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General information

Basis of preparation

At Ahold Delhaize, we believe that the long-term resilience of our Company is linked to the well-being of our planet and the people who help our brands bring products to customers, both within our brands' value chains and own operations.

Reporting on how we manage these impacts is an important step in helping us continuously improve. We welcome the new Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards (ESRS) and are proud to present our first Annual Report prepared in accordance with the CSRD and ESRS.

In this Annual Report, we use the terms environmental, social and governance (ESG) and the term sustainability to explain our impact on the world around us, and the impact of the world on our business. However, we differentiate between these terms within Ahold Delhaize in the following way:

- Sustainability at Ahold Delhaize is about ensuring long-term value creation by balancing environmental, social and economic impact.
- ESG is a framework used to evaluate Company performance in three areas – environmental impact, social responsibility and governance. It serves as an input to Ahold Delhaize's sustainability strategy.
- In the *Remuneration* section, we refer to "ESG and other strategic imperatives" in relation to the Management Board remuneration. This definition is consistent with the definition used in the Management Board remuneration policy and plan documents.

Basis of preparation

Framework and data selection

The EU Accounting Directive (2013/34/EU) (as amended by the CSRD) requires large companies, among others, to include, in a dedicated section of their management report, the information necessary to understand the entity's impacts on sustainability matters and how sustainability matters affect the Company's development, performance and position.

With the CSRD expected to be transposed into national law in 2025, we have already chosen to comply voluntarily with it in this year's Annual Report. While we faced some challenges in preparing our sustainability statements in accordance with the CSRD and ESRS, we see the process as a learning opportunity and an important part of our sustainability journey.

We consider ourselves ready to report on our sustainability matters today. However, based on the challenges we have encountered, we recognize the need to improve the availability and quality of our data.

Measurement basis

We have applied our ESG accounting policies consistently during the financial year, as well as for comparative figures. In most situations, we provide comparative figures, but where new indicators were implemented in 2024, comparative figures are not available.

Estimates and uncertainties

As we have elected to voluntarily comply with the CSRD, we are aware that the preparation of our sustainability statements is subject to Company-specific and temporary interpretations associated with this early compliance. While we prepared the sustainability statements based on the first set of ESRS, we recognize that a better understanding of the requirements may evolve when additional implementation guidance or Q&As are made available by the European Financial Reporting Advisory Group (EFRAG), and when market practice develops.

We also realize that information available for assessing certain industry benchmarks is limited and may only emerge as the number of reporting organizations increases and reporting practices become more established and uniform. We recognize the ongoing complexities and evolving nature of ESG reporting under ESRS, including potential changes in market views and notions on the nature of targets, commitments and ambitions adopted voluntarily. For this reason, we will periodically review and adjust our approach, methodologies and disclosures in line with updates to the regulations and guidance and emerging best practices and views in the market.

See *Sustainability notes* for more detail on our calculation methods, methodologies, assumptions and how we use estimates and judgments for all our ESG data points.

Consolidation

Ahold Delhaize's Annual Report 2024 covers the period from January 1 to December 29, 2024 (see *Note 2* to the consolidated financial statements for more information on the basis of preparation). The consolidated quantitative ESG data reported comes from Ahold Delhaize and all its subsidiaries. We use the financial control approach for our ESG reporting scope, in line with what is used in the consolidated financial statements. See *Note 3* to the consolidated financial statements for more information about the general accounting principles followed for consolidation, *Note 1* for more information on the Company and its operations, and *Note 35* for a list of subsidiaries, joint ventures and associates.

From an ESG reporting perspective, the dataset includes data from Company-owned stores; transactions with franchise and affiliate stores; offices; and Company-owned and leased DCs, including all transportation from DCs to stores and Company-owned jets, unless specifically noted otherwise.

Where the sustainability statements covers the Company's upstream and/or downstream value chain, we indicate this as part of the disclosures relating to the relevant material sustainability matters.

The Company has not used any of the options for omitting information on the basis of classified or sensitive information or impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU.



General information continued

Basis of preparation continued

External audit

All sustainability-related information in the *Sustainability statements* and quantitative data points included in the *Sustainability notes* are covered by a voluntary external audit with a limited assurance scope performed by our external independent auditor, KPMG. See the auditor's *limited assurance report*.

None of our metrics have been validated by an external body other than our assurance provider.

Disclosures incorporated by reference

The following information is incorporated in the sustainability statements by reference:

- [Our great local brands](#)
- [Our Growing Together strategy, including Our value creation model](#)
- Corporate governance:
 - [Our Management Board and Executive Committee](#)
 - [Our Supervisory Board](#)
 - [Supervisory Board report](#): Composition of the Supervisory Board – Supervisory Board profile and Independence
 - [Governance, risk and compliance](#)
- [Remuneration policy for the Management Board](#): Definitions of EIP performance measures and definitions of GRO performance measures
- [Note 1](#), [Note 2](#), [Note 3](#), [Note 7](#) and [Note 35](#) to the consolidated financial statements

Disclosure requirements in ESRS covered by the sustainability statements

See [Appendix to sustainability statements](#) for an overview of the disclosure requirements we complied with in preparing the sustainability statements.

Specific circumstances disclosure

Time horizons

For this reporting period, our short-term horizon is set at one year, our medium-term horizon is set at two to four years, and our long-term horizon extends to 10 years. These definitions align with our strategic planning cycles and allow us to monitor and achieve our sustainability objectives effectively.

Sources of estimation and outcome uncertainty

In preparing for qualitative and quantitative disclosures, we make judgments and use estimates and assumptions that are critical for the data we report. When disclosing forward-looking information – such as targets, ambitions and objectives – we acknowledge its inherent uncertainties and specify that such information is subject to change. Inherent to using estimates and assumptions is the recognition that this information is uncertain and that actual data might differ from previous estimates. We disclose the assumptions and approximations we have used, to provide context for and support understanding of our disclosures.

The sustainability disclosures made, including targets, ambitions and objectives, are, in many respects, dependent on developments outside of Ahold Delhaize's direct control, such as progress to be made by our suppliers, customers and society at large. The progress made by Ahold Delhaize on these topics, including on targets, ambitions and objectives disclosed, is, therefore, subject to general market dependencies. These include, among others, policy and regulatory change, the decarbonization trajectory of the economy, microeconomic and financial factors, technological developments supporting sustainability efforts, and market and supplier progress and support. We continue to keep our targets, ambitions and objectives under review to ensure their alignment with Ahold Delhaize's overall strategy.

For disclosures relating to estimations, judgments made to determine metrics and changes in the preparation or presentation of sustainability information, see individual metrics under [Sustainability notes](#).

Changes in presentation of sustainability information

Unlike in the previous reporting period, in which we reported in accordance with Global Reporting Initiative (GRI) standards, we have prepared these sustainability statements in accordance with the ESRS. The main effects of this change relate to additional disclosures around policies, actions, metrics and targets regarding material sustainability matters.

In addition, our reporting on scope 3 GHG emissions was done in prior years with a one-year delay. This delay is no longer utilized in the Annual Report 2024 and, as such, we provide both 2023 and 2024 figures as newly reported figures. See [Climate change](#) for more information.

The restatements of prior period or baseline figures, where applicable, are disclosed under each metric in the [Sustainability notes](#).



General information continued

Governance

Governance

How we manage sustainability and ESG

Executive and non-executive governance bodies

Our Management Board is responsible for the overall management of the Company and for the actions and decisions of the Executive Committee, which manages our general affairs and ensures effective implementation of the strategy and achievement of the Company's objectives.

Until his retirement at the end of May 2024, Jan Ernst de Groot was Ahold Delhaize's Chief Sustainability Officer (CSO) and Chief Legal Officer (CLO). As of June 2024, Alex Holt took over as CSO and member of Ahold Delhaize's Executive Committee.

The Health & Sustainability (H&S) Group function at Ahold Delhaize reports directly to our Chief Sustainability Officer (CSO), who also chairs the cross-functional SLT.

The Chief Human Resources Officer (CHRO) is responsible for own-operation HR aspects, including diversity, equity and inclusion, associate well-being and worker safety, while the Compliance and Ethics function on Group level, which includes human rights and product safety, is responsible for certain social and governance matters and reports to the CLO.

Our Chief Financial Officer (CFO) maintains oversight of our sustainability-related financial activities and reporting. The CSO, CLO and CHRO are part of the Executive Committee, while the CFO is part of both the Executive Committee and the Management Board.

Topic-specific targets and ambitions are agreed by the Management Board and Executive Committee to effectively monitor and report performance against our ambition. This process is guided by the CSO and other relevant Executive Committee members with support from the cross-functional SLT. Our double materiality assessment (DMA), ERM and strategy processes are key inputs to setting targets and defining aims.

The Management Board is also regularly updated on progress and consulted on adjustments, when needed. During these meetings, the Management Board reviews, provides feedback and approves targets, ensuring alignment with the Company's strategy.

The Supervisory Board supervises the Management Board on the performance of its duties and advises both the Management Board and Executive Committee. See [Corporate governance](#) and the [Supervisory Board report](#) for more information on the Health and Sustainability Committee and topics discussed.

The Supervisory Board is updated on sustainability progress bi-annually, when the Management Board presents a comprehensive review, including an update on the views and interests of affected stakeholders and material impacts, risks and opportunities. The Supervisory Board provides input, approves modifications and makes sure that the targets align with long-term strategic goals. This ensures ongoing alignment and responsiveness to changes in the business environment.

For the composition, expertise and role of the Health and Sustainability and Audit, Finance and Risk Committees, see [Supervisory Board report](#).

Day-to-day leadership

The SLT brings together a team of leaders representing the main dimensions of sustainability across Ahold Delhaize and is the Company's expert advisory voice on sustainability. It includes support functions such as Finance, Communications, Legal, H&S, HR and Public Affairs. Responsible associates in the respective areas update the SLT on a regular (monthly) and need-to-know basis about the views and interests of affected stakeholders and material impacts, risks and opportunities.

Regional and brand leadership teams are responsible for establishing and resourcing implementation plans and monitoring performance around targets and ambitions as defined by the Group as well as locally relevant sustainability topics.

The H&S, HR and Compliance & Ethics functions, together with the relevant Finance departments, determine the ESG indicators to be collected and reported to the Finance team at Ahold Delhaize Group and included in the Annual Report and on our website.

Guidance on these ESG indicators is summarized in an ESG Accounting Manual, updated on a semi-annual basis and part of Ahold Delhaize's Accounting and Procedures Manual (ADAPM). The ESG Accounting Manual is approved by the ESG sub-committee of the cross-functional ADAPM committee, which includes representatives from the brands and support functions, such as Finance, HR, Legal and H&S.

Ahold Delhaize's ESG information, as set out in the [Sustainability notes](#), is voluntarily subject to limited assurance by our external independent auditor. See the [Assurance report](#) on the ESG information for the opinion and the exact scope of the assurance provided.

Policies

We have a global sustainability policy that applies to Ahold Delhaize and its subsidiaries. This policy outlines Ahold Delhaize's approach to sustainability and ESG within its own operations and across its value chain. We also maintain internal sustainability standards that address key material sustainability matters, offering guidance on these topics to the local brands. The CSO is responsible for the implementation of the sustainability policy and the related standards.

Ahold Delhaize's global policies are formal statements or principles that are intended to build a foundation for the implementation of our sustainability approach. Our global standards are mandatory minimum global requirements, rules or goals that provide support and direction for the global policies.

See [Environmental information](#) and [Social information](#) for further details on policies related to each material sustainability matter.

Information to and sustainability matters addressed by governance bodies

See the [Corporate Governance](#) section for information about the matters addressed by management and the [Supervisory Board report](#) for information on topics discussed by the Supervisory Board during 2024.

Integration of sustainability-related performance in incentive schemes

In 2022, we strengthened the connection between executive compensation and sustainability by elevating our emphasis on ESG factors in our remuneration policies, changing both short- and long-term incentive composition. See [Remuneration policy for the Management Board](#) for further details.

General information continued

Governance continued

Statement on due diligence

In the summer of 2023, we kicked off our first global sustainability due diligence (SDD) process that identifies the Company’s salient social and environmental impacts. This process was the starting point for – and reflects the “do no harm” aspect of – our DMA.

An SDD can be best described as an approach by which companies identify, address and mitigate the social and environmental impacts in their own organizations and throughout their value chains. In addition, companies are expected to track and communicate about their progress. See the SDD diagram for an overview of the steps of the process.

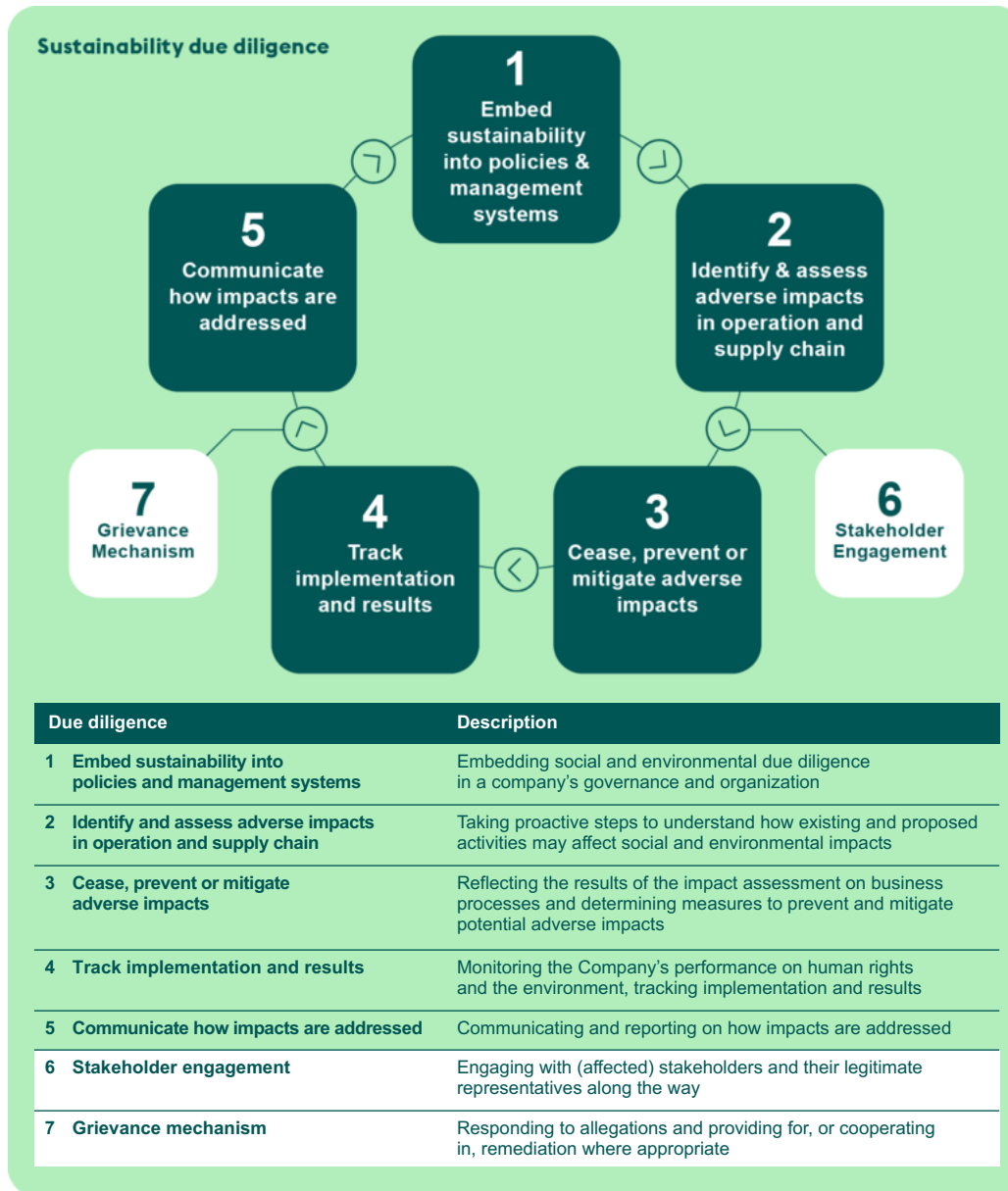
We set out to identify Ahold Delhaize’s global salient social and environmental impacts and to identify any gaps in how we mitigate those salient impacts and develop a due diligence roadmap that will help us meet the requirements of the Corporate Sustainability Due Diligence Directive (CSDDD). We will adapt our roadmap when further guidance is available in relation to the CSDDD.

When performing an SDD, it is important to engage with affected stakeholders. Ahold Delhaize recognizes that impacts on people often occur locally, in the day-to-day operations and supply chains of our great local brands. So, throughout the global SDD process, we engaged with more than 40 internal regional and local experts across our brands, who represented Commercial, Legal, Sustainability and HR-related functions. We also conducted a survey that was completed by more than 70 associates in key roles across all regions and brands.

As part of the process, we engaged with external representatives of potential affected stakeholders (in our own operations and our supply chains). We interviewed 13 organizations on Ahold Delhaize’s potential salient social and environmental impacts and perceived gaps.

We invited those same organizations to participate in a stakeholder workshop to discuss their recommendations for a due diligence roadmap. In addition, we asked more than 30 external stakeholders to complete a survey and leveraged input from the human rights impact assessments conducted by Albert Heijn to get a perspective from workers in the supply chain.

See also our 2024 *Human Rights Report* issued in July 2024 for more information.





General information continued

Governance continued

Overview of salient impacts

The outcome of our SDD process is the overview of salient social and environmental impacts presented in the table below. These salient issues were included in the DMA as input, where the majority also became part of the material sustainability matters for reporting under the CSRD.

Environmental salient impacts	Social salient impacts
GHG emissions (OO/VC)	Child labor (VC)
Water scarcity and overuse (VC)	Forced labor (VC)
Ecosystem conversion, incl. deforestation (VC)	Community impacts, incl. land rights, access to water (VC)
Overfishing and depletion of fish stocks (VC)	Inadequate wages (OO/VC)
Plastic pollution (VC)	Freedom of association and collective bargaining (OO/VC)
Soil degradation (VC)	Discrimination (incl. gender inequality) (OO/VC)
Food waste (OO)	Harassment and violence (OO/VC)
Inadequate animal welfare (VC)	Insufficient access to healthy food (OO)
	Inadequate working time (OO/VC)
	Unhealthy and unsafe working conditions (OO/VC)

VC – value chain
OO – own operations

Due diligence roadmap

The second outcome of our SDD process is the due diligence roadmap, which covers the steps required to address salient environmental and social impacts.

We started implementing the due diligence roadmap in 2024 to address our salient social and environmental impacts and work toward closing the gaps to help us meet future CSDDD requirements. We will adapt our roadmap when further guidance is available in relation to the CSDDD. The high-level steps of our roadmap are:

1. Develop due diligence guidance and policy to embed due diligence within the organization.
2. Build out the sustainability risk assessment to enhance identification and assessment of adverse impacts.
3. Develop mitigation toolbox to help with the stopping, prevention and mitigation of negative impacts.
4. Measure progress to track implementation and results.
5. Develop due diligence reporting in line with CSRD and CSDDD to communicate how impacts are addressed.
6. Engage with stakeholders along the way and develop supply chain grievance mechanisms.

See also [Index: Statement on due diligence](#).

Risk management and internal controls

Ahold Delhaize measures, tracks and reports on various ESG-related KPIs to demonstrate our performance against our strategy and compliance with regulatory reporting requirements.

Our internal controls for ESG reporting follow the same framework as our internal controls for financial reporting. Depending on the nature and priority of the ESG reporting topics, key controls are formalized in our global risk management system and are subject to regular review by Risk & Control and Internal Audit teams to validate their design and operating effectiveness.

Our global GRC committee serves as a forum for identifying, addressing and monitoring relevant business risks and opportunities. Our Risk & Control teams report on the effectiveness of our internal control framework to the GRC on a quarterly basis, and to the Management Board and Supervisory Board through the Management Review of Internal Controls (MRIC) process.

In order to effectively address ESG reporting risks and meet limited assurance requirements, we have developed robust processes and internal control procedures for ESG KPIs both at brand and Group level. We maintain process documentation and evidence of control procedures to demonstrate our review, reconciliation and validation of data reported.

We apply the same risk management framework for ESG information as we use for financial information; see [Governance, risk and compliance](#) for more information.



General information continued

Strategy

Strategy

Strategy, business model and value chain

Our strategy is further explained in [Our Growing Together strategy](#), and, for an overview of the markets our brands serve, see [Our great local brands](#). See also [Our value chain](#) and [Our value creation model](#) under [Strategic report](#).

For an overview of our associates (headcount) by geographical area, see the [social indicators](#) on Own workforce as disclosed in the [Sustainability notes](#).

For a breakdown of revenue, including sales from gasoline, see [Note 7](#) to the consolidated financial statements.

Material impacts, risks and opportunities (IRO) and interaction with strategy and business model

See [Our material sustainability matters](#) under [Double materiality assessment](#) for an overview of our sustainability material matters and how these interact with the strategic priorities of our Growing Together strategy. For an overview of our actions and projects related to these matters, see the topical sections in the sustainability statements where we discuss our material [environmental](#), [social](#) and [governance](#) matters.

We provide an overview of the identified impacts, risks and opportunities relating to the material sustainability matters in the [Sustainability statements section on IRO management](#).

Current and anticipated financial effects

See [Performance review](#) for more information about the financial results and position of the Company. The 2024 results have not been affected significantly by the impacts, risks and opportunities related to the material sustainability matters compared to the prior year.

See [Note 2](#) to the consolidated financial statements for information on how we consider the effects of climate change in the preparation of the financial statements. Specifically, see [Note 11](#) to the consolidated financial statements for information on where we have included climate- and sustainability-related risks and opportunities as part of our impairment test.

