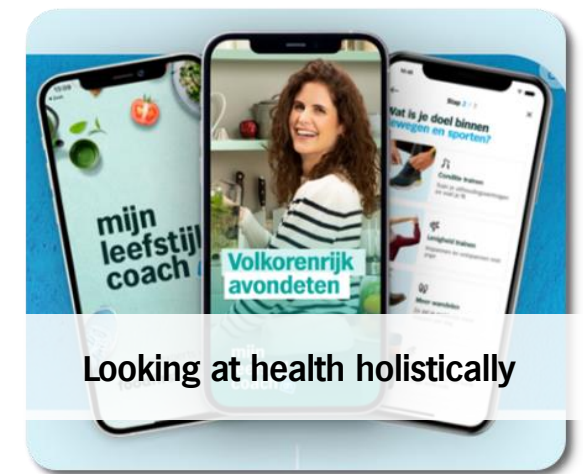
Work together in
**High-belonging
teams**



Courage - Integrity - Teamwork - Care - Humor



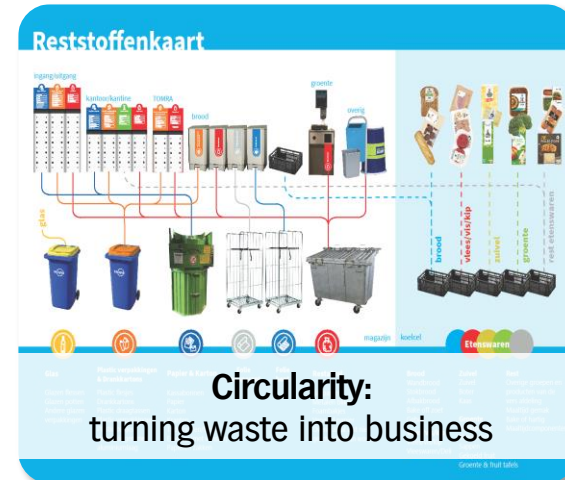
We continue to drive our sustainability efforts in multiple areas - Health



We continue to drive our sustainability efforts in multiple areas - Social



We continue to drive our sustainability efforts in multiple areas - Sustainable



Last month we published our sustainability report

Publishing of annual sustainability report for the 7th time, combined with “beter eten week”

With a strong focus on transparency and sharing of data



Voorwoord In een oogopslag Missie Gezond Sociaal Duurzaam Over dit verslag **Dataoverzicht** Bijlagen

Dataoverzicht.

Algemeen.

Datumpunt	Unit	2022	2023	Doelstelling	Doelstelling jaar	toelichting	Verwijzing
Aantal winkels totaal Nederland en België	#	1.228	1.268				-
Aantal winkels in Nederland	#	960	1.004				-
Waarom franchise winkels	#	279	301				-
Waarom eigen winkels	#	681	673				-
Aantal winkels in België	#	24	26				-
Waarom franchise winkels	#	49	51				-
Waarom eigen winkels	#	25	25				-
Aantal Avito go winkels	#	364	368				-
Aantal nieuwe winkels	#	133	93				-
Marktandelen in Nederland	%	3,0%	3,1%				-
Aantal maandelijkse gebruikers Avito app	#	3.224.000	4.580.000				-
Aantal klanten met Avito premium abonnement	#	675.000	948.900				-
Aantal profielfoto's	#	1.436	2.031				-

Gezond.

