

strategy day 2024

opening & group strategy update

Frans Muller



cautionary notice

This communication contains information that qualifies as inside information within the meaning of Article 7(l) of the EU Market Abuse Regulation.

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words and expressions such as successfully, vision, purpose, 2025, 2028, inspiring, ambitions, by, values, future, success, accelerat(e)/(ating), strategic, priorities, strong, performance, key, growth, invest, densify, innovate, leverag(e)/(ing), deliver(ing), support(ing), through, reduc(tion)/(e), increasing, remains, committed, will, continue(d), monitor, developments, subject to, consistent, significant, driving, strength, steps, expand, optimiz(e)/(ing), focus(ed)/(ing), improve, leading, capabilities, create, experience, 2030, 2040, 2050, lead(ers), front-running, across, reach, engage, value, development, supporting, well positioned, strongest, impact, plans, will, raising, current, short term, long term 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.

Abbreviations and terms used in this presentation that are defined in the Ahold Delhaize Annual Report 2023 should be construed in accordance with the definitions and abbreviations appendix of the Ahold Delhaize Annual Report 2023 to the extent appropriate.



welcome to our

2024 strategy day



Frans Muller

President and Chief
Executive Officer



Jolanda Poots-Bijl

Chief Financial Officer



JJ Fleeman

Chief Executive Officer
Ahold Delhaize USA



Wouter Kolk

Chief Executive Officer
Europe and Indonesia



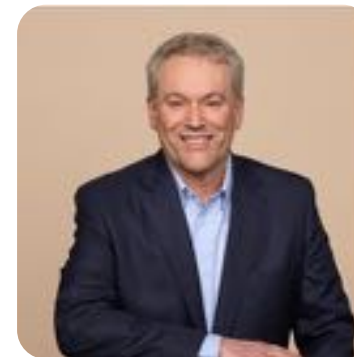
Ben Wishart

Chief Technology
Officer



Natalia Wallenberg

Chief Human
Resources Officer



Linn Evans

Chief Legal Officer



Alex Holt

Incoming Chief
Sustainability Officer

welcome to our

2024 strategy day

01

**Opening
& Group
Strategy**

02

**U.S.
Regional
Strategy**

03

**EU&I
Regional
Strategy**

04

**Deep
Dives**

- People & Communities
- Own Brand
- Technology & AI

05

**Financial
Ambitions**



our brands have been
successfully
serving
customers
for more than
150 years





63M weekly customers



16 great local brands



>7,700 stores



9 countries, 3 continents



>400,000 associates



triple A MSCI rating



relentless innovation



omnichannel offerings



deeply rooted in communities



our vision

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



our purpose

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



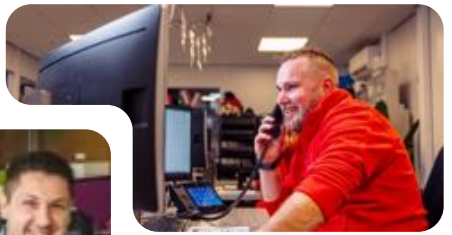
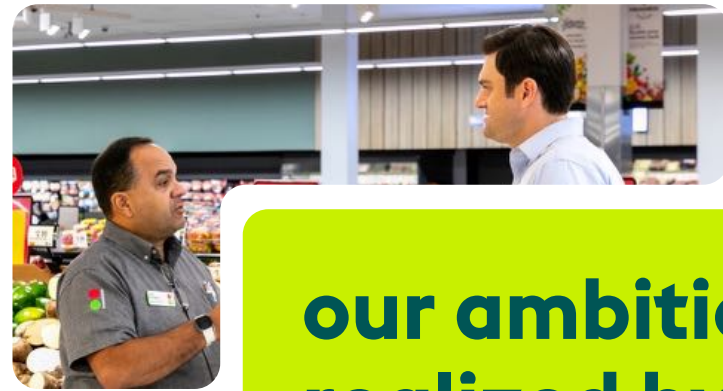
bringing our purpose to life in
our local communities