Included in the consolidated income statements are the following types of operating expenses that are directly or indirectly linked to the effects of the impacts, risks and opportunities and our data collection and reporting efforts under ESRS. None of these expenses were significant enough for individual disclosure:

- Under [Note 8](#) to the consolidated financial statements:
 - Labor costs, which include the expenses relating to associates working in a dedicated capacity or indirectly on material sustainability matters, such as associates in our H&S team
 - Other operating expenses, which include costs incurred to implement the ESRS as well as other operational costs to implement policies and standards relating to material sustainability topics
 - Also included in Other operating expenses are losses incurred as a result of climate events, such as costs relating to Hurricane Helene; see also [Performance review Group performance: Restructuring and related charges and other items](#).

- See also [Performance review – Financial review by segment: Ahold Delhaize Group](#) for impacts on insurance costs due to weather events.
- Under [Note 4](#) to the parent financial statements, we included the independent accountant fees relating to the limited assurance on the sustainability statements.
- Under [Note 17](#) to the consolidated financial statements, we included the inventory write-off during 2024, which includes losses related to food waste.
- See also [EU Taxonomy](#) for the eligible (and aligned) CapEx spent in 2024, impacting our financial position.

With the exception of climate change, the implementation of our action plans relating to material sustainability matters does not require significant, separately identified operating expenditure (OpEx) in the future, as these activities and costs are integrated into our business model and reported as business as usual. For example, costs incurred due to food waste are included in inventory write-offs and operational costs are included in store operations.

Anticipated financial effects include OpEx and CapEx to be incurred in the coming years as part of our efforts to reduce our GHG emissions. See also [Climate change: Transition plan](#).



General information continued

Strategy continued

Interests and views of stakeholders

As global retailers, Ahold Delhaize and its brands take into account the needs of many different stakeholder groups in our day-to-day business. We define stakeholders as individuals, groups or organizations that can affect or be affected by our business.

The value we create depends not only on our own efforts, but also on factors in the external environment, market developments (see [Evolving market trends](#)) and the relationships we build with our stakeholders. Nature and animals are considered “quiet” stakeholders, whose needs we take into account in our policies and actions.

We proactively manage our relationships to foster open dialogue with, and capture feedback from, our stakeholders in both formal and informal ways throughout the year. Also, as part of our SDD and DMA, we gained further insight into the diverse perspectives of our key affected stakeholders on our impacts, risks and opportunities. These insights help us identify matters that are financially material and impactful for sustainability, aligning our strategy with our goals and societal expectations so we can add short-, medium- and long-term value. To enhance transparency on how we do this and to comply with the Dutch Corporate Governance Code, we have published our [Policy on Stakeholder Engagement](#). The following table highlights certain expectations of, the means of engagement with and examples of what we discuss with our four most impactful stakeholder groups.

See [Impact, risk and opportunity management](#) and the separate sections on sustainability material matters for more information on how we address the outcome of our engagement with stakeholders and how they interact with our strategy and business model.

Customers

Expectations

- A seamless and easy shopping experience, enabled by technology
- High-quality products that are healthy, tasty and affordable
- Empowered customer choice through great value and easy access to affordable and healthy food options

How we engage with them

- Brands' customer service in stores, on the telephone and online
- Direct feedback to our brands' associates, websites and social media
- Customer surveys, studies and focus groups
- Communications campaigns to support customers in making local, affordable, healthy and sustainable food choices
- Customer research, such as what we performed as part of the DMA

What they tell us

- Customers value products that are made with respect for people, animals and the planet, and they share our concerns about food and plastic waste.
- Customers want convenient online shopping with pick-up or delivery options.
- Consumers want to have choice and appreciate when it is easy to find healthier alternatives to products and when there is guidance and information available.

Associates

Expectations

- A caring place to work, where there is opportunity for growth and collaboration, and a thriving culture
- Balanced remuneration and equal pay for equal work
- A safe and supportive environment where everyone is heard and valued

How we engage with them

- Through our AES
- Frequent touchpoints, including performance review processes, recognition, rewards and benefits programs, and training
- Virtual town halls, expert sessions and other meetings and events to facilitate connections
- Associate mental health initiatives
- Sponsorship and support of Business Resource Groups (BRGs)
- As part of the DMA, but we also engage with Works Councils on a regular basis

What they tell us

- Associates take pride in working for Ahold Delhaize and its brands and have access to support, resources and training to maximize their growth.
- Workplace conditions-related topics, such as working hours, equal treatment and safety, are important topics for associates.

Shareholders

Expectations

- Delivery of consistent, stable earnings growth, strong free cash flow, dividends and share repurchase programs and being a sustainable food retailer

How we engage with them

- Annual and extraordinary General Meetings of Shareholders
- Quarterly disclosures on financial performance briefings and presentations
- Individual or group meetings with analysts and shareholders
- Regular regional roadshows and conferences
- Other meetings, such as our Strategy Day in May 2024, during which we introduced our new Growing Together strategy
- Sustainability expert sessions

What they tell us

- Shareholders appreciate the delivery of consistent, stable earnings growth, strong free cash flow, dividends and share repurchase programs.
- Sustainability topics considered important by shareholders include climate, biodiversity, and consumer health and nutrition.



General information continued

Strategy continued

Communities¹

Suppliers

Expectations

- Building long-term relationships that are mutually beneficial and cooperation on important topics, such as health, human rights, product safety and climate

How we engage with them

- Individual meetings, online communication, supplier events and via partnerships
- As part of the DMA, we engaged with several key suppliers.

What they tell us

- Suppliers give us input on how our brands can create healthier and more sustainable products for customers, reduce food waste and increase economic, social and environmental value for communities in the supply chain.
- We should work together on mitigating the negative impacts of climate change.

Charities and civic organizations

Expectations

- Being an integral part of the communities our brands serve and helping addressing broader societal challenges

How we engage with them

- Partnerships with local community organizations and charities, either directly or via brand-owned foundations or sponsorships

What they tell us

- They give us insights into community needs and how our brands can be stronger partners in creating healthier communities.

NGOs

Expectations

- Helping resolve global challenges related to climate, health, human rights and other topics. We consider NGOs to represent, to a certain extent, the voices of communities and workers in the value chain.

How we engage with them

- Responding to requests from and reaching out to NGOs via individual and group meetings as well as written communication
- Being a founding partner and member of various sustainability-related networks and institutions

What they tell us

- NGOs make us aware of opportunities to improve our performance and transparency on a wide range of topics including human rights and climate change.
- In some cases, NGOs expect us to change policies or work with our brands' suppliers to improve their ESG performance.

Governments

Expectations

- Respecting regulations and adopting a stakeholder approach that takes into account society and the environment

How we engage with them

- Engaging with the European Commission on the importance of a well-functioning EU internal market for both the agri-food chain and consumers
- The U.S. brands made commitments in service of the White House Challenge to End Hunger and Build Healthy Communities. They accelerated their work to support nutrition education for children by committing to invest almost \$1 million to reach more than 200,000 children with nutrition messaging in 2024.

What they tell us

- Our views, insights and support are valued and we can help to create a favorable policy and regulatory framework for the Company and society.

Franchisees and affiliates

Expectations

- The opportunity to build a long-term profitable business, with reliable supply of high-quality products at competitive prices and insights to improve their business

How we engage with them

- Individual meetings, strategic and commercial business reviews, training courses and events on commercial and operational management, leadership and sustainability
- Simplification and acceleration of store opening and remodeling process

What they tell us

- They give us input on operating stores, engaging with local communities and competing in their markets.

Industry associations

Expectations

- Commitment by Ahold Delhaize and its brands to address industry challenges, establish coalitions of action, drive implementation and work together to shape operational standards

How we engage with them

- Pre-competitive forums such as Roundtable on Sustainable Palm Oil and GLOBALG.A.P.
- Industry association memberships, chambers of commerce and national retail federations such as the Consumer Goods Forum (CGF), VNO-NCW (Netherlands), Eurocommerce (EU) and FMI: The Food Industry Association (U.S.)

What they tell us

- They help us anticipate and understand local, national and regional public policy developments and drive change in specific sectors.

Schools and research institutes

Expectations

- Funding, (customer) insights and sponsorship for joint research projects

How we engage with them

- Responses to academic surveys, sponsorships, scholarships and other educational initiatives

What they tell us

- Academic research on topics such as robotics is often very specific and theoretical. Collaboration with Ahold Delhaize helps universities find real-life use cases for their technologies and co-create scalable solutions.

1. Please note that "communities" in this chapter is not the same as "Communities", as included in the [Community impacts](#) chapter in this Annual Report.

General information continued

Impact, risk and opportunity management

Impact, risk and opportunity management

The process to identify and assess material IROs

Our double materiality assessment

Our 2024 materiality assessment is based on the double materiality principle, considering both impact materiality and financial materiality in line with ESRS requirements. Impact materiality reflects the inside-out perspective: the actual or potential impacts of Ahold Delhaize and its brands on people and the environment over the short, medium and long term. Financial materiality reflects the outside-in perspective: the most significant sustainability-related risks and opportunities for Ahold Delhaize and its brands over the short, medium and long term.

The DMA led us to make some changes to our previously identified material sustainability matters, including regrouping and renaming some to align with the ESRS. We have also identified some new material sustainability sub-topics.

As explained in the *Environmental* and *Social Information* chapters, Ahold Delhaize is utilizing the transitional provision related to value chain. Due to the current varying levels of maturity of our approach to these topics, and that of the industry at large, policies, actions and targets have not yet always been established. In the coming year, we will look to identify what steps, if any, can be taken to address these matters while maintaining alignment with our overall strategy.

Our material sustainability matters are included in the overview *Our material sustainability matters* below. This table also includes a link to our strategic priorities.

The process to determine material sustainability matters is summarized in the overview to the right.

Step 1: Sustainability due diligence

We kicked off our first SDD process in 2023 and finalized it in early 2024 (see also *Statement on due diligence*). SDD is an on-going practice that responds to and may trigger changes in our strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The outcome of the first SDD was a list of salient issues, focused on negative impacts. This list became the starting point for the long list of topics in our DMA and was supplemented by potential positive impacts and risks in the next steps of the process.

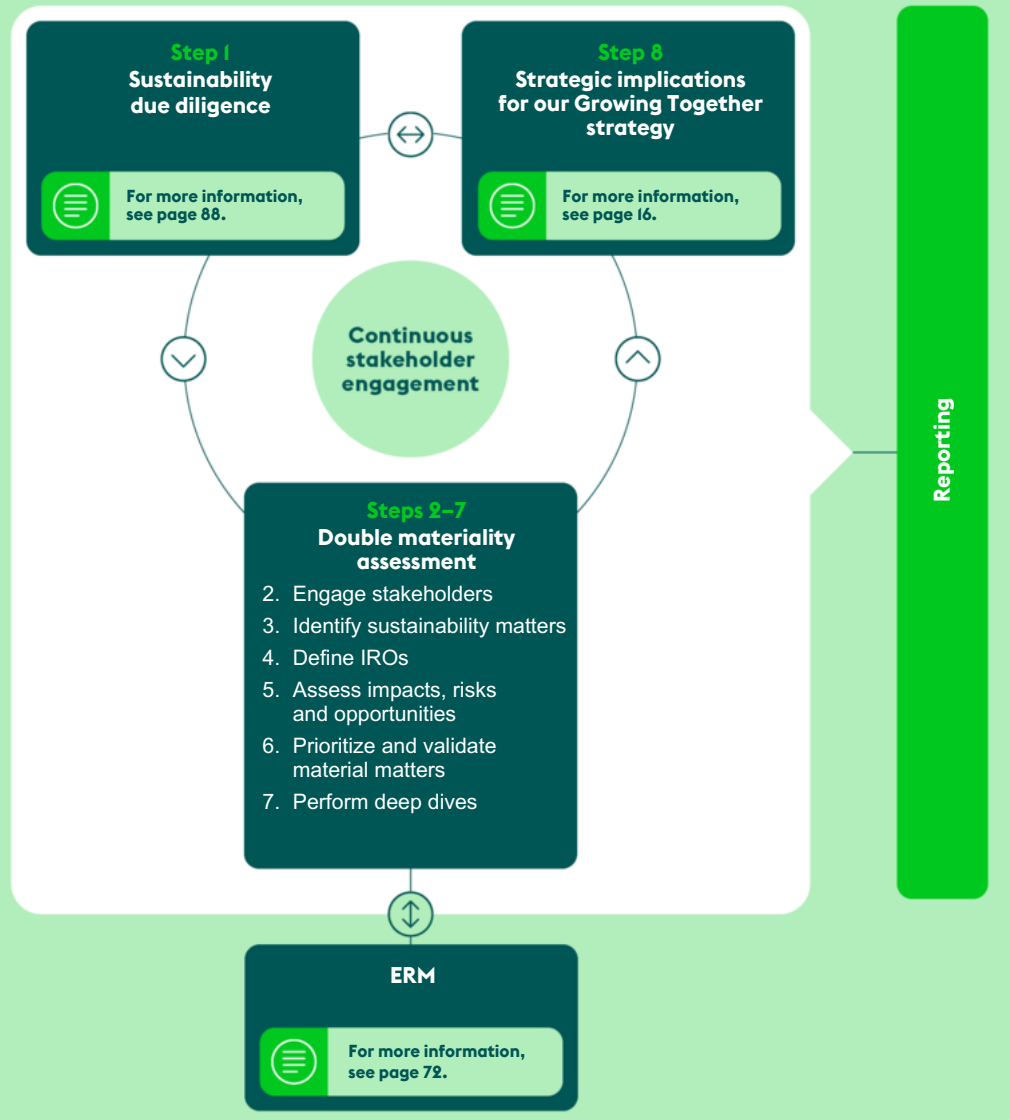
Step 2: Define context and identify stakeholders

First, we defined Ahold Delhaize's context and characteristics, including: a general overview of Ahold Delhaize and its brands; our value chain steps covering the upstream, own operations and downstream business operations and business relationships; our market position; and other elements of our strategy. Our value chain consists of a range of actors, activities and assets. See *Our value chain* and *Our value creation model* for more information.

We obtained insights into affected stakeholders' interests and views through a robust process of engagement that included one-on-one interviews and a survey. These insights are used to ensure alignment on and inclusion in the long list of topics considered for materiality.

To read more on our stakeholder engagement policy and processes, see *Interests and views of stakeholders*.

Double materiality in context





General information continued

Impact, risk and opportunity management continued

Step 3: Identify potentially relevant sustainability matters

We created a long list of sustainability matters, also covering entity-specific topics that could potentially be material for Ahold Delhaize and its brands. We researched and referenced insights from international reporting standards, including ESRS; our previous years' (single) materiality assessments; our SDD process; peer reports; our brand-specific reports; rating agency reports; risk analyses; and insights gathered from our engagement with stakeholders. We also made use of an AI-based application that provided data-driven insights through an automated analysis of data points from publicly available sources to provide input for topics on the long list.

Step 4: Define impacts, risks and opportunities

Sustainability matters are defined by the impacts, risks and opportunities they bring. Our assessment included the full value chain, incorporating insights from stakeholders and topic experts to deepen our understanding, particularly on issues within the supply chain.

Step 5: Assess impacts, risks and opportunities

The next step was to quantify and evaluate the impacts. For negative impacts, we assessed severity using scale, scope and irremediability, and for positive impacts, using scale and scope. We also considered the likelihood of potential impacts. We used a five-point scale that standardizes evaluations across scale, scope, irremediability and likelihood. Our assessments relied on specific data where available but, for some upstream and downstream impacts in the value chain, our topic experts applied professional judgment when data was unavailable.

Alongside the assessment of the impacts, our subject matter experts also analyzed and assessed the potential risks and opportunities, based on qualitative and quantitative thresholds informed by existing ERM and SDD thresholds, as well as the materiality threshold used for the audited financial statements. The assessment resulted in a materiality score for each impact, risk and opportunity. The DMA also informs our risk management process; see [Risks and opportunities](#).

Step 6: Prioritize and validate material matters

After assessing and scoring, by applying a threshold or cut-off point, we were able to determine which were material and non-material.

Thresholds were determined at levels that ensured the most material matters were appropriately included for disclosure and validated by the outcomes of our stakeholder engagement activities.

This resulted in the short list of material sustainability matters that were clustered into our material sustainability matters and validated by our SLT and ESG Steering Committee and approved by the Executive Committee.

Step 7: Perform deep dives

To advance certain topics, further scientific-based analysis is sometimes considered necessary. This can be done by following the four phases of the LEAP approach for environmental sub-topics and involves delving deeper into specific environmental topics to thoroughly understand impacts, dependencies and risks on a more detailed and science-based level than the results of our DMA.

To address this need, we initiated a nature project, which builds on the LEAP approach foundations and is supported by scientific data to help us gain a comprehensive understanding of our impacts and dependencies. For more information, see [Nature](#).

Step 8: Strategic implications

The outcome of the DMA informs our strategy, which aims to create sustainable long-term value for our stakeholders and will be used to identify sustainability priorities for the short, medium and long term.

For both impact and financial materiality, we have defined short-, medium- and long-term time horizons in line with the definition outlined in the ESRS, as explained in the [Basis of preparation](#).

Each year, we will perform a light review of our DMA, updating it based on desk research and inquiry with internal stakeholders to identify if there are any triggering events. We aim to perform a thorough DMA every three to four years, unless a significant event triggers an earlier reassessment.

Interaction between the DMA and the ERM process

Our ERM process is undertaken in line with the principles and best practice provisions of the Dutch Corporate Governance Code. It is designed to identify, assess and take action on risks and opportunities that may impact the achievement of our strategic, operational, financial and compliance-related business objectives and activities including, but not solely related to, sustainability topics.

Although the ERM process can identify principal sustainability-related risks that correspond with the financial risks of the DMA, it also identifies principal risks that are not related to sustainability matters and are not identified as part of the DMA. In the ERM process, we identified several principal risks that interact with our material sustainability matters. For more information on our ERM process and principal risks, see [Risks and opportunities](#).

Limitations

The DMA process may be impacted in the future when additional sector-specific standards are adopted. The sustainability statements may not include every IRO or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our material sustainability matters

The following table lists the material sustainability matters we have identified through our DMA process, along with the sub-topics that our material sustainability matters relate to, as well as the IRO underlying these matters. In addition, this list also links material sustainability matters with our strategic priorities and the United Nations Sustainable Development Goals. For more on how these IROs interact with our strategy and business model, see [Strategy](#) under General information.

For more information on these matters, see the topical sections in the [Environmental](#) and [Social information](#) sections of the [Sustainability statements](#).

General information continued

Impact, risk and opportunity management continued

Our material sustainability matters, including the related impacts, risks and opportunities

Impact, risk or opportunity
- Impact materiality: Negative impact
 + Impact materiality: Positive impact
 ! Financial materiality: Risk
 ☆ Financial materiality: Opportunity

Value chain¹
← Upstream
 ○ Own operations
 → Downstream

Time horizon¹
S Short-term
 M Medium-term
 L Long-term






1. Dark green indicates applicability for the material sustainability matter/impact

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic
Environmental: Climate					
Healthy communities & planet 	Climate change: Understanding and mitigating business impacts on climate change by reducing scope 1, 2 and 3 GHG emissions across the value chain. This includes our approach to mitigating and adapting to potential physical and transition risks, as well as the identification of potential climate-related opportunities in the transition to a lower-carbon economy.				
	Climate change mitigation (CCM) and energy use: Impact on the environment, nature and people through the direct GHG emissions from the own operations (scope 1) of Ahold Delhaize and its brands as well as the indirect GHG emissions from purchased electricity, heat, cooling and steam (scope 2)	- ← ○ → S M L			
	CCM: The impact on the environment, nature and people through scope 3 GHG emissions. Scope 3 GHG emissions include those generated by farmers, producers and suppliers, mainly from activities related to the production of goods that are sold to customers.	- ← ○ → S M L			
	CCM – transition risk: Transitioning to a lower-carbon economy may entail extensive policy, legal, technological and market changes, to address mitigation and adaptation requirements. These events can include the introduction of carbon pricing, product composition restriction, changes in customer preferences and energy price volatility, which may pose an economic risk to the Company.	! ← ○ → S M L			
	Climate change adaptation (CCA) – physical risk: The risk of acute and chronic climate events due to extreme weather events, which can cause damage to own (vulnerable) assets (e.g., own office buildings, stores and warehouses) or to our distribution infrastructure, which can result in out-of-stock situations and subsequently store closures or impacts on our brands' ability to make home deliveries	! ← ○ → S M L			
	CCA – physical risk: The risk of acute and chronic climate events due to extreme weather events, which can cause decreases in agricultural yields (e.g., yield volatility and yield loss) and commodity scarcity	! ← ○ → S M L			
Environmental: Nature					
Healthy communities & planet 	Pollution: The pollution of air, soil, water and living organisms and food resources through the emissions of pollutants including nitrates, phosphates, pesticides, non-GHG air pollutants and microplastics, which may be harmful to human health and the environment. This occurs during the mining, cultivation, production or transport of products and services sold by Ahold Delhaize and its brands.				
	Pollution of air, soil, water, living organisms and food resources: Impact on air quality, soil, water, living organisms and food resources through the emission of pollutants caused by the sourcing, production and transport of products and services sold by Ahold Delhaize and its brands	- ← ○ → S M L			
	Microplastics: Impact on the environment and customers from the products sold and consumed by customers that contain microplastics and can have negative effects on the environment and human health. Pollution can also originate in the production and use of microplastics in health and beauty products and the associated plastic waste that leaks into ecosystems.	- ← ○ → S M L			
	Microplastics – transition risk: Regulatory and reputational risks due to new or stricter regulations regarding the use and sale of (products containing) microplastics resulting in failure to meet stakeholder expectations. Regulatory requirements could impact product assortment, requiring reformulation or discontinuing of products.	! ← ○ → S M L			