Datumpunt	Unit	2022	2023	Doelstelling	Doelstelling jaar	toelichting	Verwijzing
Verkoop							
Aandeel van onze totale verkoop van eigenmerkproducten dat bestaat uit producten met Nutri-Score A/B (Healthy Living Sales)	%	55,5%	50,7%				p. 16
Aandeel van onze totale verkoop van eigenmerkproducten dat bestaat uit producten die passen binnen de Scope van V&V	%	27%	40%				p. 19

Duurzaamheidsverslag 2023 | 123

Duurzaamheidsverslag 2023 | 124

15 x

Securing supply for the long term through systems change

Better for nature & farmer program

- We work together with 1200 dutch farmers and growers in a closed supply chain
- All Dutch fresh products certified against 'Better for Standards'
- Compensation for sustainable investments like biodiversity or animal welfare



Supply chains abroad

- Working together with AD on an approach on Nature
- Partnership with WWF to halve our ecological footprint in 2030
- No deforestation and land conversion, cut-off date 2020
- Ready for CSDDD – due diligence approach
- AH Foundation supplier in Africa to secure supply & being in control on social compliance
- Beyond certification (RFA) in the coffee and tea supply chains



Albert Heijn
Foundation



Reducing CO2, shifting focus towards scope 3 with partners & suppliers

Scope 1 + 2: 87,5% reduced since 2018

- 100% Emission free transport in 4 city centers (Amsterdam, Rotterdam, The Hague, Utrecht)
- 100% Dutch wind energy
- Solar panels on almost all suitable rooftops DC's and stores
- 95% of stores gas-free (32 stores to go)
- Energy efficient stores (73% of stores with led light, 71% of stores sustainable cooling agent)
- 100% closed in store refrigeration system (e.g., ZB5)



Scope 3: 45% reduction in 2030

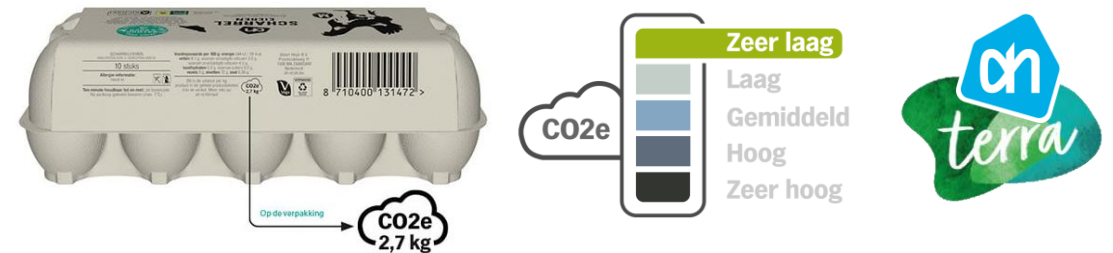
Joint responsibility with our suppliers

- 35% of our Private label suppliers reported on CO2
 - 80% of PL purchase value
- 21% of all supplier (including A-Brand) reported on CO2
 - 57% of total purchase value
- 181 (16%) of all suppliers committed to SBTi (64% of total purchase value)