**The Global
FoodBanking
Network**
sponsorship

>€240m
in charitable cash,
product and food
donations¹

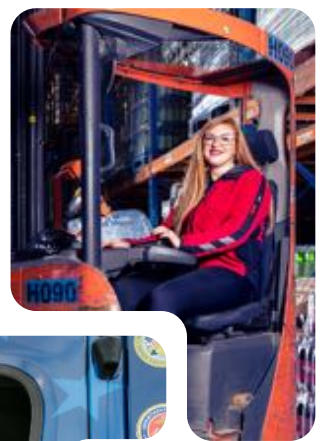


Note: (1) Total donation amount includes charitable, cash equivalent of product and food donations



our ambitions are realized by our people

thriving people



our values

teamwork

care

humor

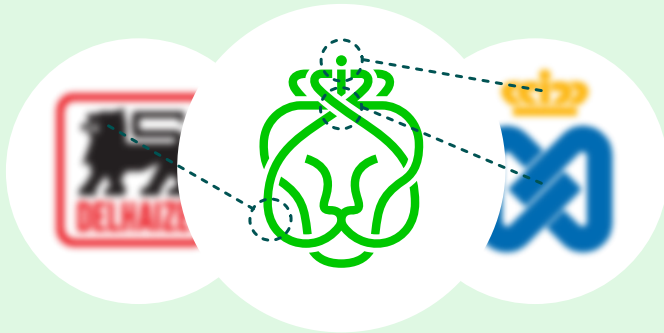
integrity

courage



our foundation has positioned us well
for future success

2016 - 2018
**better
together**



executed post-merger ambitions
created the new culture and ways of
working

2019 - 2023
**leading
together**



unlocked value by further leveraging
transatlantic and regional scale

2024+
**growing
together**



refreshed purpose, vision, strategic priorities

built
a strong foundation

accelerating
what makes a difference

our strategy has driven a series of big wins

selected examples (2019-2023)



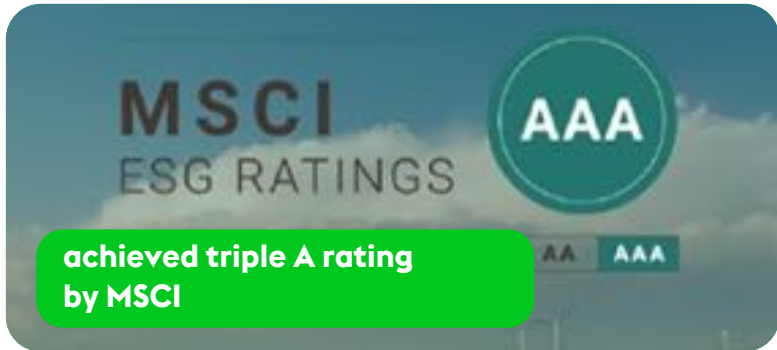
people win



evolved foundational capabilities



built award-winning loyalty programs



achieved triple A rating by MSCI



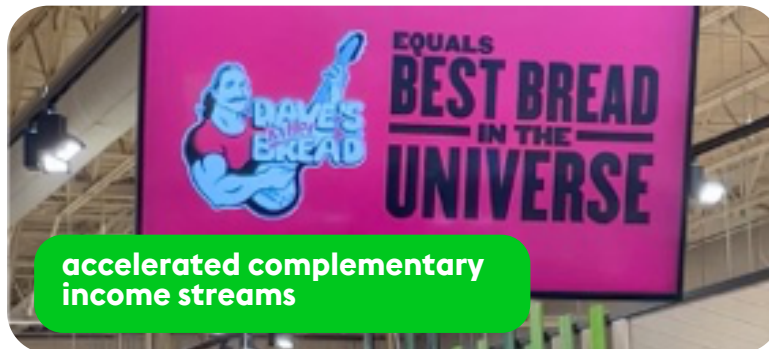
strengthened leading positions in e-commerce



transformed our business model for profitable growth



supported our communities especially through Covid-19



accelerated complementary income streams



unlocked additional growth through acquisition

we have demonstrated strong performance
across all key metrics

incremental sales of

>€22bn

since 2019

growing net consumer
online sales

27% CAGR

since 2019

consistent industry
leading margins

>4%

**sales
& profit**

free cash flow

>€8bn

2020-2023

growing underlying EPS

10% CAGR

since 2019

increasing
dividend per share

10% CAGR

since 2019

**cash flow
& capital structure**

healthy sales

54.8%

of total (+6.9pp vs 2019)