General information continued

Impact, risk and opportunity management continued

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic			
Environmental: Nature continued								
Healthy communities & planet 	<p>Water and marine resources:</p> <p>Water: Understanding and managing impacts, dependencies and risks linked to freshwater withdrawals and consumption in our upstream value chains. Focused on water use in cultivation, production and processing of commodities and products sold by Ahold Delhaize and its brands</p> <p>Marine resources: Understanding and managing impacts, dependencies and risks linked to the harvesting of seafood from both wild catch and aquaculture operations in our upstream value chains</p>				  			
	<p>Water consumption and withdrawal: Impact on the local environment and water availability/supply through withdrawal and consumption of the water associated with producing products sold by Ahold Delhaize brands</p>	-	←	○	→	S	M	L
	<p>Water consumption and withdrawal: Decreasing water availability in production areas could result in higher prices, broader quality and availability challenges.</p> <p>Reputational risks linked to sourcing water-thirsty crops from water-stressed areas, especially where there is community impact. Increased regulation and policy relating to water use could result in increased cost of compliance for suppliers.</p>	!	←	○	→	S	M	L
	<p>Extraction and use of marine resources: Impact on marine ecosystems through the extraction and disturbance of marine resources (e.g., sourcing of seafood, bycatch and overfishing) for the production and sale of products by Ahold Delhaize brands</p>	-	←	○	→	S	M	L
	<p>Extraction and use of marine resources: Degradation of marine ecosystems and fish stocks could result in increased prices, reduced availability and assortment.</p> <p>Increased policies and regulations on sourcing marine products could bring increased costs and liabilities for Ahold Delhaize and its supply chain. There are also potential reputational risks stemming from the sale of seafood while the marine environment is in decline.</p>	!	←	○	→	S	M	L
	<p>Biodiversity and ecosystems: Understanding and managing the business's impacts on biodiversity and ecosystems in upstream value chains as well as the related risks. Includes consideration and mitigation of the business's contribution to relevant material drivers of biodiversity loss, including climate change, pollution, ecosystem conversion, land degradation and direct exploitation through seafood sourcing</p>					  		
	<p>Land-use change, freshwater-use change and sea-use change: Impact on biodiversity and ecosystems caused by land-use change such as deforestation and land conversion, large-scale freshwater-use and sea-use change in the upstream value chain</p>	-	←	○	→	S	M	L
	<p>Land-use change, freshwater-use change and sea-use change: The impacts of land-, water- and sea-use change could result in the reduced availability and quality of raw materials for Ahold Delhaize's brands, with potential price impacts (physical risk). There are also risks to the ongoing development of regulation in this space, which could be costly to comply with and/or reduce land and water available for food crops, pasture and timber, which could reduce productivity and increase raw material prices (transition risk). There is a reputational risk of being linked to land-, water- or sea-use change within our upstream value chains.</p>	!	←	○	→	S	M	L
	<p>Climate change: The emission of GHGs that contribute to climate change and exacerbate biodiversity loss and damage to ecosystems. These effects can include increased temperatures or extreme weather events.</p>	-	←	○	→	S	M	L
	<p>Climate change: The impact of climate change on biodiversity and ecosystems could result in the reduced availability and quality of raw materials for Ahold Delhaize's brands (physical risk). The transition risk of our brands' suppliers failing to comply with stricter laws and regulations regarding the emission of GHGs and, therefore, losing their ability to supply. There is a reputational risk of being linked to climate change and its impact on biodiversity and ecosystems.</p>	!	←	○	→	S	M	L
<p>Impact on the extent and condition of ecosystems: Impact on biodiversity and ecosystems caused by land degradation, as a result of the sourcing and production of our brands' products</p>	-	←	○	→	S	M	L	
<p>Land degradation: Land degradation could lead to challenges relating to the availability and price of raw materials for Ahold Delhaize's brands (physical risk). In addition, new or stricter laws and regulations on land degradation could create challenges for our suppliers (transition risk). There is a reputational risk of being linked to land degradation in the upstream value chain.</p>	!	←	○	→	S	M	L	

General information continued

Impact, risk and opportunity management continued

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic
Environmental: Nature continued					
Healthy communities & planet 	Pollution: Impact on biodiversity and ecosystems through pollution, for example through plastics, chemical fertilizers, pesticides and nitrogen emissions that harm nature and ecosystems	—	← ○ →	S M L	
	Pollution: At severe levels, pollution could create challenges for the availability of raw materials for Ahold Delhaize's brands (physical risk). In addition, should we or our suppliers fail to comply with stricter laws and regulations on the pollution of ecosystems, it may create additional supply challenges (transition risk). Adverse impacts on pollution could also create a reputational risk for Ahold Delhaize, its brands and suppliers.	!	← ○ →	S M L	
	Direct exploitation: Impact on biodiversity and ecosystems caused by the direct exploitation of species, as a result of the sourcing and production of our brands' products, namely through our seafood assortment	—	← ○ →	S M L	
	Direct exploitation: Direct exploitation of nature and biodiversity could lead to the reduced availability and increased prices of raw materials, most likely within the seafood assortment (physical risk). Linked to this, increased policies and regulations on marine products could bring increased costs and liabilities for Ahold Delhaize's brands and its supply chain (transition risk). The is also potential reputational risks stemming from the sale of wild-caught seafood where there are sustainability challenges.	!	← ○ →	S M L	
	Impacts and dependencies on ecosystem services: Potential impact and dependency on ecosystem services such as pollination, water availability and healthy soils caused by Ahold Delhaize's activities	—	← ○ →	S M L	
	Impacts and dependencies on ecosystem services: Dependencies on ecosystem services including but not limited to pollination, healthy and productive soils and water availability can create physical risks within our supply chain linked to the price and availability of raw materials. Impacts on ecosystem services within our value chains could create transition risks linked our reputation, liability and/or regulation.	!	← ○ →	S M L	
	Impacts and dependencies on ecosystem services: Opportunities around the use of technologies to support the production of products that are not harmful for biodiversity and ecosystems (e.g., precision fermentation to support the transition to plant-based protein)	☆	← ○ →	S M L	
Animal welfare: Understanding and managing the business' actual and potential impacts on animal welfare in upstream value chains					
	Impact on the well-being of animals through the use of animals for food production, sourced from suppliers and sold by Ahold Delhaize brands	—	← ○ →	S M L	
Environmental: Circularity					
Healthy communities & planet 	Packaging: Implementing practices to reduce product and transportation packaging and increase reusable, recyclable or compostable packaging material use, where possible, and working with stakeholders to support the transition to a circular economy for packaging				
	Packaging: Impact on the environment through the production, use and disposal of (virgin) plastics, cardboard and other (non-)compostable primary and secondary packaging materials used and sold by Ahold Delhaize's brands	—	← ○ →	S M L	
	Packaging – transition risk: Transition risks relating to regulatory pressures for new or stricter product composition and circularity regulations, also impacting supply, as well as the risk of market share loss due to an inability to respond to consumer demands for more sustainable, circularly designed products and/or product packaging.	!	← ○ →	S M L	
	Waste: We promote the responsible handling of unsold food to reduce food waste and increase the reuse of unsold food and the recycling of food that is wasted along the supply chain, in distribution and operations as well as in customers' homes. Our aim is to contribute to a food system that is based upon the principles of the circular economy. Other waste components offer opportunities to refuse/avoid, reduce, reuse, repair or recycle, in order to reduce the negative environmental impact.				
	Food waste: Impact on the environment and food security through the waste of (scarce) food resources (intended for human consumption) across the value chain	—	← ○ →	S M L	
	Packaging waste: Impact on the environment through waste generated by own operations and customers from the use of primary and secondary packaging for products used and/or sold by Ahold Delhaize's brands	—	← ○ →	S M L	



General information continued

Impact, risk and opportunity management continued

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic	
Social: Own workforce						
Thriving people 	Working conditions: Ensuring responsible labor practices in our own operations, employee well-being and health promotion, and freedom of association topics Adequate wages: Impact on employees by providing an adequate wage	+	← ○ →	S M L	 	
	Social dialogue: Impact on employees, including provision or allowance of employees' representation, where duly elected or appointed by law, in negotiation, consultations or other types of dialogue between representatives of governments, employers, and/or workers' representatives.	+	← ○ →	S M L		
	Work-life balance: Opportunities in employee engagement, offering benefits – such as attractive well-being initiatives and a working environment that respects work-life balance – that may lead to performance improvement	☆	← ○ →	S M L		
	Health and safety: Ahold Delhaize and each of its brands recognize and support the right of their associates to work in a healthy and safe workplace. Impact on employees' occupational health and safety through protection and safety measures on the work floor that are inadequate to prevent physical injury	-	← ○ →	S M L		
	Equal treatment and opportunities for all: Building a diverse and inclusive environment, fostering non-discriminatory workplace practices Diversity: Impact on employees by supporting a diverse workforce through new hires and promotions across Ahold Delhaize and all its brands, including but not limited to generations, LGBTQ+, gender, race and ethnicity, disabilities, neurodiversity, religion and nationalities.	+	← ○ →	S M L	 	
	Gender equality: Impact on employees as a result of promoting a gender-balanced workforce and striving for pay equity for all associates across Ahold Delhaize and its brands	+	← ○ →	S M L		
	Measures against violence and harassment in the workplace: Risk of disruptions in the supply chain and critical interaction with suppliers due to legal or regulatory sanctions, labor unrest, strikes and absenteeism of workers, as well as reputational risk as a result of failing to foster a safe working environment that is free of harassment, discrimination and unethical behavior	!	← ○ →	S M L		
	Social: Labor and human rights in the value chain					
	Trusted product 	Working conditions: Respecting the rights of every worker to be treated fairly and with respect and dignity, while ensuring that salient impacts are addressed, including inadequate wages and unhealthy and unsafe working, and where applicable, living conditions Adequate wages: Impact on workers in the upstream value chain as a result of engaging with parties that do not pay adequate wages to their workers	-	← ○ →	S M L	
		Health and safety: Impact on workers in the upstream value chain as a result of engaging with parties that do not provide adequate healthy and/or safe working conditions for their employees. Workers in DCs, migrant workers and subcontracted workers (in the agricultural sector) are at a heightened risk.	-	← ○ →	S M L	
Other work-related rights: Respecting the right of every child to be free from labor that deprives them of their childhood, potential and dignity or harms their physical and/or mental development, and respecting the right of every individual to be free from forced labor, slavery and servitude Child labor: Impact on children as a result of engaging with parties in the supply chain that violate the human rights of children through child labor. Child labor is work that interferes with compulsory schooling and damages health and personal development.		-	← ○ →	S M L		
Forced labor: Impact on workers in the value chain as a result of engaging with parties in the supply chain that violate the human rights of workers through forced labor. Forced labor is defined as all work or service demanded from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.		-	← ○ →	S M L		

General information continued

Impact, risk and opportunity management continued

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic
Social: Labor and human rights in the value chain continued					
Trusted product 	Equal treatment and opportunities for all: Respecting the rights of every worker to a workplace free from discrimination, harassment and violence, and for women to be treated fairly and equally to men				
	Gender equality and equal pay for work of equal value: Impact on workers in the upstream value chain through engaging with parties that do not provide equal treatment and opportunities and equal pay for work of equal value for employees based on gender	—	← ○ →	S M L	
	Measures against violence and harassment in the workplace: Impact on workers in the upstream value chain as a result of engaging with parties that do not provide adequate measures against violence and harassment in the workplace. Harassment involves unwelcome and, in some cases, unlawful conduct. This includes verbal, written, graphic or physical contact.	—	← ○ →	S M L	
	Discrimination: Impact on employees of suppliers as a result of engaging with parties that do not provide an inclusive workplace for employees and do not respect the rights of every worker to enable a workplace free from discrimination	—	← ○ →	S M L	
	All sub-topics: Risk of reputational damage and/or operational disruptions in the supply chain and interaction with critical suppliers due to these suppliers being noncompliant with applicable standards and measures leading to: <ul style="list-style-type: none"> – Failures to implement practices to prevent child labor and forced labor and to ensure equality and adequate wages to be paid – Failures to implement practices for safe work environment or materialization of worker harassment 	!	← ○ →	S M L	
Social: Community impacts					
Trusted product 	Community impacts, including land rights and access to water: Ensure that salient and material impacts on local and Indigenous communities in the supply chain, such as land-related impacts and access to water and adequate food, are addressed, including respecting the rights of human rights defenders and Indigenous peoples				
	Land-related impacts: Impact on (Indigenous) communities of land availability through land grabbing as a result of the increased demand for land necessary to house livestock, grow more crops, or house upstream production facilities. This can be done with or without free, prior and informed consent of communities and result in (involuntary) physical displacement and relocation of people.	—	← ○ →	S M L	
	Water and sanitation: Impact on (Indigenous) communities of water availability due to activities in the upstream supply chain that require (excessive) water use from (water-scarce) areas, as well as the effect of effluents/wastewater from upstream supply chain activities on communities' water use for subsistence farming	—	← ○ →	S M L	
	Adequate food: Impact on (Indigenous) communities' food security through land grabbing, overexploitation of (natural) resources, and the use of harmful pesticides/pest control agents by upstream supply chain partners	—	← ○ →	S M L	
	Litigation and/or reputational risks: Risk of litigation and/or reputational damage due to being linked to (human) rights violations of communities in the upstream supply chain through suppliers, as well as operational disruptions due to unrest around communities' access to water and sanitation	!	← ○ →	S M L	
	Impacts on human rights defenders, especially those from Indigenous communities: Impact on human rights defenders from attacks against them. This is particularly related to Indigenous communities, because 40% of human rights defenders' killings occur in these communities (while Indigenous peoples comprise less than 5% of the world's population).	—	← ○ →	S M L	



General information continued

Impact, risk and opportunity management continued

Growing Together strategy	Descriptions and definition of material sustainability matter / impact, risk and opportunity	IRO	Value chain	Time horizon	Main SDG related to this topic
Social: Customers					
Healthy communities & planet 	Customers' health and nutrition: Inspire customers and communities to engage in positive habits by offering the right assortment; nudging them toward healthy lifestyles; and supporting them through education, inspiration and the use of technology Impact on customers by providing healthy and nutritious products, providing clear information on product nutrition and increasing customers' awareness of health and nutritious impacts	+	← ○ →	S M L	  
	Opportunity to be considered a frontrunner in offering healthy and nutritious products to customers, meeting the increasing (and future) customer needs for more healthy, sustainable and nutritious products and tapping into financial incentives by working with government projects to promote healthy and sustainable food	☆	← ○ →	S M L	
Healthy communities & planet and trusted product 	Access to affordable, healthy products: We strive to provide customers and communities with access to affordable, high-quality nutritious products by making healthier products affordable and accessible for all. Access to affordable, healthy products: Positive impact on customers by making healthier and quality products affordable and accessible for all	+	← ○ →	S M L	
	Product safety: A "safe product" means any product that, under normal or reasonably foreseeable conditions of use, including the actual duration of use, does not present any risk or only the minimum risks compatible with the product's use. For product safety purposes, we make a distinction between food and non-food. Food is defined as all products that are considered as human food and excludes medicine and dietary supplements. Non-food are all products that are not considered as human food, including medicine, medical devices and dietary supplements.				
Trusted product 	Health and safety of customers and protection of children: Impact on customers, including vulnerable groups, through the sale of products that are unsafe and/or illegal and could harm or injure customers, such as products that are contaminated or defective, intentionally tampered with, or impacted by food fraud in the supply chain	-	← ○ →	S M L	
	Health and safety of customers and protection of children: The risk of non-compliance with new or stricter product safety regulations and the reputation harm and loss of customers as a result of the sale of unsafe products	!	← ○ →	S M L	



environmental information



For more information on our performance on these environmental topics, see *Sustainability notes – Environmental indicators*.



For brand examples related to environmental topics covered in this section, see www.aholddelhaize.com/sustainability.

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Environmental information

Performance highlights

As part of our strategic priority *healthy communities & planet*, and informed by our DMA, we measure and manage our Company's environmental impacts using three pillars: climate, nature and circularity. The table below provides an overview of the targets or ambitions and our progress for 2024.

climate				
Environmental topics	Measurable targets and ambitions ^{1,2,3}	Progress	Performance	
climate change	Scope 1 and 2 targets (2018 baseline):		Scope 1 and 2 reduction of 36% against the 2018 baseline was achieved, a 2 percentage-point higher reduction than in 2023.	
	• 2025: > 38% reduction against the 2018 baseline			
	• 2030: 50% reduction against the 2018 baseline			
	• 2040: Net zero: 90% reduction and 10% removals against the 2018 baseline			
	Scope 3 targets (2020 SBTi-methodology baseline):			
	Near term: 2030: Scope 3 targets (2020 baseline, submitted but not yet validated):			Our FLAG GHG emissions increased by 9.9% compared to the 2020 SBTi baseline, while the E&I GHG emissions increased 0.2% against the 2020 SBTi baseline.
• We commit to reduce absolute scope 3 forest, land and agriculture (FLAG) GHG emissions by 30.3% by 2030 from the 2020 SBTi baseline (for near-term target).			Against our restated 2020 full scope 3 baseline of 60.4 MtCO ₂ e, our full scope 3 footprint increased to 63.6 MtCO ₂ e in 2024.	
• We commit to reduce absolute scope 3 Energy and Industrial (E&I) GHG emissions by 42.0% by 2030 from the 2020 SBTi baseline (for near-term target).				
Long term: 2050: Scope 3 targets (2020 baseline, submitted but not yet validated):				
• We commit to reduce absolute scope 3 FLAG GHG emissions by at least 72% by 2050 from the 2020 SBTi baseline (for long-term target).				
• We commit to reduce absolute scope 3 E&I GHG emissions by 90% by 2050 from the 2020 SBTi baseline (for long-term target).				
Net zero:⁴				
• We commit to reach net-zero GHG emissions across our value chain by 2050.				

Progress key Do not achieve On track Significant progress Achieved Achieved ahead of schedule Area of focus



Environmental information continued

Performance highlights continued

nature			
Environmental topics	Measurable targets and ambitions ^{1,2,3}	Progress	Performance
water and marine resources: seafood	<ul style="list-style-type: none"> By 2025, we aim to have 100% of own-brand seafood products certified against an accepted standard, from sources assessed by an accepted third party, or from accepted Fishery/Aquaculture Improvement Projects (FIPs/AIPs). 		In 2024, 96.7% of own-brand seafood products were certified against an accepted standard, from sources assessed by an accepted third party, or from accepted FIRs/AIPs, compared to 96.9% in 2023.
	<p>By 2025, Ahold Delhaize and its brands aim to be 100% deforestation and land conversion free for own-brand products containing coffee, cocoa, palm oil, tea, soy and wood fiber. We achieve this through:</p> <ul style="list-style-type: none"> 100% of own-brand products containing coffee certified against an accepted standard 100% of own-brand products containing cocoa certified against an accepted standard 100% of own-brand products containing palm oil certified against an accepted standard 100% of own-brand products containing tea certified against an accepted standard 100% of high-risk (South American) soy volume in own-brand supply chains covered by accepted physical certification or credits 100% of own-brand wood fiber-based products and packaging either certified against an accepted standard, classified as low-risk or recycled 	 	<p>In 2024, 97.4% of own-brand products containing coffee were certified against an acceptable standard, compared to 97.1% in 2023.</p> <p>In 2024, 96.5% of own-brand products containing over 5% cocoa were certified against an accepted standard compared to 91.8% in 2023.</p> <p>In 2024, 96.4% of own-brand products containing palm oil were certified against an acceptable standard compared to 93.7% in 2023.</p> <p>In 2024, 99.5% of own-brand products containing tea were certified against an acceptable standard compared to 99.4% in 2023.</p> <p>100% of high-risk soy volume in own-brand supply chain were covered by accepted physical certification or credits in both 2024 and 2023⁷.</p> <p>In 2024, 91.6% of own-brand wood fiber-based products and packaging were either certified against an acceptable standard or classified as low-risk or recycled, down 1.8% from 93.4% in 2023.</p>
animal welfare	<ul style="list-style-type: none"> All Ahold Delhaize brands have the ambition of being 100% cage free for own-brand and national-brand shell eggs by 2032⁵. Our U.S. brands have the ambition to sell 100% pork products from group-housed swine by 2028⁶. Our European brands continue to ensure compliance with EU legislation that limits the use of gestation crates for swine for extended periods. 	 	<p>47% of the total shell eggs sold were cage free, compared to 45% in 2023.</p> <p>Reporting to commence in 2025.</p>

Progress key Do not achieve On track Significant progress Achieved Achieved ahead of schedule Area of focus



Environmental information continued

Performance highlights continued

Circularity

Environmental topics	Measurable targets ^{1,2,3}	Progress	Performance
waste	<ul style="list-style-type: none"> Our target is >40% reduction of total tonnes of food waste per €1 million of food sales against our 2016 baseline by 2025. 		In 2024, we achieved a 35% reduction of total food waste per €1 million of food sales against the 2016 baseline, the same percentage reduction as reported in 2023.
	<ul style="list-style-type: none"> By 2030: 50% reduction of total tonnes of food waste per €1 million of food sales against our 2016 baseline 		
packaging	By 2025:		By 2024, we had reduced our virgin plastic packing by 10.3% compared to our 2021 baseline, a minimal improvement compared to last year's 10.2% decrease against the baseline.
	<ul style="list-style-type: none"> Our target is to reduce the use of virgin plastic in own-brand primary product packaging by 5% compared to 2021. 		
	<ul style="list-style-type: none"> Our target is to have 25% of our total own-brand primary plastic packaging weight made from recycled content. 		
	<ul style="list-style-type: none"> Our target is for 100% of primary own-brand plastic packaging to be reusable, recyclable or compostable in practice and at scale. 		33% of primary plastic own-brand product packaging is reusable, recyclable or compostable, compared to 28% in 2023, a 4.3 percentage-point increase.