Climate hub – engage with our suppliers

- Open source to help our suppliers on their journey to reduce CO2 emissions

CO2 on pack and recipes – engage with our customers



Using data analytics and technology to reduce food waste

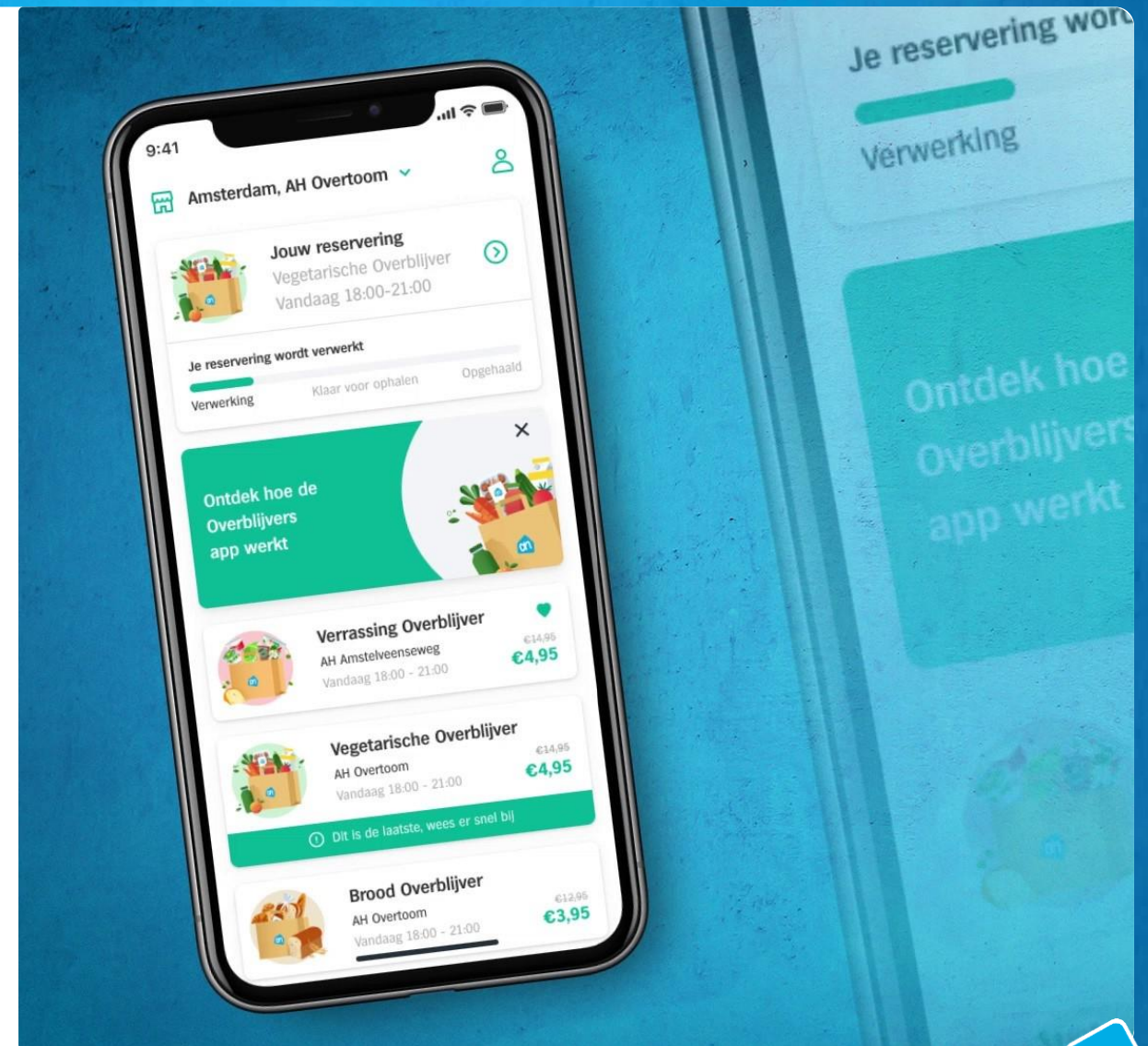
Food waste

Ambition

- 50% reduction of food waste in 2030 vs 2016 (37% realized)

Focus on prevention in all stages to eliminate foodwaste

- Replenishment & Forecasting based on algorithms
- Smart assortment tactics ~ 1 mio kg
- Planogram generator
- Dynamic markdown ~ 250K kg
- 'Overblijvers' boxes – 1 mio boxes sold so far, 800K kg in 2023
- Fruit & veg bag (verspil me niet) – 1,4 mio bags
- Bread of the day before ~ 1,3 mio kg
- Inspiration and tools for customers (e.g., cooking with leftovers, tupperware campaign & tips)



Circularity, turning waste into business

Circularity – Pilots and directional examples

Pilots to optimize and valorize own residual flows

- Optimizing waste stream management within stores
- Separating and upcycling organic waste
- Re-using materials (e.g. flower buckets)

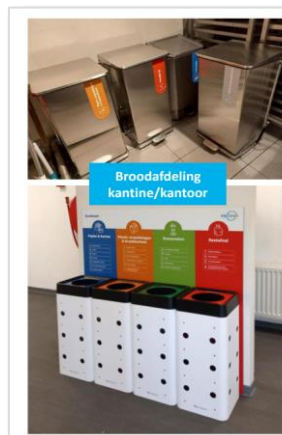
Turn residual streams of own brand suppliers into raw materials for own brand products, creating circular products