food waste reduction

37%

vs 2016 baseline

absolute carbon emission
reduction scope 1&2

35%

vs 2018 baseline

**health
& sustainability**

**our growing
together strategy**

**our
purpose**

**our
vision**

**our
values**

**our
growth
model**

**our
strategic
priorities**

**our
ambitions**

our
**growth
model**





trusted
product

vibrant
**customer
experiences**

healthy
**communities
& planet**

driving
**customer
innovation**

portfolio & operational
excellence

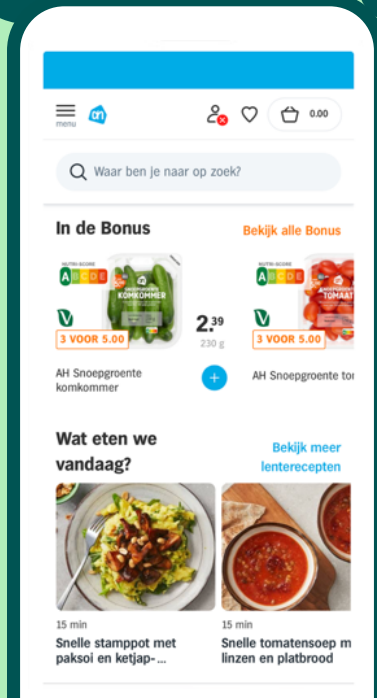
thriving
people

~45%



own brand food share

80%



omnichannel loyalty sales

invest in our winning CVP

deliver trusted products, vibrant customer experiences and support healthy communities & planet