1. Boundaries of the material sustainability matters are included in [Our material sustainability matters](#) overview.

2. See [Sustainability notes](#), as well as individual ESRS disclosures, for more information on the KPIs and performance.

3. See [Sustainability statements](#) for more information on the targets or ambitions per material sustainability matter.

4. See [Definitions and abbreviations](#) for the definition of net zero. We plan to utilize removals to the extent permitted by the SBTi.

5. Our ambition relating to cage-free shell eggs was revised during December 2024, from the ambition to be 100% cage free by 2025 to 100% by 2032. See [Animal welfare](#) for more information.

6. The ambition for our U.S. brands was revised in December 2024, from the aim to eliminate gestation stalls by 2025 or sooner to the above. See [Animal welfare](#) for more information.

7. Includes credits purchased in the first quarter of the next financial year to offset volumes of the current financial year. See [Sustainability notes](#) for more information.

Progress key Do not achieve On track Significant progress Achieved Achieved ahead of schedule Area of focus



Environmental information: climate

Climate change

climate

Climate and nature can be seen as two sides of the same coin. Climate change is a key driver of nature loss, while the degradation of nature contributes to climate change and undermines nature's ability to regulate emissions and adapt to weather events.

Our climate pillar includes the material sustainability matter climate change, which covers both our impact on climate change (mainly due to GHG emissions), including the impact on nature, and the impact of climate change on our organization (mainly physical and transition risks). In the Nature section of this report, we will focus on drivers of nature loss other than climate change.

in this section

climate change

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climate change

Definition: Understanding and mitigating business impacts on climate change by reducing scope 1, 2 and 3 GHG emissions across the value chain. This includes our approach to mitigating and adapting to climate-related risks and the implications for our business, including physical and transition risks, as well as the identification of climate-related opportunities in the transition to a low-carbon economy.

The climate change material matter includes two sub-topics: climate change mitigation and energy and climate adaptation.

Governance

See *General information: Governance* in the sustainability statements for more information on the governance of sustainability.

Our approach to climate change is rolled out globally, with our brand leadership teams responsible for implementing actions within the brands. Every brand has dedicated teams working to reduce its climate impact from own operations and the value chain. These teams consist of associates from departments such as Store Development and Store Maintenance, as well as sourcing managers.

Because decarbonizing our business is such a high priority, we linked the achievement of our scope 1 and 2 GHG-emissions reduction targets to remuneration under our long-term, share-based incentive plan. In 2024, we further strengthened the connection between executive compensation and sustainability by updating our annual cash incentive plan to include, in the performance measures, having a detailed and approved scope 3 plan. We continue to keep our sustainability targets, ambitions and objectives, and their interrelation, including our GHG-emissions reduction targets, under review to ensure alignment with our overall strategy.

For more details on the integration of sustainability-related performance in incentive plans, see *Remuneration Policy for the Management Board*.



Environmental information: climate continued

Climate change continued

Strategy

As food retailers, we are aware of how climate change is impacting the way food is grown and will change our business, both now and in the years to come – from how and where products are sourced to what our brands' stores look like and how we heat or cool them.

A healthy planet is a key component of our *Healthy communities & planet* strategic priority, and our approach to addressing climate change in our Company focuses on both the impact of climate change on our business and how our business activities impact the climate. We aim to reduce our impact on the climate through our commitment to reach net-zero GHG emissions across our own operations by 2040 (scope 1 and 2) and become a net-zero business across the entire value chain, products and services no later than 2050 (scope 3).

For more information on our strategy and how it is linked to the material sustainability matters we have identified, see *Our material sustainability matters* section.

Transition plan

Our impact and overall approach

Climate change and the degradation of nature are global threats to the health of the planet and people's lives and livelihoods.

A range of issues – such as energy production, deforestation, burning of fossil fuels, agriculture and waste – contribute to the climate crisis and to the health and resilience of the planet, which underpins the well-being of everyone who inhabits it.

Through our activities, we are producing direct and indirect GHG emissions. This means we are impacting climate change in different ways. Examples range from the fossil fuels burned for heating and during transportation, the electricity consumed throughout our facilities or the refrigerants we use for cooling the products in our stores, to the way the products we source are produced, their usage by our brands' customers or how the waste is treated.

Of our total carbon footprint, refrigerants, electricity, heating and transport form our scope 1 and 2 footprint. The remaining emissions categories form our scope 3 footprint, representing around 96% of our total direct and indirect carbon footprint in 2024. See also *Sustainability notes* for a further breakdown of our GHG emissions.

To support our aim of becoming a net-zero business, we have set science-based emissions reduction targets for our own operations (scope 1 and 2) as well as our entire value chain (scope 3) (pending SBTi validation) with the objective of limiting global warming to 1.5 degrees Celsius in line with the Paris agreement.

We leveraged a 1.5 degree-aligned pathway to determine the levers and contributions for each scope and did not consider any other scenarios in the development.

Our transition plan is embedded in and aligned with our overall business strategy, as one of our strategic priorities is *healthy communities & planet*. To achieve a healthy planet, we are committed to lowering our GHG emissions, both in our brands' own operations and throughout our value chain.

Our total carbon footprint

2024



2023 restated



	2024	2023 restated
Scope 1 and 2¹ (MtCO₂e)	2.58	2.65
● Refrigerants ²	1.8%	2.1%
● Electricity, heating and cooling ²	1.7%	1.7%
● Transport ²	0.4%	0.4%
Scope 3 (MtCO₂e)	63.56	61.36
● Purchased goods and services ²	80.4%	79.9%
● Use of sold products ²	5.0%	5.5%
● Other scope 3 ²	10.7%	10.4%
Total GHG emissions¹ (MtCO₂e)	66.14	64.01

1. Includes market-based scope 2 GHG emissions
2. Calculated as percentage of total GHG emissions

The funding required to implement the actions outlined in our transition plan for our brands' own operations (scope 1 and 2) is integrated into our financial planning for the strategic period through 2028. This ensures that our financial resources are allocated effectively to support our sustainability goals, reinforcing our commitment to a healthy planet.

There are locked-in emissions associated with the capital goods we procure, for example, refrigerant systems. These emissions are factored into our scope 1 and 2 transition plans. In addition, we have scope 3 locked-in emissions that are calculated in category 11 – use of sold products, which relate to electrical goods. We recognize the lifetime emissions of the electrical goods that we sell in our GHG inventory. We aim to reduce the emissions intensity of the goods we sell, and electrical goods are a component of this strategy. The majority of emissions in category 11 for electrical products occur within the Netherlands, in which the planned decarbonization of the grid is aligned to the achievement of our scope 3 reduction targets.

ESRS E1 requires companies to disclose whether they are excluded from the EU Paris-aligned benchmarks, in accordance with the exclusion criteria stated in the Climate Benchmark Standards Regulation¹. This regulation requires administrators of EU Paris-aligned benchmarks to exclude from those benchmarks the companies that derive revenues over specified thresholds from certain activities (e.g., coal-, oil- or natural gas-related activities, or high-GHG-intensity electricity generation) and the companies found or estimated to significantly harm one or more of the EU Taxonomy environmental objectives. Ahold Delhaize does not meet any of the exclusion criteria and, therefore, is not excluded from the EU Paris-aligned benchmarks.

1. Climate Benchmark Standards Regulation

Environmental information: climate continued

Climate change continued

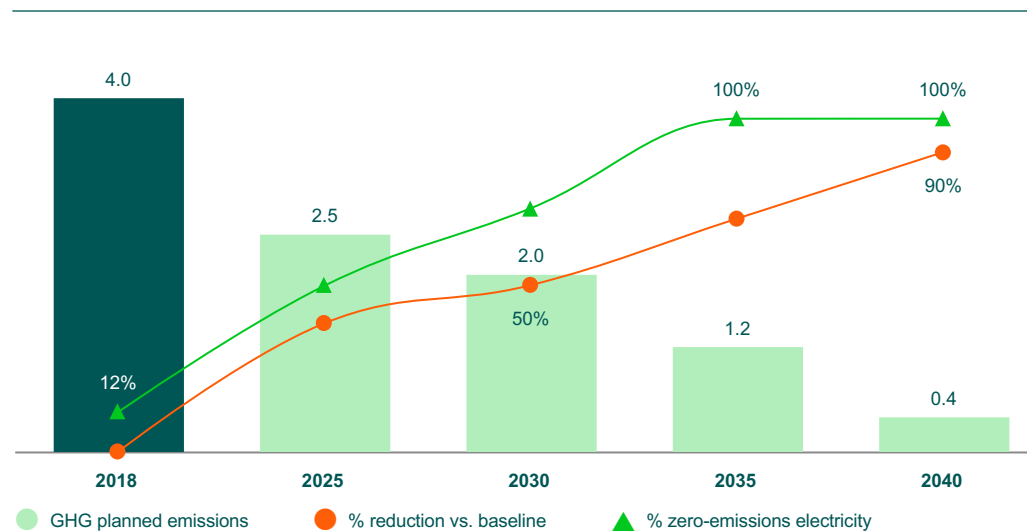


Own operations (scope 1 and 2)

Our first goal is to reduce emissions from our local brands' operations. This is a relatively smaller part of the emissions in our total value chain, but these are the emissions over which we have direct control and can have the biggest direct impact. In 2024, we focused on estimating potential emissions reduction in our own operations from each lever we have identified, and further worked to estimate the resources necessary to implement our mitigation actions.

The primary sources of our scope 1 and 2 CO₂e emissions are refrigerant leakage, electricity consumption, heating and transportation, with electricity consumption and refrigeration representing approximately 80% of total scope 1 and 2 emissions.

GHG planned emissions reduction
Scope 1 and 2 (in MtCO₂e)



Key levers

To address the emissions in our brands' operations, we have identified four key levers that will contribute the most in helping us reach our medium-term target of 2.0 MtCO₂e emissions reduction, or a 50% reduction against the 2018 baseline of 4.0 MtCO₂e, and our long-term target of becoming net zero (90% reduction and 10% removals) by 2040, also against our 2018 baseline.

Reduction % versus 2018 baseline		
2025	2030	2040
> 38%	50%	≥ 90%

For more details on our scope 1 and 2 targets, see [How we measure our performance](#).

The actions we take to reduce emissions from refrigerants, transportation and on-site heating directly influence our scope 1 emissions, while the transition to zero-emissions electricity and improving energy efficiency will reduce our scope 2 emissions. Electrifying our fleet and heating will also impact electricity use and, therefore, scope 2 emissions. However, as we increase the share of



Environmental information: climate continued

Climate change continued

zero-emissions electricity over time, the additional impact on scope 2 emissions will also reduce over time, eventually reaching zero. For Ahold Delhaize, zero-emissions electricity includes electricity from renewable sources and electricity from nuclear sources.

Transition to zero-emissions energy

In 2024, approximately 34% of our scope 1 and 2 emissions were caused by electricity consumption. Our total electricity consumption is forecasted to further increase due to the electrification of our transportation and heating systems, among other factors. We plan to reduce electricity emissions to zero by 2035.

We plan to achieve part of this by generating our own electricity through solar panels installed in both the U.S. and Europe. In 2024, we increased the electricity generated on-site through solar panels and used on-site by 9% compared to 2023. By 2035, we plan to source nearly all electricity, other than own-generated electricity, through virtual and direct PPAs in Europe, while in the U.S., a combination of PPAs, bundled supply contracts, unbundled renewable energy certificates (RECs) and nuclear energy purchases will be used, depending on the electric market rules. In 2024, we used 49% zero-emissions electricity.

We actively invest in renewable energy initiatives. Our solar projects include widespread photovoltaic installations. In Europe, we signed our first pan-European PPA, which is expected to start generating renewable energy in 2026.

Transition to low-GWP and natural refrigerants

Nearly half (46%) of our total scope 1 and 2 emissions come from our 2024 mix of refrigerant types and associated leakage. Our brands are aiming to reduce refrigerant emissions by executing local climate plans.

In order to achieve our net-zero plan, we need to replace or retrofit our refrigeration systems with low-climate-impact alternatives that can use

natural or low-GWP refrigerants, minimize leakage and consume less energy. We aim to transition, year by year, to natural and low-GWP refrigerants. Natural refrigerants have significantly lower climate impact than chemical refrigerants and are more energy efficient.

Our U.S. businesses are planning to convert equipment for compatibility with low-GWP or natural refrigerants. By 2040, we aim to replace around 1,200 systems with low-GWP systems and fully convert approximately 2,800 systems to natural refrigerant systems. Refrigerant emissions are among the hardest to abate, because addressing them often requires replacing entire refrigeration systems. As such, they make up the largest part of the residual emissions for our U.S. businesses.

For our European brands, the current plan is to only convert systems to natural refrigerants. Of the total refrigerant systems, 40% are already using CO₂ refrigerants. By 2040, we intend to convert over 1,500 systems to natural refrigerants, representing more than 50% of the total refrigerant systems.

Transition from fossil fuels in heating and transportation

Our fossil fuel-related emissions come mainly from two sources: transport and heating. Transport by our own fleet includes distribution, to both stores and customers, and personnel cars. These activities account for 10% of our total scope 1 and 2 emissions. Our long-term vision is to achieve 100% fossil-fuel-free transport in both Europe and the U.S. by 2040.

This will require us to replace over 5,000 vehicles in the U.S. and over 4,000 in Europe with clean alternatives, such as electric or hydrogen vehicles.

Technological maturity plays an important role in how fast we can transition to cleaner energy sources. In the U.S., we face challenges in electrifying our fleets and equipment, especially

for long-haul vehicles and charging infrastructure. The increased demand for electricity may also result in grid congestion, because the infrastructure is not ready, which could lead to disruptions in operations. Therefore, we continue to explore other options, such as hydrogen. Likewise, we will need to evaluate the viability of electrifying our fleets in Europe on a country-by-country basis.

Natural gas and propane used for heating comprise 9% of our scope 1 and 2 emissions today. Our aim is to gradually electrify our heating systems to eliminate fossil fuel use in both the U.S. and Europe by 2040. Our plans to transition stores from fossil fuels are subject to change, and there are currently no plans to transition certain stores away from district heating systems or to implement electrified heating in select northern U.S. locations, where severe winter conditions may limit its effectiveness.

Increase energy efficiency

Reduction of electricity consumption is the most direct way to reduce energy-related emissions. While Ahold Delhaize's total electricity consumption is set to increase as a result of overall decarbonization measures, energy efficiency remains a key lever in reducing environmental impact.

We are installing energy-efficient equipment, such as LED lights, doors on cabinets, heat recuperation, heat pumps, new refrigeration systems, improved insulation and new passive doors on freezers. Taking measures like these when remodeling is enabling our brands to create energy-efficient stores.

Scope 1 and 2 road to decarbonization

The farther in the future our plans are set to be executed, the less certain is the feasibility and achievability of our actions on key levers, as well as the costs of these actions. For actions scheduled to be executed from 2025 to 2028, we have built the plans from the brand level up

and included the estimated CapEx necessary to execute them in our long-range plans. We have estimated the feasibility and reduction potential with a reasonable level of reliability, but the actual outcomes can still differ.

For the period 2029 to 2040, our plans are more high level and include more assumptions. As a result, we have a higher level of uncertainty around whether our estimated outcomes are achievable and the reductions will materialize as estimated.

Our current expectations are that, based upon the identified action plans and the progress we are making, we are on a positive trajectory to meet our targets of 50% reduction by 2030, subject to our estimates and assumptions as set out below.

For the period 2030 to 2040, we will continue to make our high-level plans more concrete, taking into account available and developing technology and insights. We have made a lot of progress identifying the high-level plans and actions, and we now have a better view of what our road to net zero until 2040 looks like.

However, the high level of uncertainty, due to the longer-term nature of the actions, changing regulations and reliance on technology and infrastructure that is sometimes not yet fully operational or proven in practice, still leads to significant uncertainty and causes us to be dependent on various assumptions to provide more detail (see *Assumptions and estimates used in calculations* below).

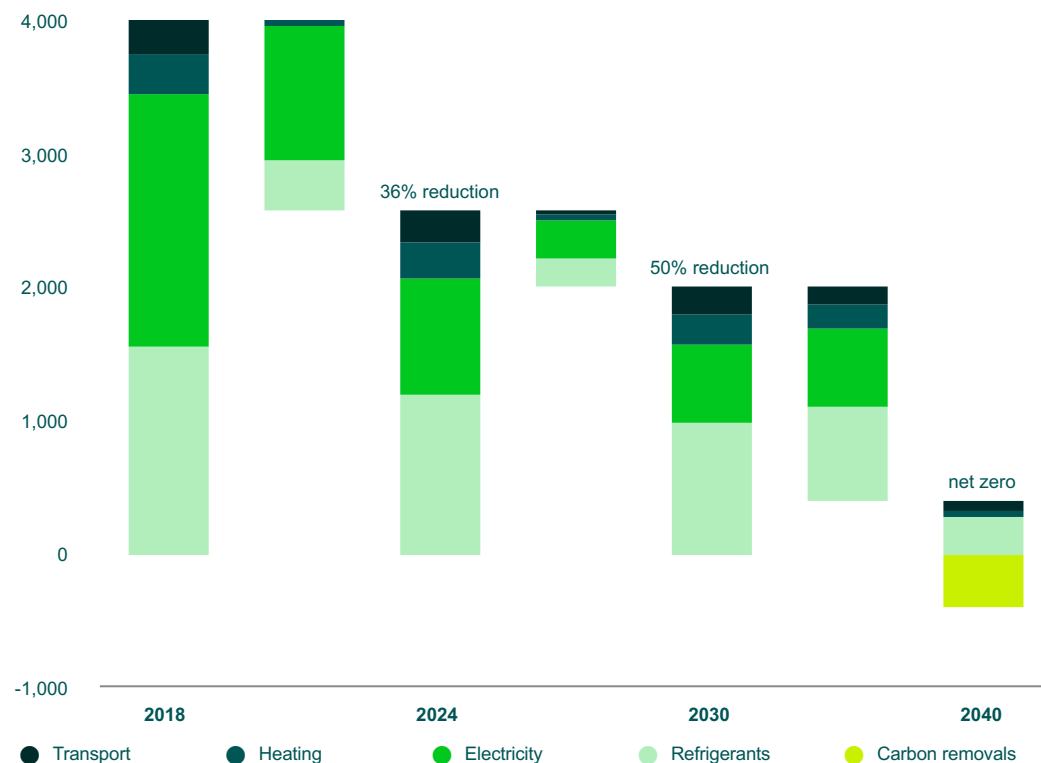
To reach net zero in 2040, we will offset our residual emissions by sourcing carbon removal credits. Our current projection is that we will reduce 90% of scope 1 and 2 emissions and offset the remaining 10%. Based on our transition plan, we expect that our residual emissions will come from low-GWP refrigerants and fossil fuels for heating and transportation. For more details on our carbon removals, see section *GHG removals and carbon credits* below.



Environmental information: climate continued

Climate change continued

Scope 1 and 2 road to decarbonization: Expected reduction plan for scope 1 and 2 GHG emissions based upon our current best estimate for the period 2024 to 2040 (in MtCO₂e)



in MtCO ₂ e	Base year (2018)	Achieved reduction (2024)	2030	2040
Total GHG emissions	4.0	2.6	2.0	0.4
Refrigerant replacement and conversion		(0.4)	(0.2)	(0.7)
Electricity: Reach 100% zero-emissions electricity		(1.0)	(0.3)	(0.6)
Heating switch to fossil fuel-free heating		—	—	(0.2)
Transport switch to fossil fuel-free vehicles		—	—	(0.1)

Assumptions and estimates used in calculations

Our ability to achieve our GHG emissions reduction targets for scope 1 and 2 with the actions above is based on the following assumptions:

- Our European brands will use only natural refrigerants to replace the current refrigerant systems, while in the U.S., our brands will also use low-GWP refrigerants in the first years.
- The feasibility of the transition away from fossil fuels for our transportation is dependent on resolving challenges in infrastructure readiness.
- We are making the assumption that both regions will generate own energy by installing solar panels. Total electricity consumption is expected to increase due to the electrification of transport and heating.
- 100% zero-emissions energy can be acquired at close to parity with grid power.
- When determining the costs of abatement and reduction initiatives, we used current costs and we included costs associated with our leased assets (i.e., we did not assume cost reduction that may take place when technology scales and matures).

Investments and funding supporting the implementation of our transition plan

The implementation of our transition plan to achieve net-zero emissions will require significant investments in clean, low-emissions and zero-emissions technologies. These investments are covered in our Growing Together strategy, which includes a gross cash capital expenditure cadence of 3% of net sales. We have allocated the necessary financial resources to support our transition plan over the strategic period (until 2028), as this is the time horizon for financial planning and allocation. In our investment plans, we do not differentiate between regular replacement CapEx and incremental CapEx that directly contributes to our scope 1 and 2 reduction program.

As a consequence, we do not disclose the monetary amounts related to the incremental investments to reduce our scope 1 and scope 2 emissions. It is also important to note that the further we project into the future, the more uncertain these costs become. Factors such as advancements in technology could potentially reduce costs, while high demand might drive them up. In addition, the plans themselves are subject to change as new information and technologies emerge.

At the end of each year, we review our total CapEx spend to determine the portion that is eligible and aligned with the EU Taxonomy. While we anticipate that the CapEx spend eligible for the EU Taxonomy will increase in future years, driven by the increase in total CapEx spend for the transition plan, alignment is more difficult to predict, as not all investments will meet the EU Taxonomy alignment criteria. For instance, some investments in vehicles may not fully comply with the DNSH noise regulations, even though they help us in lowering GHG emissions.



Environmental information: climate continued

Climate change continued

In 2024, we spent:

- €896 million on EU Taxonomy-eligible but not aligned CapEx
- €118 million on EU Taxonomy-eligible and aligned CapEx

Of the EU Taxonomy-eligible and aligned CapEx, approximately €37 million is related to the actions mentioned in this transition plan, including refrigerants replacement, investments in fossil fuel-free transport and heating, solar panels and energy efficiency measures.