Local manure cycle within own supply chains

- Using manure from animals to fertilize fields of AH growers

Recycle materials in remodeling stores

- Re-using 70% of the inventory and 50% of the construction materials



Packaging

Ambition

- 20 million kg less packaging material in 2024 (vs 2018)
- 100% recyclable packaging in 2025 - 65% in 2023
- At least 50% recycled PET in PET packaging and at least 25% recycled plastic in other plastic packaging by 2025

EU Legislation

- Single Use Plastic (SUP)
- Packaging and Packaging Waste Regulation (PPWR) - currently a proposal for a regulation, to be discussed and adopted by EC
- Ellen McArthur Foundations vs national definitions

1 Less material



2 Recyclable



3 Recycled content



4 Reuse



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Courage - Integrity - Teamwork - Care - Humor





Thank you



Cautionary notice

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words and expressions such as healthy, strong, embedding, will, continue, current, require, mindful, forwards, commitments, make sure, keep, achieve, goals, show, collaboration, improve, strategy, targets, support(s)/(ing), responsible, approach, ensure, solutions, purpose, enables, success, vision, trusted, accessible, expanding, lead, create, drive, further, growth, building, leverage, offer, accelerate, aim(ing), by, 2025, reduc(e)/(tion), 2030, mitigate, risks, key, enabling, transition, fully, advance, through, 2040, 2050, towards, ambition or other similar words or expressions are typically used to identify forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause the actual results of Koninklijke Ahold Delhaize N.V. (the “Company”) to differ materially from future results expressed or implied by such forward-looking statements. Such factors include, but are not limited to, risks relating to the Company’s inability to successfully implement its strategy, manage the growth of its business or realize the anticipated benefits of acquisitions; risks relating to competition and pressure on profit margins in the food retail industry; the impact of economic conditions, including high levels of inflation, on consumer spending; changes in consumer expectations and preferences; turbulence in the global capital markets; political developments, natural disasters and pandemics; wars and geopolitical conflicts; climate change; energy supply issues; raw material scarcity and human rights developments in the supply chain; disruption of operations and other factors negatively affecting the Company’s suppliers; the unsuccessful operation of the Company’s franchised and affiliated stores; changes in supplier terms and the inability to pass on cost increases to prices; risks related to environmental, social and governance matters (including performance) and sustainable retailing; food safety issues resulting in product liability claims and adverse publicity; environmental liabilities associated with the properties that the Company owns or leases; competitive labor markets, changes in labor conditions and labor disruptions; increases in costs associated with the Company’s defined benefit pension plans; ransomware and other cybersecurity issues relating to the failure or breach of security of IT systems; the Company’s inability to successfully complete divestitures and the effect of contingent liabilities arising from completed divestitures; antitrust and similar legislation; unexpected outcomes in the Company’s legal proceedings; additional expenses or capital expenditures associated with compliance with federal, regional, state and local laws and regulations; unexpected outcomes with respect to tax audits; the impact of the Company’s outstanding financial debt; the Company’s ability to generate positive cash flows; fluctuation in interest rates; the change in reference interest rate; the impact of downgrades of the Company’s credit ratings and the associated increase in the Company’s cost of borrowing; exchange rate fluctuations; inherent limitations in the Company’s control systems; changes in accounting standards; inability to obtain effective levels of insurance coverage; adverse results arising from the Company’s claims against its self-insurance program; the Company’s inability to locate appropriate real estate or enter into real estate leases on commercially acceptable terms; and other factors discussed in the Company’s public filings and other disclosures.

Forward-looking statements reflect the current views of the Company’s management and assumptions based on information currently available to the Company’s management. Forward-looking statements speak only as of the date they are made, and the Company does not assume any obligation to update such statements, except as required by law.