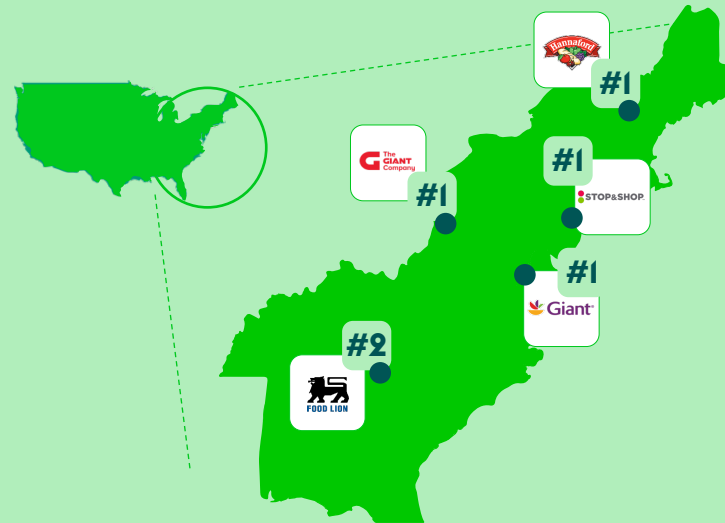
€55bn

net total sales

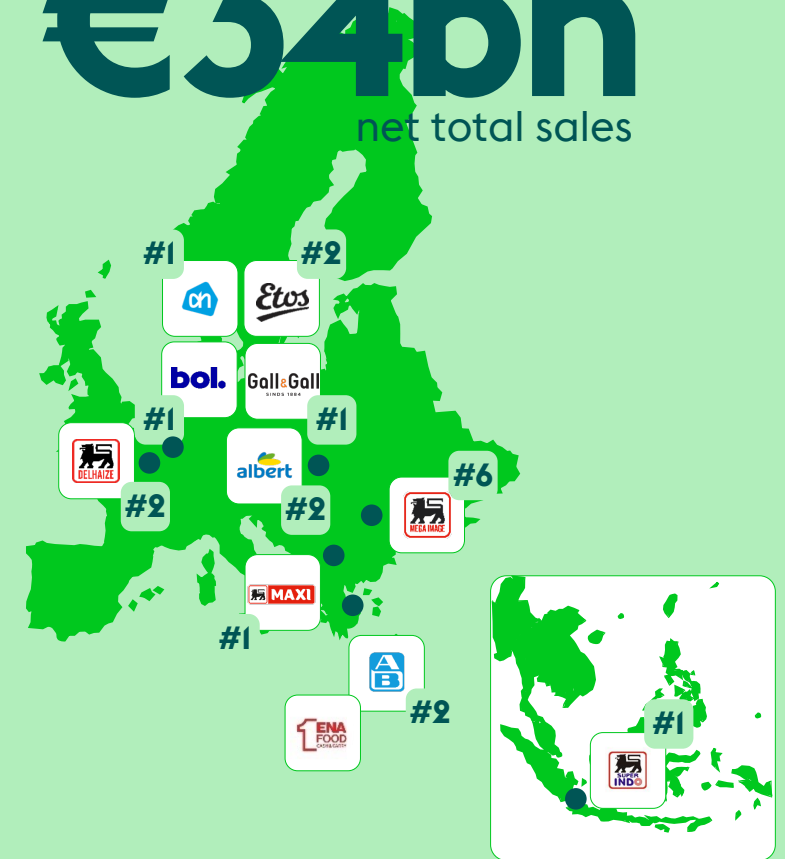
€34bn

net total sales

densify and grow markets
grow customer reach and market density with portfolio excellence



AD USA



AD EU&I

Note: Relative Market Share position only included for Grocery Retail (i.e. excluded for Bol.com, Etos, and G&G; Based on market share growth within the trade area)

densify and grow markets
**grow customer
reach and
market density
with portfolio
excellence**

FOOD LION



**densify & expand
markets**



STOP&SHOP

**timely interventions
when and where
required**



BILO

Jan Linders

**actively pursue
bolt-on acquisitions
and partnerships**

innovate for growth
and efficiency

drive growth
through
innovation
and new
business

unlock deeper
data analytics
& AI
capabilities



test, learn,
scale
mechanization
and
automation



accelerate
retail media



seize circular
business model
opportunities



explore new
capability and
business model
innovation
throughout the
ecosystem



deliver for
**our healthy
communities
& planet**

net zero

scope 1 & 2 by 2040
scope 3 by 2050

food waste

50%

reduction by 2030³

scope 1 & 2

50%

reduction by 2030¹



healthy sales

material growth

across the full store

scope 3

30% / 42%

FLAG / non-FLAG reduction by 2030²

virgin plastic

5%

reduction across own brands
by 2025 vs 2021 baseline





save for our customers

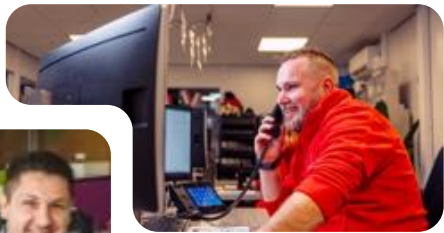
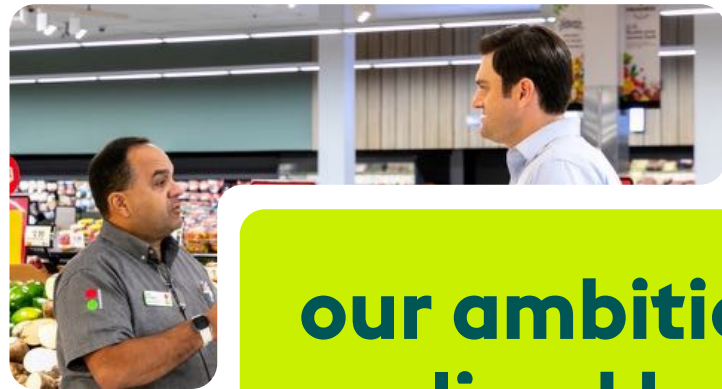
sourcing
alignments

supply
chain

store
operations

winning
with
tech & AI

leverage and lower our cost base
**to reinvest in our
CVP, tech solutions
and sustainability
commitments**



our ambitions are realized by our people

thriving people



4% growth

CAGR net sales

4% UOM

on average

high-single-digit

EPS growth

(diluted underlying EPS)

€3bn

**complementary
income streams**

€5bn savings

save for our customers

intention for

€1bn

annual share buy-back¹

~3%

gross cash capex

as % of sales

€9bn

free cash flow

(post-tax)

**increasing
dividend¹**

on an annual basis with 40-50%
dividend payout corridor

Note: All future looking statements assume constant FX and interest rates

¹ Management remains committed to our share buyback and dividend programs, but, given the uncertainty caused by the wider macro-economic consequences due to increased geopolitical unrest, management will continue to monitor macro-economic developments. The program is also subject to changes resulting from corporate activities, such as material M&A activity

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

integrity care
courage humor
teamwork

our growth model



trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

thriving people

our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions

2025-2028