See [EU Taxonomy](#) for more information.

In 2024, Ahold Delhaize issued a new Green Financing Instrument in the form of a Green Bond for a total notional amount of €500 million. Part of the proceeds of the Green Bond are used to invest in the actions mentioned in this transition plan. The framework used to determine which investments can be considered green is broader than the EU Taxonomy, while being in line with the ICMA (International Capital Markets Association) guidelines and signed off by second-party opinion provider Sustainalytics. Therefore, we expect a larger portion of the total transition plan CapEx spend to align with our Green Finance Framework. Similar to the EU Taxonomy, we report the total CapEx spend that can be considered sustainable according to our Green Bond framework each year. This amount is also expected to increase over the years as we continue to invest more funds in our transition plan.

In 2024, we spent approximately €300 million on Green Bond CapEx, of which around €210 million is related to the actions mentioned in this transition plan.

This number is lower than the total Green Bond spend because investments in new buildings and investments such as bottle and can collectors and route optimization software, which are part of total Green Bond, are not linked to the transition plan.

Each year, we will track our progress by comparing actual emissions reductions against the expected emissions reduction in the transition plan and evaluating our actual investments against the planned investments.

The investments related to the transition plan consist of additions to the property, plant and equipment and right-of-use assets. See also [EU Taxonomy](#) note for a reconciliation of the additions included in the financial statements ([Note 11](#), [Note 12](#), [Note 13](#) and [Note 14](#) to the consolidated financial statements) to the total CapEx under the EU Taxonomy.

The operating expenses related to the transition plan measures consist mainly of costs related to electricity purchased, diesel/gasoline for transportation and fuels used for heating and cooling. These are fully integrated into the daily operations and are recorded as part of other operating expenses; see [Note 8](#) to the consolidated financial statements.

Value chain (scope 3)

The vast majority of our GHG emissions are scope 3, which are indirect emissions that take place across our value chain – for example, emissions generated through the production and manufacturing of the products we sell and the use of those products. Our value chain consists of thousands of suppliers, producers and farmers who supply hundreds of thousands of products that are sold to millions of customers across the U.S. and Europe each day.

Our scope 3 emissions are driven by purchased goods and services, use of sold products and other categories (e.g., business travel). The category “purchased goods and services” represented 80% of our total carbon footprint (scope 1, 2 and 3) or 84% of our scope 3 emissions in 2024.

For more details on our scope 3 targets, see [How we measure our performance](#).

Challenges

With the vast majority of our value chain emissions falling outside of our direct control, to achieve our targets, we will need to promote societal change and collaborate across the industry; we cannot achieve our scope 3 targets without working closely with our brands' suppliers and customers. For this reason, playing a part in wider society and cooperating across our brands' value chains are integral parts of our plan.

Supplier action

Our ability to drive scope 3 emissions reduction depends on the efforts of our suppliers and customers. The size and diversity of our supplier network presents challenges as we seek to influence, scale and track decarbonization practices. In some of our local brands' operating regions, industry bodies are not pursuing climate action until 2030; this inaction will create barriers to value chain decarbonization. Our local brands are encouraging suppliers to set science-based climate targets and engaging with them on specific decarbonization measures.

Customer action

Addressing the behavior-action gap is complex, as it requires a multi-layered approach and there are many individual and societal factors at play that are not within our direct circle of influence. Our brands' 150 years of experience in engaging, inviting, nudging and encouraging consumers will help them facilitate this required change in behavior.

Key levers

To reduce GHG emissions within our supply chain, we have identified the following key priorities: engaging with our brands' suppliers and farmers, providing an assortment with a lower carbon footprint, and encouraging customers to choose lower-emission products.

Engaging suppliers in setting science-based targets and implementing sustainable practices

Our brands encourage suppliers to set emissions reduction targets in line with the latest science. These commitments will accelerate improvements in livestock farming, raw material sourcing, processing, transport, packaging, deforestation and food waste reduction and could help address the majority of our scope 3 emissions by 2030.

As of January 2025, 61 of Ahold Delhaize's top 100 suppliers have either set science-based targets or are committed to doing so ([SBTi Companies Taking Action](#)).

Actions being taken by suppliers include:

Livestock farming: GHG emissions from livestock can be reduced by focusing on enteric fermentation and manure management. This involves strategies such as improving animal feed formulas, using feed additives (including bovaer and red algae) to reduce methane emissions, harnessing biogas from liquid manure, and adjusting manure pH with sulfuric acid.

Processing: Encouraging suppliers to optimize their production processes through energy efficiency, new machines or switching to renewable energy sources.



Environmental information: climate continued

Climate change continued

Food loss and waste: We seek to combat food loss and waste throughout the value chain across all product categories. This includes losses in agriculture, such as those due to machine failure; post-harvest losses, including from quality defects; losses during processing; and operational waste within our brands' stores. We tackle food waste through various approaches, including maximizing product utilization, for example, through upcycling; refining product management, such as through enhanced demand planning; and enhancing product distribution, including through decreased transit times or optimized routes. See also [Waste](#).

Deforestation-free supply chain: By 2025, Ahold Delhaize and its brands have the ambition to be 100% deforestation and land conversion free for own-brand products containing coffee, cocoa, palm oil, tea, soy and wood fiber. See also [Biodiversity and ecosystems](#).

Agricultural practices: Most of our products are agriculture based. Agriculture can have net positive or negative emissions, depending on the underlying practices used. Ahold Delhaize brands seek to engage with suppliers and farmers to reduce or sequester emissions by incentivizing sustainable change through longer-term contracts with concrete environmental requirements and through co-investments on farms. Activities under this lever include optimizing the use of fertilizers and pesticides; using regenerative agricultural methods, such as no-till farming and cover cropping; and taking measures related to agroforestry, afforestation and reforestation.

Low-carbon footprint products

Assortment of products: In collaboration with suppliers, our brands seek to reduce the carbon footprint of their local assortments. Our local brands remain committed to empowering customers to make environmentally conscious choices. This strategy varies across our different brands and can include promoting a health-focused and reduced-GHG-emissions product lineup, investing in product development, and transitioning from high-emission protein sources, such as red meat, to lower-emission sources, such as white meat or plant-based alternatives.

In Europe, the transition to plant-based proteins is one way we are working toward offering products with a lower carbon footprint. Our European brands agreed to a regional target of at least 50% plant-based sales by 2030. At the same time, this action also reinforces our dedication to a healthier and more sustainable food system and inspires our brands' customers to make healthier choices. See also [Customers' health and nutrition and access to healthy affordable products](#).

Customer engagement

Proactively engaging with customers (unquantified impact): Our local brands encourage customers to shift toward lower-emission products. They continue to help customers understand the impact of their buying decisions and make choices that fit their needs, their tastes and their values.

They do this by stimulating and rewarding sustainable choices through loyalty programs and discounts, increasing product transparency through navigation systems and product labelling, improving assortments and products with more vegan and vegetarian choices, and increasing customers' knowledge of healthy lifestyles by giving them access to free dietitians and knowledge platforms.

Recognizing the challenges of behavior change, we focus on addressing the barriers customers have identified, facilitating easier, informed choices through accessible information, inspiration and incentives. We are committed to continuously improving our brands' product offerings, ensuring that affordable, healthy and sustainable options remain accessible.

Scope 3 road to decarbonization

Category 1 – Purchased goods and services is the largest scope 3 category. Therefore, when we started working on concrete plans for reducing scope 3 emissions, we prioritized this category. We identified six levers, plus an "other" category to be quantified.

Due to the high level of uncertainty around data accuracy and availability, we only report on the estimated reduction potential by 2030 and not up to our long-term and net-zero target date of 2050. Achieving our long-term revised scope 3 emissions targets and our net-zero target will require intense cooperation across the value chain.

We considered two scenarios in our analysis. The theoretical reduction potential of the levers remained the same across the scenarios; however, in the lower boundary, we assumed moderate achievability, while, in the upper boundary, we assumed accelerated achievability. We analyzed these two scenarios to understand what the outcomes may be with limited engagement and what would be possible with accelerated engagement.

When we assessed the potential to achieve our targets, we took into consideration an assumption on annual growth rate. We anticipate shifts in customer preferences and demand as well as impacts from regulatory factors as we transition to a lower-carbon economy. As part of our transition plan, we aim to help customers choose lower-carbon products. See [IRO management](#) for further analysis on transition risks and opportunities.

Ahold Delhaize and its brands are currently working to build knowledge and create a broader level of commitment to science-based targets within our supply chain. In addition, we work in partnership with other players in our supply chain to understand the initiatives and levers that they are actioning to decarbonize, linking the GHG emission reduction quantification of the actions to monitor progress toward our collective GHG emissions reduction targets.

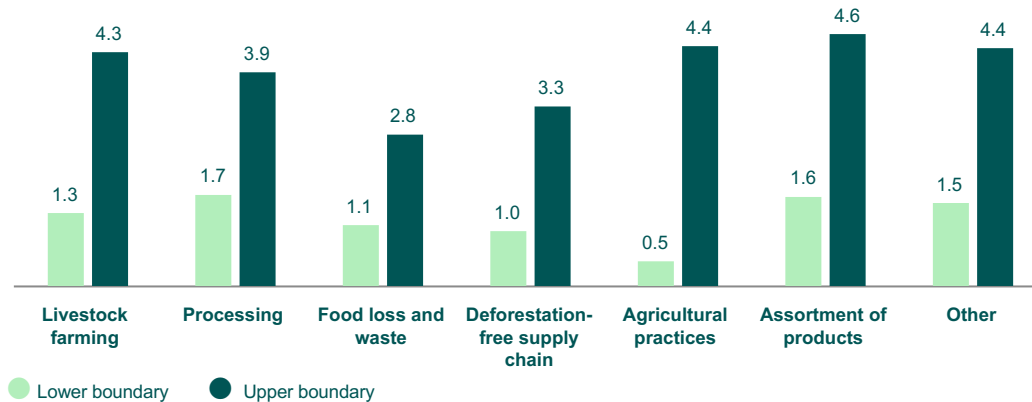
Based on the quantification of the levers, we believe that they have a cumulative estimated reduction potential of between 8.8 (lower boundary) and 27.6 MtCO₂e (upper boundary) by 2030.



Environmental information: climate continued

Climate change continued

Cumulative estimated reduction potential of scope 3 decarbonization levers by 2030 (in MtCO₂e)



Our 2020 scope 3 emissions baseline (using SBTi methodology) amounts to 23.7 MtCO₂e for E&I GHG emissions and 16.8 MtCO₂e for FLAG GHG emissions. To reach our 2030 revised scope 3 emissions targets, we need to reduce 10.0 MtCO₂e of E&I GHG emissions and 5.1 MtCO₂e of FLAG GHG emissions, totaling 15.1 MtCO₂e¹. The lower boundary would, therefore, not achieve sufficient reductions for us to meet our 2030 scope 3 targets, while the upper boundary suggests that with accelerated actions, our revised scope 3 emissions targets can be achieved.

1. See table *Overview of the calculation of our SBTi-methodology baseline for scope 3* in the *Sustainability notes* for more detail.

Scope 3 emissions is a rapidly evolving and critical topic, requiring significant innovation around financing, technology and accounting. While more work will be needed to enhance our scope 3 roadmap across our global supply chain, we are committed to continuing to stimulate progress and take action.

In 2024, we continued to refine how we work with suppliers on scope 3 emission reduction and through which levers. We calculated the estimated reduction potential in 2022 and this remains a preliminary view that we use to guide focus on GHG-emission reductions.

The top six levers remain our primary levers for action. In 2025, we will continue building our potential to realize emission reductions.

Due to our reliance on supplier action to realize scope 3 emission reduction, it is challenging to estimate the total OpEx and CapEx we will require for the transition, and therefore, we are not reporting a total cost estimate this year. We continue to work with our brands and suppliers to understand the overall costs of the transition and embed these costs in our strategy.

Assumptions used in scope 3 emission reduction calculations

Our ability to achieve our GHG emissions reduction targets with the actions above is based on the following assumptions:

- To a large extent, achieving our scope 3 targets will require specific actions by suppliers and farmers, to be driven by the suppliers and farmers independently.
- In order to enable cost-based prioritization across the Group, we will need further analyses to increase our confidence in our estimates of investment costs and the financial upside related to cost efficiency improvement or new value streams. These analyses might result in changes in how we prioritize activities and, therefore, reduce emissions over time.
- The reduction potential of some of the levers is driven by uncertain consumer behavior – for example, slow adoption of less carbon-intensive meat. Reduction potential is also limited or uncertain due to a lack of available solutions, high upfront costs and the upskilling required.
- We expect that new technology and enhancements to existing technology over the coming years will create new opportunities for reducing emissions and achieving our net-zero targets.

Material IROs and interaction with strategy and business model

Ahold Delhaize recognizes climate and nature-related risk as a principal risk that may impact our business – in varying degrees – in the short, medium and long term. See *Risk and opportunities* for more information on our principal risks.

Climate risks can be thought of in two categories: physical risks and transition risks.

Ahold Delhaize faces potential physical risks from event-driven (acute) or longer-term (chronic) shifts in climate patterns that may pose financial implications for our business. Impacts may vary depending on the interactions between hazards (triggered by climate trend or event), vulnerability (susceptibility to harm) and exposure (people, assets or ecosystems potentially impacted) (Intergovernmental Panel on Climate Change (IPCC), 2014).

Changing consumer preferences and future policy and regulation associated with the shift to a low-carbon economy present transition risks but also opportunities for our business. Depending on the nature, speed and focus of the changes related to the transition, the impact of financial, operational and reputational risks or opportunities for our business will vary.

Ahold Delhaize's business strategy provides a degree of resilience to some of these risks. For example, our diversified supply chain approach provides some resilience to the physical impacts of climate change on particular areas; and our large physical store footprint, widespread reach, continuity plans and multi-channel business provide some resilience to potential local flooding and hurricane hotspots. Our emission reduction commitments and the diversification of our product base to include a range of plant-based alternatives also helps to increase our business resilience as consumer preferences for lower-carbon products evolve.

For a definition of climate-related physical and transition risks, see *Note 2* to the consolidated financial statements. For further details on our identification of physical and transition risks, as well as the scope of the assessment and outcomes, see *Climate-related risks*. See our *2023 CDP response* for further detail on how we are responding to climate impacts.



Environmental information: climate continued

Climate change continued

IRO management

Process to identify and assess material climate change mitigation and adaptation-related IROs

See [Our material sustainability matters](#) for an overview of the sub-topics linked to climate change as well as the climate-related impacts and risks we have identified and assessed as material through our [DMA](#) process.

The impacts and risks identified during the DMA are the negative impacts on the environment due to scope 1, 2 and 3 GHG emissions (in the entire value chain) as well as physical risks in own operations and transition risks in own operations and upstream value chain.

Climate-related risks

Climate-related scenario analysis

In 2021, we identified six key climate-related physical and transition risks that have formed the basis of our climate risk reporting ever since. In 2023, we implemented a climate risk assessment tool that facilitates scenario analysis to better understand how our business may be exposed to some of these climate risks. We focused on physical risk analysis in 2023 and expanded the analysis to also include some transition risks in 2024.

The tool models the evolution of potential climate risks and opportunities across five future warming scenarios derived from the IPCC's Shared Socioeconomic Pathways (SSPs). Each SSP considers variables in development and economic growth, geopolitics, equality and other socioeconomic conditions to simulate different temperature outcomes by the end of the century (2100).

While all five SSP scenarios are included in the tool, our disclosure focuses on a more than 4°C No Policy (SSP5-8.5) scenario with the greatest potential physical impacts and a 1.5°C Paris Ambition (SSP1-1.9) scenario which is aligned with global climate-related policy efforts and presents the greatest potential transition impacts.

Scope of scenario analysis

The scope of our scenario analysis focuses on identifying and assessing the potential financial impacts of four climate-related physical and transition risks on our own operations, across three timeframes, using an outlook of five and 10 years from now as well as a prediction out to 2040. The nearer-term timeframes allow us to consider and incorporate the potential impact of climate-related risks and opportunities into our risk management and strategic planning, while the 2040 timeframe helps us consider potential climate impacts on asset lifetimes or impairments. See [Note 11](#) and [Note 14](#) to the consolidated financial statements for details.

Physical risk scenario analysis examines the potential for climate hazards to impact our own operations, through asset damage or revenue disruption. Although currently excluded, our upstream and downstream value chain is on our roadmap for inclusion in due course. In 2024, we expanded the coverage of our physical risk analysis to include all of our facilities (stores, DCs, offices and investment properties) for 15 brands. We excluded joint ventures from the analysis.

Our transition risk assessment examines the potential for policy and market-related transition factors, specifically changing consumer diets and carbon pricing, to impact product sales and gross margin. We used scope 3 category 1 data for own-brand and national-brand products to group products into different categories based on their GHG emission intensity for this assessment.

Our transition risk mitigation efforts focus on own-brand products, as our brands have the greatest scope to directly influence the composition and carbon intensity of these product ranges. However, as we source from a broad range of suppliers, we also engage with national brands to encourage them to apply sustainable practices and set emissions reduction targets.

Although carbon pricing could raise the prices our brands pay to suppliers, we expect our overall GHG emissions reductions efforts will mitigate our risk exposure as we decrease the level of emissions subject to carbon pricing. In our scenario analysis, we did not identify any assets or business activities that are considered to be incompatible with the climate transition set out at this moment.

We reviewed the scenario analysis outcomes by reference to the potential estimated impact on revenue and losses relative to materiality thresholds established in our ERM process.

Assumptions and limitations

Climate-related risks are highly uncertain and challenging to measure, due to uncertainties in the timing and magnitude of impacts. For this reason, we make several assumptions in climate scenario analysis to support the viability of the model.

The model presents the potential gross risk, not considering existing mitigation efforts. The results assume that Ahold Delhaize's operational footprint, portfolio of products and services, energy usage and emissions remain static across various time horizons. Because we assess each hazard individually, we do not consider the potential for certain hazards to exacerbate or compound the impact of others.

The transition risk modules assume that carbon emission pricing is accounted for on a production basis without border adjustments, upstream scope 3 emission costs incurred by suppliers are passed on in full to Ahold Delhaize, and no financial benefits can be derived from carbon pricing revenues (e.g., tax exemptions).



Environmental information: climate continued

Climate change continued

Ahold Delhaize identified six significant physical and transition risks. The outcomes of our tool-based scenario analysis is presented below, representing gross risk not accounting for any adaptation or mitigation efforts that have been put in place.

We categorize climate risk using a three-level impact scale, from low to high potential risk impact. The thresholds are based on different financial impacts, reflecting either a profit impact (e.g., direct loss or increased cost) or a revenue impact (e.g., reduction in net sales).

Material IRO (identified via DMA)	Key risk ¹	Type of risk	Type of impact	Tool-based scenario analysis performed?	Gross risk exposure per scenario and timeframe (outcomes of 2024 climate scenario analysis)			
					Paris Ambition (1.5°C)		No Policy (4°C)	
					Five-year outlook	2040 outlook	Five-year outlook	2040 outlook
Adaptation: Physical risks from climate change in own operations	Revenue losses resulting from disruption of stores and DCs (operations) due to climate events	Physical	Revenue	Yes				
	Increased costs resulting from asset damage due to climate events	Physical	Profit	Yes				
Transition risks from climate change in own operations	Regulatory risk: The impact of carbon pricing on gross margin	Transition	Profit	Yes			—	—
	Market risk: Changes in gross margin from changing customer diets	Transition	Revenue	Yes				
	Market risk: The impact of climate change on energy costs	Transition	Profit	No	While this risk remains material, its impact is considered to be relatively lower than the other risks listed above, as our commitments and progress in this area provide a degree of resilience. The brands already implement several mitigation efforts, e.g., enhancing operational energy efficiency.			
Adaptation: Physical risks from climate change in the value chain	The impact of agricultural yield decreases and yield losses on revenue and gross margin	Physical	Profit Revenue	No – planned for future	Initially identified as a material climate-related risk in 2021. See our previous annual reports for full details. While our 2024 scenario analysis focused on physical risks to our own operations, we intend to augment our dataset and enhance our tooling capabilities to perform updated scenario analysis on this value chain risk in the coming years.			

- High** Significant disruption requiring major resources and reprioritization of objectives to mitigate risk
- Moderate** Moderate impact requiring some adjustments to objectives, resources, and timelines to manage risks
- Low** Low impact, manageable with existing resources, causing limited disruption
- Neutral** No impact expected

1. Six key risks identified in initial 2021 climate-risk analysis.



Environmental information: climate continued

Climate change continued

Physical risks outcomes

Our 2024 scenario analysis suggests that flash floods, riverine floods and tropical windstorms pose the greatest potential threat to our own operations across future time horizons, in both the Paris Ambition and No Policy scenarios. These results are consistent with our 2023 analysis, with the exception that tropical windstorms now display a higher threat to our brands' operations than heat waves (which we reported as a top risk in 2023). This change is due to the expansion of our analysis and the nature of the additional facilities included in our 2024 assessment.

As shown in the table above, when not considering existing mitigation or adaptation efforts, the model suggests that exposure to physical climate hazards may result in a moderate impact on revenue disruption and potentially a high impact of asset damage. Furthermore, exposure is set to increase by 2040 in both scenarios (albeit within the same risk impact ranges).

Although our modeling does not predict significant differences in physical risk exposure across scenarios, the potential for adverse (financial) impact is more pronounced in a No Policy scenario. This is because the Paris Ambition scenario assumes more ambitious climate policy action and mitigation efforts to curb the impacts of climate change and, therefore, reduced overall physical impacts.

During 2024, we already experienced operational disruption and asset damage as a result of climate-related events across the locations where our brands operate, including hurricane impact in the U.S. and flooding across Central and Eastern Europe.

It is worth noting that the modeled outcome represents a combined physical risk exposure across our many thousands of facilities. The geographical spread of our locations likely

reduces the risk of any one event significantly impacting our business.

Our climate risk scenario assessment is ongoing, and we will continue to enhance our analysis. As noted, we have not yet come to a final conclusion about the potential financial value at risk as a result of the residual exposure to climate hazards, taking into account existing mitigation efforts such as site-level adaptation plans or insurance coverage.

The outcomes of the 2024 climate scenario analysis were considered in the "climate and nature-related" principal risk in our ERM profile.

Transition risk outcomes

The carbon pricing model analyzes how adjustments in carbon pricing might impact operational costs, such as the cost of power and utilities, and the prices we pay our suppliers.

Currently, in the jurisdictions where we operate, Ahold Delhaize is not subject to material policy requirements on carbon pricing, as the focus for GHG emission trading systems and certificates has been centered on energy-intensive sectors. In a No Policy scenario, the model assumes a roll-back of any and all existing carbon pricing systems.

The Paris Ambition scenario models a far-reaching adoption of increasing rates of carbon taxation, which could present a significant financial burden for our business if mitigating actions are not taken.

Whatever the scenario, as we recognize the need to incentivize decision-making to align with our climate-related targets, we apply internal carbon pricing to relevant CapEx investment decisions. See [Internal carbon pricing](#) for more details.

The significant differences identified in the potential exposure to transition risks between scenarios creates further incentives for us to

mitigate transition risks by continuing to work toward achieving our emissions reduction targets to reach net zero by 2050, outlined in our Transition Plan sections above.

The consumer sentiment model examines the impact of consumers' sustainable buying habits on our sales. In a No Policy scenario, the model assumes limited to no uptake in products that are perceived as more sustainable, resulting in an expected low impact on our financial position.

To meet the Paris Ambition going forward, the model predicts a significant increase in the risk value as customer purchasing decisions are expected to shift drastically toward lower-carbon impact products. This shift could create a moderate unmitigated risk for our business within the next five years, moving to a high risk by 2040. See [Managing climate-related risks and opportunities](#) for details on our risk response. In the current context, although our brands' customers are becoming increasingly climate-aware, elements such as affordability and quality remain as the key drivers for purchasing decisions.

Opportunities

In our view, the impacts of climate change also offer opportunities. For example, by reducing our emissions and increasing our climate resilience, we believe we can increase operational cost efficiency and attract talented people who wish to work for a company that is actively addressing the impacts within its control and contributing to climate change mitigation.

Managing climate-related risks and opportunities

The modeling scenarios prepared in the climate risk assessment tool (and in the past) are useful for understanding the potential (financial) impacts of climate change on our business. Beyond that, it is valuable to look more broadly

at the results and consider them in the context of our wider organizational risk management processes for further analysis.

Our actions and progress to address the impact of climate-related risks on our business (in addition to the scenario analysis work described above) are further explained below.

Physical risks

- We limit financial losses by procuring property damage and business interruption (PDBI) insurance against damage from natural catastrophes and weather-related events.
- Our Global Asset Protection function runs an extensive risk engineering program across all our brands to understand, quantify and mitigate a variety of hazards, including natural catastrophes. Risk engineering specialists visit our distribution network and HSCs on an annual rotation to perform risk assessments and provide actionable improvement recommendations. The results of those assessments assist site management and Global Asset Protection in implementing risk mitigation measures proactively and effectively, ensuring better resilience against physical risks.
- On a forward-looking basis, we leverage the expertise of the risk engineers for new building designs and construction projects to implement risk mitigation elements during the planning phase.
- Our brands implement various adaptation measures to protect the business from climate change impacts, for example, enhancing drainage and installing rainwater collection system to adapt to flood or drought risk.
- Our food retail brands are engaging with suppliers to implement sustainable agricultural practices to mitigate risks around product procurement and decreasing agricultural yields.



Environmental information: climate continued

Climate change continued

Transition risks: Regulatory risks

- We aim to reduce our carbon footprint by identifying and implementing ways of making equipment in use and buildings more energy efficient – see *Own operations (scope 1 and 2)*.
- We are mitigating regulatory risks through our work on sustainable packaging, food waste, sustainable sourcing, reformulation of own-brand products, product transparency and the expansion of our brands' ranges to include more low-carbon products.

Transition risks: Market risks

- Our brands are developing and diversifying their product offerings to provide customers with more plant-based meat and dairy alternatives, to ensure that our business model and product assortments remain competitive and compatible with changing customer demands.
- Our net-zero ambitions identify the use of renewable energy as a way to reduce our carbon footprint. While our brands continue to make use of opportunities to install more solar panels, they also actively pursue the acquisition of other sources of renewable energy, such as (virtual) PPAs for green energy.

Next steps

Based on the 2024 physical hazard assessment results, we are evaluating the adaptation solutions that have been implemented or may be available at facilities with elevated climate hazard exposure. To further understand the residual climate risk that these facilities may face, we will continue to consult with local teams to evaluate existing protection measures and resilience strategies, such as design standards, business continuity plans, local climate action plans and climate considerations in CapEx investment proposals. In addition, we plan to assess climate risks across our value chain in due course.

The transition insights we have gained provide further support for our transition plan and help us focus our efforts on achieving strategic, climate-related opportunities, for example, by informing more sustainable product decisions.

Policies

We have an overarching sustainability policy that covers our approach on climate and specific climate-related standards that provide further guidance to our brands. See also *General information: Governance*.

Within our climate approach, we are guided by the standards of the GHG Protocol. See *Climate change* in the *Sustainability notes* for more details on our methodology.

Our standard on renewable energy introduces the approach of Ahold Delhaize and its local brands to sourcing renewable energy and implementing energy efficiency measures, which are linked to the key levers identified in our transition plan. It concerns the sourcing of renewable energy to achieve net-zero emissions in the Company's market-based scope 2 footprint. It is applicable to our global operations and excludes renewable energy consumed outside our own operations, i.e., in the value chain, and energy carriers such as fuels. By adhering to these guidelines, we strive to achieve zero-emissions electricity by 2035.

Our standard on carbon offsets includes our approach on the use of offsets to achieve our net-zero goals. It covers the neutralization of residual emissions in Ahold Delhaize's own operations (scope 1 and 2) through carbon removal projects outside of the Company's own operations and value chain. The standard establishes a framework for purchasing high-integrity offsets that contribute to our net-zero targets, while remaining aligned with Ahold Delhaize's overall sustainability values. See also *GHG removals and carbon credits*.

Actions and resources

Our actions to reduce our negative impacts and mitigate risks are centered on the following topics:

GHG emissions and CCM

See *Transition plan* for an explanation of the key levers, the actions undertaken by the brands and the resources allocated.

Management of climate-related risks

See *Climate-related risks* for work done to assess climate-related risks, outcomes and next steps.

How we measure our performance

In order to ensure that measures are taken to reduce GHG emissions in our own operations and supply chain and to increase energy efficiency in our own operations, we have set the targets mentioned below.

In setting up our targets, we engaged with brands stakeholders as well as with senior leadership teams and the Executive Committee. As the SBTi is the only internationally recognized GHG-target setting body, our targets are aligned to their pathways and are pending validation, except for the scope 1 and 2 near-term target, which has been approved.

We currently have no additional targets set on climate-related risks and opportunities, CCA or transition risk mitigation. As we advance our work on climate, we will evaluate the need to define and update our targets.

Scope 1 and 2 targets

Timeline	Target
Scope 1 and 2 (market-based) (2018 baseline¹)	
Short term	>38% reduction by 2025
Near term	50% reduction by 2030 ²
Long term	Net zero: 90% reduction and 10% removals by 2040
Milestone	
Near term	We plan to reduce electricity emissions to zero by 2035.

1. The 2018 restated baseline is 4.0 MtCO_{2e}.
2. The SBTi has approved Ahold Delhaize's scope 1 and 2 near-term science-based emissions reduction targets. These targets are based on a 1.5-degree decarbonization pathway.

Ahold Delhaize developed science-based targets (SBTs) for scopes 1 and 2 (market-based) in 2019, and submitted targets to the SBTi for validation in 2020.

Our near-term emissions reduction targets for scope 1 and 2, set in 2019, have been formally approved by the SBTi. This means that the SBTi has assessed the targets against the emissions reduction pathways necessary for the world to limit global average temperature rise 1.5°C above pre-industrial levels and found them to be consistent with that outcome.

In accordance with SBTi technical guidance on setting SBTs, 2018 was selected as the baseline year, since it was the most recent year with robust scope 1 and 2 footprint data. The 2018 (restated) baseline for SBTi target setting is 4.0 MtCO_{2e}; see *Sustainability notes* for further details.



Environmental information: climate continued

Climate change continued

Scope 3 targets

Timeline	Target
Scope 3 (2020 SBTi-methodology baseline)	
Short term	<ul style="list-style-type: none"> Suppliers representing 70% of our footprint will be asked to commit to the SBTi by 2025. All our suppliers will be asked to report on scope 3 by 2025.
Near term ¹	<ul style="list-style-type: none"> We commit to reduce absolute scope 3 FLAG GHG emissions by 30.3% by 2030 from the 2020 SBTi baseline for near-term target (of 16.8 MtCO₂e)¹. We commit to reduce absolute scope 3 E&I GHG emissions by 42.0% by 2030 from the 2020 SBTi baseline for near-term target (of 23.7 MtCO₂e)¹.
Long term ²	<ul style="list-style-type: none"> We commit to reduce absolute scope 3 FLAG GHG emissions by at least 72% by 2050 from the 2020 SBTi baseline for long-term target (of 22.6 MtCO₂e)^{2, 3}. We commit to reduce absolute scope 3 E&I GHG emissions by 90% by 2050 from the 2020 SBTi baseline for long-term target (of 29.2 MtCO₂e)^{2, 3}.
Net zero	<ul style="list-style-type: none"> We commit to reach net-zero GHG emissions across our value chain by 2050³.

- Committed, but not yet approved by the SBTi, the target is based on a 1.5-degree decarbonization pathway. See table [Overview of the calculation of our SBTi-methodology baseline for scope 3](#) in the [Sustainability notes](#) for more detail.
- Ahold Delhaize has also committed to set long-term scope 3 emissions reduction and net-zero targets by 2050. These targets are submitted, but not yet validated by the SBTi. See table [Overview of the calculation of our SBTi-methodology baseline for scope 3](#) in the [Sustainability notes](#) for more detail.
- In the setting of our long-term and net-zero SBTi targets, we are planning to also make use of removals to the extent permitted by the SBTi guidance.

In 2023, in line with the SBTi guidance on land-related (forest, land and agriculture sector or FLAG) and non-land-related (Energy and Industrial sector or E&I), we replaced both our near-term and long-term scope 3 GHG emissions reduction targets with two reduction targets, FLAG and E&I sector targets. Both our near-term (2030) and our long-term (2050) scope 3 reduction targets are consistent with the SBTi methodology with the aim of maintaining the level of decarbonization required to keep the global temperature increase within 1.5°C of pre-industrial temperatures.

The estimated FLAG emissions make up 42% our total GHG footprint in 2024. In setting the target, we applied the SBTi FLAG Standard with a linear annual reduction of 3.03%. For the E&I sector emissions target, we consider the SBTi's 4.2% annual reduction. We submitted the scope 3 targets to the SBTi in October 2023 and they are pending validation. Conversations and responses to queries from the SBTi on our submitted scope 3 targets are ongoing.

We continue to use 2020 as our baseline year for scope 3, consistent with the prior submissions, given the improved quality and robustness of our local brands' data for that year.

The near-term (2030) reduction targets cover 67% of category 1 purchased goods and services emissions, 0% of categories 14 and 15 and 100% of emissions under the remaining scope 3 categories, while the long-term (2050) reduction targets cover 90% of category 1 purchased goods and services emissions, 0% of categories 14 and 15 and 100% of emissions under the remaining scope 3 categories. See table [Overview of the calculation of our SBTi-methodology baseline for scope 3](#) in the [Sustainability notes](#) for more details on the calculation.

For setting our long-term and net-zero SBTi targets, we are making use of removals to the extent permitted by the applicable SBTi guidance.

As a general rule, the use of carbon credits must not be counted as emissions reduction toward the progress of a company's near-term science-based targets. Carbon credits may only be considered an option for neutralizing residual emissions or to finance additional climate mitigation beyond the science-based emissions reduction targets. We follow this principle in our target setting. See [GHG removals and carbon credits](#) for more details on our approach to carbon credits.

Avoided emissions fall under a separate accounting system from corporate inventories and do not count toward science-based targets.

Metrics

We are guided by the standards of the GHG Protocol, which defines a global standardized framework for the measurement and management of GHG emissions from the private and public sectors. Our carbon footprint methodology follows the guidelines of the World Business Council for Sustainable Development (WBCSD)/WRI and we report our GHG emissions data with reference to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Our methodology, estimates and judgments around the metrics used are included in [Sustainability notes](#).

Energy consumption and mix

For details on the energy consumption and mix and energy intensity, see [Climate change](#) in the [Sustainability notes](#).

Gross scope 1, 2, 3 and total GHG emissions

For details on the GHG emissions and GHG intensity, see [Climate change](#) in the [Sustainability notes](#).

Performance management

GHG emissions (scope 1 and 2)

	2024	2023 restated	Change vs. prior year	Target 2030
Absolute CO ₂ e emissions from own operations (MtCO ₂ e)	2.58	2.65	(0.07)	
% reduction in absolute CO ₂ e emissions from own operations against 2018 baseline ¹	36%	34%	2pp	50%

1. Compared to the 2018 restated baseline of 4.0 MtCO₂e

Compared to our 2018 baseline, GHG emissions decreased by 36% in 2024. The main driver for the higher reduction percentage compared to last year was our reduction in emissions coming from refrigerants, demonstrating that our investments in cleaner refrigerants are paying off.

GHG emissions from refrigerant leakages remained our largest source of emissions. In 2024, these emissions totaled 1,199 kilotonnes, compared to 1,323 kilotonnes in 2023. In 2024, we saw a slight decrease in our leak rate. Furthermore, because we replaced high-GWP refrigerants with low-GWP and natural refrigerants, the average GWP of these leakages decreased. Refrigerant emissions per square meter of sales area were 144 kilograms CO₂e compared to 153 kilograms CO₂e last year.



Environmental information: climate continued

Climate change continued

Emissions from electricity and heat consumption were 1,135 kilotonnes in 2024, compared to 1,074 kilotonnes in 2023 (restated). This includes emissions from electricity, fuels used for heating and imported heat and cooling. Emissions per square meter of sales area from these types of energy consumption in 2024 were 136 kilograms, compared to 124 kilograms in 2023 (restated). In 2024, 49% of electricity consumed came from zero-emissions sources, compared to 52% in 2023. Although lower than last year, we are still on-track to reach 100% zero-emissions electricity by 2035.

Total emissions from transportation declined to 250 kilotonnes compared to 252 kilotonnes in 2023, due to lower fuel (mainly diesel) consumption.

See [Sustainability notes](#) for detailed calculations.

For calculating category 1 GHG emissions, which have the highest impact on both FLAG and E&I performance, we use the Big Climate Database to assess our products' emissions. This results in an emissions profile that aligns with our Company's performance. Therefore, our scope 3 purchased goods and services emissions reflect our Company's sales.

The fluctuations we see in the ratio of FLAG and E&I emissions are due to changes in our brands' product assortment. Other scope 3 categories included in our SBTi E&I-related emissions demonstrated, in general, an improved performance in 2024 compared to 2023. However, this does not significantly affect the total E&I emissions, as the majority of emissions stem from category 1.

We also note that, based on 2023 data, the vast majority of our top 20% of suppliers by emissions are reporting decreases in their scope 3 emissions. We continue to work with the Carbon Disclosure Project (CDP) and our suppliers to adapt our calculation methodology to account for these real reductions.

Regarding our scope 3 short-term targets, in 2024, our brands asked that at least their top 70% suppliers by emissions commit to SBTi and report their scope 3 emissions.

GHG removals and carbon credits

By setting net-zero targets, Ahold Delhaize has committed to neutralizing residual emissions by our net-zero target dates. Carbon removal solutions are therefore an essential component of our long-term net-zero planning. Our primary focus remains on reducing emissions to minimize residuals as much as possible.

For our scope 1 and 2 emissions, to achieve net zero by 2040, we will reduce at least 90% of our baseline emissions and neutralize up to 10% with carbon removals sourced outside of our value chain.

Currently, we are focused on emissions reductions and are not purchasing removals at scale. To prepare for future needs, we are developing a sourcing strategy with a portfolio of solutions to:

- Secure the supply of high-quality removals necessary to meet our net-zero goals
- Incentivize the development and scaling of removal technologies
- Ensure that removals align with the durability and integrity standards required for our residual emissions

Our net-zero strategy excludes the use of avoidance offsets, as they do not contribute to the neutralization of residual emissions. Instead, we focus solely on carbon removal solutions that actively remove carbon from the atmosphere and store it in alignment with the characteristics of our residual emissions. Specifically:

- Fossil-based residual emissions: We aim to neutralize these with removal solutions offering high-permanence storage.
- Nature-based and short-lived residual emissions: We use removal solutions with lower-permanence requirements, appropriate to the emission source.

For scope 3 residual emissions, our approach is still in development and reflects the complexity of addressing emissions across our value chain. Our approach involves engaging with suppliers, particularly those in agriculture, to explore applying nature-based solutions in their operations. For fossil-based residuals, we aim to support suppliers in identifying appropriate removal solutions.

As policies and regulations evolve, and as advancements in carbon removal technologies progress, we will continue refining our approach to ensure it both meets our commitments and contributes meaningfully to global climate goals.

In 2024, Delhaize Belgium made carbon neutrality claims for several products. The brand purchased carbon credits, covering 3,150 tCO₂e, supporting carbon reduction projects outside their value chain. Of the total carbon credits, 93% were verified by Verra and 7% by Gold Standard. The underlying projects were located in Chile, the Democratic Republic of the Congo and Eritrea. These carbon credits were not used to offset our scope 3 carbon footprint.

GHG emissions (scope 3)

	2024 SBTi methodology	2023 SBTi methodology	Change vs. prior year	Target 2030
FLAG-related emissions				
Absolute CO ₂ e emissions from the value chain (MtCO ₂ e) – using SBTi target methodology	18.51	17.84	0.66	
% reduction/(increase) in absolute CO ₂ e emissions from the value chain – against the 2020 SBTi methodology baseline ¹	(9.9)%	(6.0)%	(3.9)pp	30.3%
E&I-related emissions				
Absolute CO ₂ e emissions from the value chain (MtCO ₂ e) – using SBTi target methodology	23.76	23.32	0.44	
% reduction/(increase) in absolute CO ₂ e emissions from the value chain – against the 2020 SBTi methodology baseline ²	(0.2)%	1.6%	(1.9)pp	42.0%

1. Compared to the restated 2020 SBTi FLAG baseline of 16.8 MtCO₂e

2. Compared to the restated 2020 SBTi E&I baseline of 23.7 MtCO₂e



Environmental information: climate continued

Climate change continued

Internal carbon pricing

Our Company uses internal carbon pricing schemes to support decision-making and incentivize investments that align with our climate-related targets. When our brands plan to open new stores or DCs, or remodel existing stores, they must create an investment proposal to assess the return on investment. These proposals consider both financial information and the environmental impact of the investment.

For new stores or DCs, we evaluate electricity consumption, fossil fuel usage for heating and cooling, and the type of refrigerants used. Based on this evaluation, we estimate the annual GHG emissions that the investment will generate. We then apply an internal carbon price of \$180/€150 per ton to these emissions, adding this cost to the overall investment. The internal carbon price was determined in 2021 by looking at the market price and comparing with our peers. The difference between the dollar and Euro amount is due to exchange rate factors at the time and rounding. We review the internal carbon price annually and change if necessary. This internal carbon pricing scheme functions as a shadow price applied to CapEx decisions.

By incorporating this carbon cost, we encourage investments in low-carbon technologies and practices, as these will result in lower costs and higher returns on investment. This approach helps us achieve our GHG emissions reduction targets.

Our internal carbon pricing scheme is applied across all brands in the U.S. and Europe.

This approach addresses scope 1 and scope 2 emissions, specifically refrigerants, heating and cooling, and electricity, which amounted to 2,321 ktCO₂e in 2024, representing approximately 90% of our total scope 1 and 2 emissions in the year. The approach does not cover our own transportation, business acquisitions and scope 3 emissions.

Environmental information: nature

nature

Around the world, nature is declining at unprecedented rates. On average, there has been an approximate 73% decline in the size of populations of mammals, birds, fish, reptiles and amphibians in just over 50 years. In addition, six of the nine planetary boundaries have now been crossed – including climate change, biodiversity loss and land-system change.

As food retailers, we depend on a healthy and productive natural environment to put high-quality and affordable products on our shelves. Most of the products that we sell are derived from biological resources, and are dependent on productive soils, healthy waterways and effective pollination, among other things.

At the same time, food value chains place significant pressure on nature and biodiversity, through impacts such as ecosystem conversion and deforestation, water use, GHG emissions and pollution.

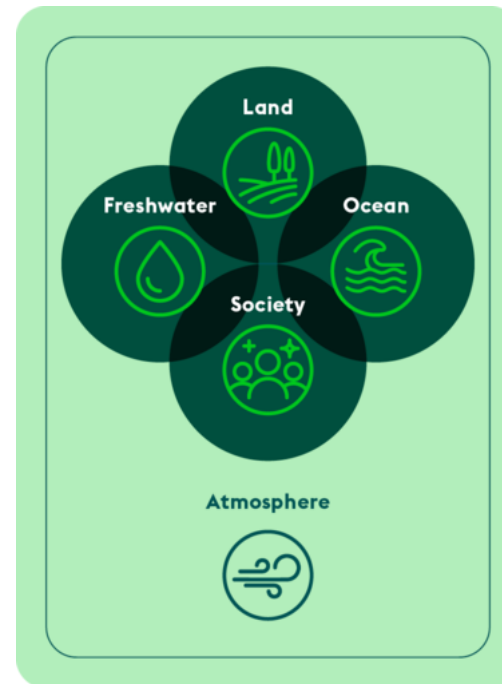
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What is nature?

Nature refers to the natural world, emphasizing the diversity of living organisms, including people, and their interactions with each other and their environment. It comprises four realms: land, ocean, freshwater and atmosphere. The four realms provide an entry point for understanding how organizations and people depend upon and impact nature.

For the purposes of this report, climate change, as it relates to nature, is dealt with as part of the overall climate topic; see [Climate change](#).



Source: Recommendations of the Taskforce on Nature-related Financial Disclosures – September 2023, with reference to Science Based Target Network (2022) SBTN Glossary. The inclusion of atmosphere reflects the importance of air quality and the close association between climate- and nature-related risks and opportunities, while acknowledging that links with climate mitigation and adaptation occur across all realms.

Governance

At Ahold Delhaize, governance on nature is integrated into our broader sustainability governance approach; see [General information – Governance](#).

Our Executive Committee, which includes our CSO, has oversight of nature-related impacts, dependencies and risks and is engaged in the review and ongoing development of our updated approach to nature. In addition, updates to nature elements of our principal risk on *climate and nature-related risks*, as well as the related mitigation actions, are performed and reported bi-annually to the Management Board and Supervisory Board as part of the ERM process.

To support the implementation of our approach to nature at a brand level, in 2024, we established a Nature Working Group, comprising representatives from each of our brands with responsibility for nature. Over the course of the year, the group met several times, discussing topics that included regenerative agriculture, deforestation and land conversion, and the nature project.



Environmental information: nature continued

IRO management

Policies

We have an overarching sustainability policy that includes several nature-related topics, and is applicable to all Ahold Delhaize brands. In addition to the sustainability policy, we have a more detailed nature standard that provides guidance to our brands on specific nature-related topics including:

- Land use change, including deforestation and conversion: For more detail, see Policies – deforestation and land conversion under [Biodiversity and ecosystems](#).
- Land degradation: For more detail, see Policies – Sustainable and regenerative agriculture under [Biodiversity and ecosystems](#).
- Sea use change: For more detail, see Policies – Marine resources under [Water and marine resources](#).
- Extraction and use of marine resources: For more detail, see Policies – Marine resources under [Water and marine resources](#).
- Direct exploitation: For more detail, see Policies – Marine resources and Water consumption and withdrawals under [Water and marine resources](#).

The nature standard will be reviewed in the coming years as we strengthen our work on nature.

Process to identify and assess material IROs

In our DMA, we identified the following relevant sub-topics relating to nature.

With the exception of climate change, all of these relate to our upstream value chain and are set out below:

Pollution	Water and marine resources	Biodiversity and ecosystems
Air pollution ²	Water withdrawal ²	Land/water/sea use change ²
Water pollution ²	Water consumption ²	Land degradation ²
Soil pollution ²	Marine resources	Direct exploitation
Microplastics		Impacts and dependencies on ecosystem services ²
Pollution of food and living organisms		Climate change ¹

1. While climate change is also identified as a material sustainability matter under Biodiversity and ecosystems, it is addressed as part of our disclosures under [Climate change](#).

2. These items were in scope of the nature project. See below for additional detail.

The 2024 nature project

Process

Building on the DMA process, we worked with an external advisor to conduct a more detailed impact, dependency, risk and opportunity assessment of our own operations and own-brand supply chain. This work, collectively referred to as the “nature project,” has enabled us to better understand where in our supply chain these topics are most relevant, and how we might be able to respond.

In 2025, we will further evaluate the results of our nature project and seek input into the development of key priorities moving forward.

In addition, the results of the project will be used to inform the review and update of our global nature approach and other priorities.

The assessment drew upon guidance from the Taskforce on Nature-related Financial Disclosure’s (TNFD’s) LEAP approach and from ESRS. To a lesser extent, we also drew on some concepts from Science-Based Targets for Nature (SBTN), such as the list of High Impact Commodities (HICs), and the concept of pressure and the State of Nature.

We did not conduct specific community consultations as part of the nature assessment. See also [Community impacts](#) for more information, including Human Rights Impacts Assessments (HRIAs), which cover community impacts stemming from environmental impacts.

2024 nature project				
Activities	Impact assessment	Dependency assessment	Risks and opportunities	Wrap up
	Science-based evaluation of the severity and location of impacts on nature	Assessment of reliance on specific ecosystem services	Assessment of nature-related risks and opportunities	Consolidation of results, interpretation and next steps
Scope	Direct operations	✓	High-level scan	✓
	Upstream value chain	✓	✓	✓



Environmental information: nature continued

Outcomes of the 2024 nature project

Through the project, we assessed potential impacts on nature and biodiversity in our upstream own-brand value chains, with a focus on 27 HICs¹. In evaluating these impacts, we considered both the pressure these commodities place on nature and biodiversity, and the state of nature in the actual or estimated production location². To assess pressure, we conducted life-cycle assessments over several nature pressure categories, including water use, water pollution, soil pollution, air pollution and land use. The State of Nature assessment included consideration of whether the value chain was likely to intersect with key biodiversity areas or ecologically sensitive areas.

1. The pressure assessment was conducted at the product level, rather than the ingredient level. While the approach varied across categories, this means weight was allocated to HICs based on assumptions.
2. In instances where the country of origin of select HICs was unknown, we utilized desk-based research and trade flow databases to identify likely sourcing countries. In these instances, and where sub-national information was not available, we utilized MapSPAM crop maps to identify likely sourcing locations within a country.

The assessment identified several high-impact value chains for additional exploration, set out below.

High-impact value chains for additional exploration

Land use, soil, air and water pollution	Animal value chains such as beef, poultry, pigs and dairy (includes feed) in selected locations
Deforestation and conversion	Palm oil, soy, cocoa, coffee, tree nuts, pulp, banana, avocado and beef value chains in selected locations
Water use	Tree nut, cotton, cocoa, beef, dairy, rice and avocado value chains in selected locations

Our existing program of work on deforestation and conversion covers many of the value chains flagged for further exploration, including palm oil, soy, coffee, tea, cocoa and wood fiber. See [Biodiversity and ecosystems](#) for more information on our deforestation approach.

In the coming year, we plan to engage our brands, NGOs and value chain partners (where relevant) to validate the results of this assessment, investigate potential mitigation actions and further prioritize actions and value chains.

Dependency assessment

Food and agriculture value chains are highly dependent on ecosystem services. This year, we assessed the dependency of our brands' own-brand supply chains on four ecosystem services that are considered to have high or very high importance to the food and agriculture sector. The assessment drew on tools including ENCORE and the TNFD's Food and Agriculture Sector Guidance.

A summary of the results is as follows:

Ecosystem services	Relative dependency ²	Related supply chains
Water supply and quality	●	The majority of our assortment is dependent on the provision of clean freshwater and fertile soil in order to support biomass supply. This includes animal products, broadacre crops, and fruits and vegetables.
Soil fertility and quality	●	
Biomass supply	●	
Pollination	●	Some products within our assortment have a high or very high ¹ direct dependency on pollination. These include (but are not limited to) cocoa, melons, pumpkins and squash, tree nuts, avocados, cucumbers, berries, plums, pears, apples apricots and peaches. We also have an indirect reliance on pollinators through other value chains, e.g., pollination required to produce some crops in feed in animal value chains.

Level of dependency



1. Very high dependency refers to crops that are expected to have a yield reduction of more than 90% without pollinators. High-dependency crops are those with an anticipated yield reduction of approximately 40-90% without pollinators.
2. Refers to the proportion of the assessed assortment that has a high or very high direct dependency on the ecosystem service

Nature risks and opportunities

Building on the risks and opportunities identified through the DMA, we conducted a more detailed risk and opportunity assessment, focusing on physical and transition risks in our upstream value chain.

We assessed the likelihood and magnitude of 21 risks and opportunities in our upstream value chain using the World Wide Fund for Nature (WWF) Biodiversity Risk Filter, the results of our impact and dependency assessments, and desk-based research.

The risks and opportunities assessed are set out in the table below, with those initially identified to be most severe underlined. We have included some additional detail on several risks, along with current mitigation where relevant.

This represents our first nature risk assessment, and we will continue to refine and build upon this work in years to come. As a first step, we will engage with our brands to validate the results, and will work to embed the learnings and outcomes of this process into our ERM risks on climate and nature, where applicable.



Environmental information: nature continued

We utilized scenario assessment to understand the way that six of the most severe risks might evolve under a pessimistic scenario. To do so, we drew upon the TNFD's critical uncertainties matrix, utilizing scenario #3, "sand in the gears." We did not explicitly consider systemic risk in this assessment.

Physical risks	<ul style="list-style-type: none"> • Water availability¹ • Water quality¹ • Soil quality • Invasive species¹ • Pollinator decline • Herbicide resistance¹ • Loss of genetic diversity¹ • Pests and diseases • Air pollution • Habitat loss 	<p><i>Example</i></p> <p>Reduction in the availability and flow of water could result in supply chain disruption, reduced availability or increased prices. Higher-risk value chains include fruit and vegetables from Spain.</p> <p>Ahold Delhaize and its brands are engaging with suppliers to mitigate risks around agricultural yields driven by nature and climate risk. See <u><i>Climate change: Process to identify and assess material climate change mitigation and adaptation-related IROs</i></u> paragraph for more information.</p>
Transition risks	<ul style="list-style-type: none"> • Consumer preferences • Investor sentiment • Community and stakeholder conflict¹ • Adverse media and NGO attention • Policy and regulations¹ • Litigation and liability¹ • Monitoring¹ • Production systems 	<p><i>Example</i></p> <p>Increasing policy and regulations on nature and biodiversity can pose a transition risk. These regulations could also create exposure to litigation.</p> <p>We actively manage risks relating to new policies, litigation and regulations as part of our GRC framework.</p> <p>As an example of recent action on environmental regulations, this year we took significant steps to prepare the business for the EU Regulation on Deforestation Free Products (EUDR) introduction.</p>
Opportunities	<ul style="list-style-type: none"> • Plant-based transition¹ • Investment in regenerative agriculture • Increase in organic assortment • Diversification of product portfolio to include the adoption of broader varieties 	<p><i>Example</i></p> <p>Increasing the sale of plant-based products has the potential to reduce pressure on nature and climate and to support positive health outcomes for our brands' customers.</p> <p>See <u><i>Climate change</i></u> for EU targets set in relation to the plant-based protein transition as part of scope 3 reduction activities.</p>

1. The underlined topics were initially identified to be the most severe.

Updating our approach to nature

In 2024, we took several significant steps to better understand our relationship to nature and to build our thinking around an updated approach. Key actions this year included:

- Producing a detailed impact, dependency and risk assessment and identifying priority value chains (via the nature project).
- Performing an initial analysis of nature impacts in feed, national-brand and packaging value chains for one of our brands.
- Establishing a Nature Working Group to facilitate the education and cross-pollination of work on nature across our brands.
- Holding several education sessions on nature with our brands and with leadership groups, including our SLT and our H&S Leadership Community.
- Enhancing our disclosure of nature-related impacts, risks and opportunities. In this Annual Report, we included, for the first time, a *TNFD index* to demonstrate our initial work toward implementing the recommendations of the TNFD.

In the coming year, we will continue to build out our approach to nature, to determine whether we need to update our policies, allocate resources and set actions, metrics and targets.



Environmental information: nature continued

Pollution



pollution

Definition: The pollution of air, soil, water and living organisms and food resources through the emissions of pollutants including, but not limited to, nitrates, phosphates, pesticides, non-GHG air pollutants and microplastics, which may be harmful to human health and the environment. This occurs during the mining, cultivation, production or transport of products and services sold by Ahold Delhaize and its brands.

IRO management

Process to identify and assess material pollution-related IROs

See *Our material sustainability matters* for the pollution-related impacts and risk we have identified and assessed as material through our *DMA* process. Pollution was identified as a material sustainability matter for the first time in the 2024 DMA.

The material upstream impacts identified relate to negative effects on the environment due to air, soil, water and living organism pollution, and microplastics, and transition risks around microplastics.

In addition, see the description of work done as part of the *nature project*, which included a more detailed impact and dependency assessment on several material sub-topics, namely soil, water and air pollution.

Policies, actions and targets

The Company makes use of the transitional provision related to value chain topics to phase in the reporting on pollution.

We do not currently have a policy, any formal action plans or targets on pollution linked to our material impacts and risks. In addition, as of yet, we have no significant operating or capital expenditure allocated to the matter.

In the coming years, the Company will further analyze the pollutants in its upstream value chain and determine the next steps, building on the outcomes of the nature project.

See *Waste* and *Packaging* for policies, actions and targets on waste and packaging, which have indirect impacts on the pollution of water and soil.

Note that the impacts of the seven GHGs are out of scope of Pollution and are addressed in *Climate change*.



Environmental information: nature continued

Water and marine resources



water and marine resources

Definitions:

Water: Understanding and managing impacts, dependencies and risks linked to freshwater withdrawals and consumption in our upstream value chains. It is focused on water use in cultivation, production and processing of commodities and products sold by Ahold Delhaize and its brands.

Marine resources: Understanding and managing impacts, dependencies and risks linked to the harvesting of seafood from both wild catch and aquaculture operations in our upstream value chains.

IRO management

Process to identify and assess material water- and marine-related IROs

See *Our material sustainability matters* for the water and marine resource-related impacts and risks we have identified and assessed as material through our *DMA* process. The impacts identified as material are negative effects on the environment due to extraction and use of marine resources and water consumption and withdrawals. Both physical and transition risks have been identified for both water consumption and withdrawals, as marine resource extraction and use.

In addition, see the description of work done as part of the *nature project*, which included a more detailed impact, dependency and risk assessment of water in our upstream supply chains.

Policies

Marine resources

The identified impacts and risks relating to marine resources and seafood are covered in the global sustainability policy, with additional guidance included in our nature standard.

The objective of our policy is to manage our impacts and dependencies by increasing the proportion of seafood that is produced in an environmentally and socially responsible manner.

Consistent with other commodities, our approach is focused on own-brand seafood products, as this is where Ahold Delhaize can make the biggest direct impact. Our approach to prevent, reduce or mitigate negative impacts and manage risks is to source seafood for our own brands that has either been certified, assessed by a third party, or is in an improvement plan.

For all seafood products, including national-brand products, our Standards of Engagement set expectations for suppliers with regard to fish stock management and practices to protect fish species.

We also support collaboration across the value chain (both own brand and national brand) by participating in partnerships and initiatives to address the challenges faced by the seafood sector. Additional detail on these partnerships are set out in the actions below.

Water consumption and withdrawals

Water consumption and withdrawals are new sub-topics identified in the DMA. As such, we do not currently have policies on water consumption and withdrawals in our upstream value chain. In the coming years, as we update our approach to nature, we will identify additional policies as needed, building on the outcomes of the nature project.

We are making use of the transitional provision related to value chain topics on water consumption and withdrawals.

Actions and resources

Ahold Delhaize brands have dedicated H&S teams that address matters relating to seafood and marine resources, alongside other sustainability topics. Actions to implement the policy on seafood did not result in significant, separately identifiable operating or capital expenditure in 2024.

The process of complying with our sourcing requirements is also integrated into normal operations and, as such, not separable.

Marine resources

Standards of Engagement

In 2024, Ahold Delhaize started implementing version 4.0 of its Standards of Engagement. This latest version requires suppliers to comply with all applicable environmental legislation and maintain all relevant permits, including, but not limited to, fish stock species management, and utilize practices that protect fish stock species in line with local, national and international fisheries management regulations (e.g., U.S. Magnuson-Stevens Fishery Conservation and Management Act and International Regional Fishery Management Organization measures).

The new version of the Standards of Engagement applies to all suppliers, is rolled out as new contracts are entered into, and has an implementation period of three years.

Responsible sourcing of seafood

Our sourcing actions are centered on own-brand seafood and follow a three-pronged approach. By 2025, our aim is that all seafood purchased for our own-brand supply chains must comply with one of the following:

- Be certified against an accepted standard
- Be assessed by an accepted third party to be low or medium risk
- Be sourced from a supplier in an accepted Fishery Improvement Project (FIP) or Aquaculture Improvement Project (AIP)

The requirements for accepted standards, third parties and improvement projects are set out in the *Sustainability notes*.

Our U.S. brands apply this three-pronged approach to all of their seafood sourcing, covering both own-brand and national-brand products.



Environmental information: nature continued

Water and marine resources continued

Many of the certification schemes that Ahold Delhaize accepts for seafood – the Global Sustainable Seafood Initiative (GSSI) recognized standards or Aquaculture Stewardship Council (ASC) standards – include controls relevant to:

- Direct exploitation of marine resources
- Habitats and conversion of marine ecosystems (sea-use change) – for example, caused by the establishment of new aquaculture sites, or the use of fishing methods that disturb the sea floor
- The environmental impacts associated with aquaculture feed (land-use change and direct exploitation) – for example, the risk of deforestation or unsustainable fishing practices linked to feed.

This action relate to the mitigation hierarchy layer of reducing the use of marine resources.

Partnerships and collaboration

Below is a summary of our seafood partnerships in 2024:

Multi-stakeholder collaboration	Focus
Global Tuna Alliance	An independent group of retailers and supply chain companies working to improve the social and environmental conditions in tuna supply chains.
Global Sustainable Seafood Initiative	A global multi-stakeholder initiative on sustainable seafood. Conducts benchmarking of certification schemes.
Seafood Task Force	Multi-stakeholder initiative on human rights in tuna and shrimp supply chains, with some focus on ecosystem conversion.
North Atlantic Pelagic Advocacy Group	Fishery Improvement Project in the North Atlantic Pelagic fishery, with relevance to our sourcing of mackerel and herring, and indirect sourcing of blue whiting via inclusion in salmon feed.

Water consumption and withdrawals

We do not currently have a global action plan for addressing the negative impacts and risks relating to water withdrawals and consumption. In the coming years, as we update our approach to nature, we will identify additional actions as needed, building on the outcomes of the nature project.

How we measure our performance

We do not have a target on upstream value chain material sustainability sub-topics relating to water consumption and water withdrawals yet and thus will make use of the transitional provisions on value chain topics.

We have the following ambition in place, focused on the sustainable sourcing of own-brand seafood products from our upstream value chain:

Timeline	Ambition
Short term	100% of own-brand seafood products certified against an accepted standard, from sources assessed by an accepted third party, or from accepted FIP or AIP by 2025.

Our voluntary ambition was informed by participation in multi-stakeholder networks, such as those listed in the *Partnerships and collaboration* paragraph earlier in this chapter.

Currently, Ahold Delhaize has no targets linked to our material impacts and risks relating to water consumption and water withdrawals in the upstream value.

In the coming year, we will look at what steps, if any, can be taken to close the gap while maintaining alignment with our overall strategy.

Metrics

We track our progress and performance through our use of certification for own-brand seafood products.

Performance management

	2024	2023	Change vs. prior year
Percentage of own-brand seafood products certified against an accepted standard, from sources assessed by an accepted third party, or from accepted FIPs or AIPs	96.7%	96.9%	(0.2)pp

The percentage of certified own-brand seafood products remained almost flat compared to 2023.

We are continuing to work toward achieving our sustainably sourced seafood ambition, but there are gaps relating to some species and/or markets. For example, some of the products our brands sell come from small local fisheries, for which certification is not always available. In these instances, we are looking at options to partner with local research organizations or NGOs to assess their sustainability.



Environmental information: nature continued

Biodiversity and ecosystems



biodiversity and ecosystems

Definition: Understanding and managing the business's impacts and dependencies on biodiversity and ecosystems in upstream value chains as well as the related risks. Includes consideration and mitigation of the business's connection to relevant material drivers of biodiversity loss, including climate change, pollution, ecosystem conversion (including deforestation) and direct exploitation through seafood sourcing.

Strategy

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

As a food retailer, Ahold Delhaize is dependent on healthy ecosystems for the products its brands source from value chain actors upstream. Changes in the health of these ecosystems can result in both acute and chronic impacts to the food supply chains.

Ahold Delhaize brands' operations are spread over a number of countries in Europe and on the U.S. East Coast. The Company is not dependent on a small number of suppliers or sourcing locations; therefore, our strategy and business model is reasonably resilient.

In addition, Ahold Delhaize and its brands are engaging with suppliers to develop solutions to address risks around product procurement and decreasing agricultural yields. This includes working with producers and cooperatives that invest in greenhouse facilities that can support environmental conditions optimal for production or regenerative agricultural practices. See [Climate change](#) for more detail.

The Company makes use of the transitional provision related to value chain topics to phase in the reporting on biodiversity and ecosystems. See also further information about the [nature project](#) executed in 2024.

Material IROs and interaction with strategy and business model

The DMA identified a potential material negative impact relating to land degradation in the upstream value chain.

Land degradation is the result of human exploitation, and is driven by practices and events including extreme drought, deforestation and ecosystem conversion, soil pollution, overuse of fertilizers and pesticides, overgrazing and monocultures.

No material negative impacts relating to desertification or soil sealing were identified.

IRO management

Process to identify and assess material biodiversity and ecosystem-related IROs

See the description of work done as part of the [nature project](#), which included a more detailed impact, dependency and risk assessment of biodiversity and ecosystems in our upstream supply chains.

See [Our material sustainability matters](#) for the biodiversity and ecosystem-related impacts and risks we have identified and assessed as material through our [DMA](#) process.

Ahold Delhaize and its brands have some sites (mainly stores) in or near biodiversity-sensitive areas. We are not aware of material impacts on biodiversity connected to these sites. Based on analysis conducted to date, we have concluded that it is not necessary to implement a program of biodiversity mitigation measures for our own operations.

For more information on policies, actions, targets and metrics for the climate change-related impact and risk, see [Climate change](#), and for the pollution-related impact and risk, see [Pollution](#).

Policies

Our global sustainability policy, supported by our nature standard, includes Ahold Delhaize's overall policy and approach to biodiversity and ecosystems.

Our policy is focused on three areas: deforestation and land conversion; sustainable and regenerative agriculture; and marine resources. As a result, it links material sub-topics including land-use change, sea-use change, land degradation, direct exploitation of marine resources, and also, partly, impacts and dependencies on ecosystem services. However, the policy and standard currently have gaps relating to water, pollution and water-use change, as addressed in [Water and marine resources](#).

Deforestation and land conversion

We follow the guidance and definitions of the Accountability Framework Initiative (AFI), and use a cut-off date of December 31, 2020, or the date of the applicable certification, whichever is earlier.

As a retailer with a global footprint, we source several commodities that are considered to have a high risk of deforestation and/or land conversion. Our focus is on own-brand products that contain one of the following commodities: palm oil, soy, coffee, tea, cacao and wood fibers. We use verification and, where possible, certification programs to address and minimize deforestation and land conversion. Where certified material is not available, for example in the case of embedded soy coming from South America, we buy credits to directly support farmers producing certified soy.



Environmental information: nature continued

Biodiversity and ecosystems continued

We will use the results of the nature project to review and determine what the next steps will be. We currently focus on our own-brand supply chain, as this is where we have the greatest oversight and control over the way products are farmed, produced and packaged. Over time, we will continue to consider how we can better understand and address these issues within our national-brand supply chains.

In addition, the EU has legislation addressing deforestation: the EUDR. Ahold Delhaize and its European brands will comply with this regulation when it becomes applicable.

The EUDR entered into force in June 2023 and was initially scheduled to become applicable on December 30, 2024. However, the EU Parliament and the Council have recently agreed to the Commission's proposal to delay its application by one year to give companies and authorities more time to better prepare for its implementation. This legislation aims to minimize deforestation and forest degradation associated with certain commodities and relevant products placed on the EU market.

Sustainable and regenerative agriculture

Poor farming practices can have adverse impacts on soil, waterways and biodiversity. As well as resulting in environmental damage, these practices can also undermine the resilience and productivity of food supply chains, which has consequences for food security, communities and businesses alike.

We identified several of the topics impacted by unsustainable farming practices as material sub-sub-topics during the DMA: land degradation, climate change (see [Climate change](#)), pollution of air, soil and water (see [Pollution](#)), water consumption and withdrawals (see [Water and marine resources](#)), and impacts and dependencies on ecosystem services.

Ahold Delhaize currently does not have a policy on sustainable and regenerative agriculture and, as these are topics within the value chain, the transitional phase-in provisions will be utilized for reporting.

All brands are, however, encouraged to support these types of farming practices. The nature of this support will depend on the resources and capacity of the brand and the make-up and structure of its supply chain.

Actions and resources

Actions to implement the existing policies around biodiversity and ecosystems did not result in significant, separately identifiable operating or capital expenditure in 2024. Ahold Delhaize brands have dedicated Health and Sustainability teams that address matters relating to biodiversity alongside other sustainability topics.

In addition to the actions discussed below, many other elements of our healthy communities & planet approach also reduce our negative impacts on nature and biodiversity. This includes actions to reduce plastic packaging and food waste and lessen our climate impact, and efforts to lead the transition to sustainable protein.

We do not currently incorporate Indigenous knowledge into actions on biodiversity and ecosystems or use any biodiversity offsets.

Standards of Engagement

According to our Standards of Engagement 4.0, which is being rolled out over the coming years, we expect our suppliers to:

- Comply with all applicable environmental legislation and maintain all relevant permits, including, but not limited to, deforestation and/or land conversion (e.g., EU Regulation on deforestation-free products) and agro-chemical and pesticide storage, use and management
- Not source materials associated with deforestation or land conversion, in line with the respective cut-off dates prescribed by legislation and/or by relevant standards (e.g., Roundtable on Sustainable Palm Oil)

See also [Workers in the value chain](#) for more information about our Standards of Engagement.

Deforestation and land conversion

Ahold Delhaize and its brands aim to be 100% deforestation and land conversion free for own-brand products containing coffee, cocoa, palm oil, tea, soy and wood fiber by 2025. We achieve this by:

- Sourcing own-brand products containing coffee, cocoa, palm oil and tea that are, as much as possible, certified against an accepted standard
- Sourcing high-risk (South American) soy volume in own-brand supply chains covered by accepted physical certification or credits
- Sourcing own-brand wood fiber-based products and packaging either certified against an accepted standard, classified as low-risk or recycled

The requirements for accepted standards and credits are set out in the [Sustainability notes](#).

Sustainable and regenerative agriculture

The Ahold Delhaize brands support sustainable and/or regenerative agriculture through multiple channels, including:

- Use of standards and certifications
- Establishment of brand-specific farming programs
- Partnerships with suppliers
- Support for NGOs and farming groups

Agriculture is a place-based science, which means that the most appropriate sustainable or regenerative practices will differ according to the local region, climate, crop and farm environment.

Many of our brands work with initiatives such as the GLOBALG.A.P. to contribute to sustainable agriculture in their upstream value chains.

Our brands are working to further integrate sustainable agriculture expectations into sourcing requirements. Many work directly with suppliers to adopt sustainable agriculture practices that include conserving natural resources, reducing land conversion and improving soil health.

In addition, this year, our U.S. and Belgian brands announced regenerative agriculture pilots in partnership with our suppliers. These pilots focused on commodities, such as wheat and oats. Following the completion of these pilots, we will identify key learnings and share them across the brands.

These activities relate to the mitigation hierarchy layers of avoiding, minimizing and regenerating nature.



Environmental information: nature continued

Biodiversity and ecosystems continued

More sustainable consumption patterns

We aim to encourage customers, for example, through our product offering, to increase their consumption of plant-based proteins, which, when produced sustainably, have fewer environmental impacts than animal-based proteins. See also [Climate change: scope 3 key levers](#) for the European activities around transitioning to more plant-based protein.

This action relates to the mitigation hierarchy layer of reducing the impact and risk of our supply chains on nature.

Annual risks assessments

Our brands conduct an annual sustainability risk assessment to identify social and environmental risks linked to our sourcing practices. This assessment considers environmental impacts such as land conversion, pesticide use and water use, as well as a range of social impacts. Our brands use its outputs to inform their ongoing work on these topics in their supply chains.

Multi-stakeholder partnerships

We know that transitioning to a more sustainable food system will require coordinated action from a variety of actors across governments and NGOs and within food and beverage value chains. For this reason, we are involved in several multi-stakeholder forums centered on critical social and environmental challenges and solutions linked to biodiversity and ecosystems.

Multi-stakeholder collaboration	Focus
	To advocate progression in supply chains and promote system change:
The Tropical Forest Alliance (TFA)	A multi-stakeholder partnership platform supporting companies in the global transition to deforestation-free supply chains for commodities like palm oil, soy, beef and paper/pulp.
The Roundtable on Sustainable Palm Oil (RSPO)	A global partnership promoting sustainable palm oil production, processing, trade and use through the development and implementation of global standards.
The Retailer Palm Oil Group (RPOG)	A non-competitive coalition of retail companies committed to using sustainable palm oil in their products, aiming to make sustainable palm oil the norm.
The Palm Oil Transparency Coalition (POTC)	A pre-competitive coalition working to remove deforestation and exploitation from palm oil production. Focuses on transparency, traceability and sustainability in palm oil supply chains through, for example, their annual trader assessment.

Multi-stakeholder collaboration	Focus
The Round Table for Responsible Soy (RTRS)	Promotes responsible soy production, processing, trade and use. Develops and implements global certification standards for sustainable soy.
The Retailer Soy Group (RSG)	A non-competitive group of retail companies committed to increasing the use of sustainable soy in their products, aiming to make sustainable soy the norm and increase transparency in the soy supply chains.
Transitioning farming systems:	
Sustainable Agriculture Initiative (SAI) Regenerating Together Group	Ahold Delhaize was a founding member of the SAI's "Regenerating Together" group and subsequent program. The working group has members spanning food value chains and supports the development of a regenerative agriculture framework.

How we measure our performance

To measure our performance, we have the following ambition in place addressing land conversion and deforestation, which is focused on the sourcing of own-brand critical commodities:

Timeline	Ambition
Short term	By 2025, Ahold Delhaize and its brands aim to be 100% deforestation- and land-conversion free for own-brand products containing soy, palm oil, cocoa, coffee, wood fiber and tea. We refer to no deforestation or land conversion as defined by the Accountability Framework Initiative or the Forest Resources Assessment . The cut-off date we use is December 31, 2020, or the date of the applicable certification, whichever is earlier. We achieve this by having: <ul style="list-style-type: none"> • 100% of own-brand products containing coffee, cocoa, palm oil and tea certified against an accepted standard • 100% of high-risk (South American) soy volume in own-brand supply chains covered by accepted physical certification or credits • 100% of own-brand wood fiber-based products and packaging either certified against an accepted standard, classified as low-risk or recycled



Environmental information: nature continued

Biodiversity and ecosystems continued

Our voluntary ambitions are broadly aligned with the aims of both the Kunming-Montreal Global Biodiversity Framework and the EU biodiversity strategy. We have not reviewed alignment with national-level policies and legislation.

Regarding the mitigation hierarchy, our ambition most closely related to attempting to “minimize” or “avoid” negative impacts. We did not apply ecological thresholds and allocations of impacts to Ahold Delhaize when setting our voluntary ambition.

Our ambitions were informed by participation in multi-stakeholder networks, such as those listed in the *Multi-stakeholder partnerships* paragraph earlier in this chapter.

Biodiversity offsets were not used in setting the above-mentioned ambition.

We do not have targets on all upstream value chain material sustainability sub-topics yet, and thus will make use of the transitional provisions on value chain topics.

We are on track to achieve our ambitions for tea and soy; however, certain commodities, like palm oil, continue to pose challenges. In the case of palm oil, the limited availability of certified palm kernel oil and its derivatives, most commonly used in non-food products, remains an obstacle. Wood fiber, coffee and palm oil are areas of focus.

In the coming year, we will review the ambition and will look to identify what steps, if any, can be taken to close the gap while maintaining alignment with our overall strategy.

Our current ambitions have a time horizon up to the end of 2025. At the completion of our nature project, we will determine the most appropriate future ambitions and actions going forward, where applicable.

See also *Water and marine resources* for the ambition on sustainable sourcing of seafood.

Metrics

We track our progress and performance by certifying own-brand products, with a focus on the six critical commodities.

The methodology, data considerations and requirements for accepted standards are set out in the *Sustainability notes*.

Performance management

Performance indicator description	2024	2023	Change vs. prior year
Tea, coffee and cocoa			
% of own-brand products containing tea (as defined) certified against an accepted standard	99.5%	99.4%	0.1pp
% of own-brand products containing over 1% coffee by weight certified against an accepted standard	97.4%	97.1%	0.3pp
% of own-brand products containing over 5% cocoa certified against an accepted standard	96.5%	91.8%	4.7pp
Palm oil			
% of certified palm oil in own-brand products	96.4%	93.7%	2.7pp
Wood fiber			
% of own-brand wood-fiber based products either certified against an accepted standard, classified as low-risk or recycled	91.6%	93.4%	(1.8)pp
Soy			
% of high risk own-brand soy certified against acceptable standards or covered by accepted credits ¹	100%	100%	0.0pp

We are on track to achieve our ambition of having 100% of coffee, tea and cocoa certified against an accepted standard. In 2024, we made good progress in increasing the percentage of certified cocoa.

The improvement in certified palm oil is mainly attributable to our U.S. brands achieving a higher certification compared to 2023. Future improvement in a number of European brands will be required to achieve the 2025 ambition.

The percentage of own-brand wood-fiber-based products certified against an accepted standard, classified as low-risk or recycled, decreased, due to fluctuations in certification by European brands.

1. This also includes credits purchased in the first quarter of the next financial year. See *Sustainability notes: Biodiversity and ecosystems* for information.



Environmental information: nature continued

Animal welfare



animal welfare

Definition: Understanding and managing the business's actual and potential impacts on animal welfare in upstream value chains, considering the five domains of animal welfare: nutrition, physical environment, health, behavioral interactions and mental state.

Strategy

For more information on our strategy and how the material sustainability matters identified are linked with Ahold Delhaize's Growing Together strategy, see [Our material sustainability matters](#).

Animal-derived proteins are still an important part of the human diet – predominantly eggs, chicken, pork, dairy and beef – but the economics of their production often has an inversely proportional relationship to the welfare of the animals. Higher animal welfare standards require investments in physical space, working hours and specialized equipment, which might not always be available in certain markets.

At the same time, farm animal welfare is connected to food safety, due to the close links between space provided to animals and their health. Higher stocking densities require a higher usage of antimicrobials to keep the animals healthy, which may lead to antibiotic-resistant pathogens for humans.

Ahold Delhaize and its brands support the welfare of animals and the provision of safe food, while, at the same time, preserving access to affordable, fresh products.

Our approach to animal welfare currently focuses on stronger animal welfare standards for own-brand and national-brand whole- or single-ingredient products derived from farm animals globally, as well as (aquaculture-farmed) seafood.

We support the internationally recognized Five Freedoms of animal welfare. However, the traditional approach of the Five Freedoms is increasingly found to be limited, as it assumes that the absence of negative experiences (or "freedoms" from negative states) alone ensures high welfare.

A more modern framework, the Five Domains model, is gaining prominence. This approach not only focuses on minimizing negative experiences but also on enhancing positive ones, aiming to ensure the highest level of welfare throughout an animal's life. As a result, Ahold Delhaize is transitioning to the Five Domains framework in our approach to animal welfare.

The five freedoms	The five domains
Freedom from hunger and thirst	Nutrition: Factors that involve the animal's access to sufficient, balanced, varied and clean food, and water.
Freedom from discomfort	Physical environment: Factors that enable comfort through temperature, substrate, space, air, odor, noise and predictability.
Freedom from pain, injury or disease	Health: Factors that enable good health through the absence of disease, injury and impairment with a good fitness level.
Freedom to express normal behavior	Behavioral interactions: Factors that provide varied, novel and engaging environmental challenges through sensory inputs, exploration, foraging, bonding, playing, retreating and others.
Freedom from fear or distress	Mental state: The mental state of the animal should benefit from predominantly positive states, such as pleasure, comfort or vitality, and fewer negative states, such as fear, frustration, hunger, pain or boredom.

The Five Domains model is context specific, and can be applied differently, depending on the role of a company within the value chain. For Ahold Delhaize, we use the following:

Nutrition domain: Ahold Delhaize wants each animal in its brands' supply chains to have access to the appropriate food in the appropriate quantity. This domain includes the topics of food and water quality, force feeding and starvation.

Physical environment domain: Ahold Delhaize wants each animal in its brands' supply chains to live in an environment that has adequate space for free movement and adequate lighting, noise and temperature. This domain includes limiting live animal transport times.

Health domain: Ahold Delhaize wants each animal in its brands' supply chains to live in good health, with limited disease, injury, functional impairment or routine mutilation. This domain includes the topic of beta-antagonists, which are sometimes used in livestock production to enhance growth and alter body composition, and antimicrobials.

We understand the significance of antimicrobials in both human and animal medicine and the threat from improper use in livestock supply chains. Some antimicrobials used in livestock supply chains are also used in human medicine and, if overused, can lead to increased antimicrobial resistance. We believe that antimicrobials used in animal medicine, when applied responsibly and under veterinarian oversight for treatment of disease or injury, promote good animal welfare; they should not be used unless the well-being of an animal is endangered. We don't support the prophylactic use of antimicrobials in animal farming, or their use as growth promoters.



Environmental information: nature continued

Animal welfare continued

Behavioral interactions domain: Ahold Delhaize wants each animal in its brands' supply chains to have agency when it comes to its behavior, through normal interaction with its environment, other animals and humans. This domain includes providing good living conditions to animals that are used for labor.

Mental state domain: Ahold Delhaize wants each animal in its brands' supply chains to experience a mental state of comfort, security and calmness. This domain includes the topic of pre-slaughter stunning: it is our aim that animal-based products come from farm animals that have been rendered unconscious and insensible to pain before harvest through effective stunning in a single attempt. To offer all customers a suitable choice, we accept alternative practices for religious slaughter.

IRO management

Process to identify and assess material animal welfare-related IROs

See *Our material sustainability matters* for the animal welfare-related impact we have identified and assessed as material through our *DMA* process: the negative impact on the well-being of animals through use of animals for food production, sourced from suppliers and sold by Ahold Delhaize brands.

Our current animal welfare approach addresses select species and industry practices. In 2025, we will conduct further analysis to refine priority topics and actions. Therefore, we will build out our animal welfare policy, action plans and metrics in the coming years. The Company makes use of the transitional provision related to value chain topics to phase in reporting on animal welfare.

Policies

We have an overarching sustainability policy that is applicable to all Ahold Delhaize brands. In addition to the sustainability policy, the Company also has a specific animal welfare standard that provides further guidance on our approach to animal welfare.

The animal welfare standard applies to both terrestrial farm animals and (aquaculture-farmed) seafood. The standard includes more information on terrestrial animals, including our interpretation of the Five Domains (our domain definitions) and guidance to brands, and, to a much lesser extent, guidance on seafood welfare. This is primarily due to the maturity of the supply chain, availability of data and practicality of confirming adherence. See *Water and marine resources* for more information on the responsible sourcing of seafood.

Actions and resources

Our local brands translate the guidance provided in our animal welfare standard into day-to-day decision making, taking into account local market conditions and local legislation. More information on specific brand approaches is available on the brand websites (see www.aholddelhaize.com).

This year, we updated our *Standards of Engagement* to incorporate our vision on animal welfare; besides complying with applicable legislation, we expect suppliers to commit to sound, science-based animal care practices and the elimination of animal cruelty, abuse and neglect. In addition, Ahold Delhaize expects suppliers to incorporate the Five Freedoms of animal welfare.

Ahold Delhaize is a member of several multi-stakeholder initiatives, such as SAI Beef (ERBS) and GLOBALG.A.P. (for pork and chicken). Key areas of action are antimicrobial use and mortality rates.

Each brand has one or more sustainability experts in-house, who also look after animal welfare topics. There are no specific, separately identifiable, dedicated resources allocated to the topic, but it is fully integrated into our sourcing of products where agreements are made with suppliers on animal welfare. Due to the activities being fully integrated into the daily operations, no significant operating expenses are identifiable and tracked.

As the activities are also aimed at improving animal welfare in the upstream value chain, no significant capital expenditure is incurred in relation to animal welfare.

In regions where consumer uptake of cage-free eggs is slower than expected, our brands work with consumer research and egg producer organizations to evaluate how in-store signage supports customer education and at-shelf purchase decisions.

We will continue to evaluate our animal welfare program and make modifications as necessary.

How we measure our performance

Consistent with the reporting in our Annual Report 2023, the rate of supplier transition and consumer uptake in some regions is slower than expected. Therefore, in 2024, we reviewed our ambition on cage-free eggs and revised it as indicated below.

It is important to note that to achieve this revised ambition, availability within the supply chain, demand among customers, legislation and regulatory compliance with programs like the U.S. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), are all critical factors.



Environmental information: nature continued

Animal welfare continued

We recognize that this work cannot be done alone. The transition to cage-free eggs will require strong collaboration and partnership among partners, farmers, suppliers and customers, and we look forward to bringing these stakeholders along this journey.

When it comes to pork, our original ambition was based on the assumption that the industry would transition to the complete removal of gestation crates, which are used to confine pregnant sows for most of their gestation period. While these systems simplify management and prevent aggression, they raise significant welfare concerns, including extreme restriction of movement, the inability to express natural behaviors and the potential for stress and frustration.

However, transitioning to fully crate-free systems has proven challenging and impractical due to space constraints, the need to manage sow aggression, and the higher costs and labor demands of such systems. In response, the industry has broadly shifted toward group housing, which addresses many welfare concerns by allowing sows greater freedom of movement, opportunities for social interaction and a more enriched environment, while balancing operational feasibility.

In 2024, we reviewed our pork animal welfare ambition to reflect evolving industry practices and the regulatory requirements in the EU. While EU legislation mandates that sows must be kept in groups for most of their gestation, they still permit the use of stalls during the initial four weeks of pregnancy for breeding and stabilization purposes.

Recognizing the impracticality of fully crate-free systems and the welfare improvements achievable with group housing, we have revised our ambition to align with this model, which reflects the prevailing trend in the U.S. and the intent of EU legislation to improve sow welfare while addressing operational realities.

Our voluntary ambitions were informed by consultations with international animal welfare organizations.

We do not have ambitions on upstream value chain material sustainability sub-topics relating to animal welfare beyond our current focus topics. We are currently evaluating the completeness of this and thus will make use of the transitional provisions on value chain topics.

As noted earlier, our current animal welfare approach addresses select species and industry practices and we will review these ambitions and look to identify what steps, if any, can be taken to close the gap while maintaining alignment with our overall strategy.

Currently, we have defined the following updated ambitions, which are focused on improving the physical environment of swine and laying hens:

Timeline	Ambition
2032	All Ahold Delhaize brands have the ambition of being 100% cage free for own-brand and national-brand shell eggs by 2032 ¹ .
2028	Our U.S. brands have the ambition to sell 100% pork products from group-housed swine by 2028. Our European brands continue to ensure compliance with EU legislation that limits the use of gestation crates for swine for extended periods, which is comparable to our ambition for our U.S. brands ² .

1. During 2024, the ambition was updated, following a review of the progress made and market circumstances. The previous ambition was that all European Ahold Delhaize brands, other than Albert Heijn and Delhaize Belgium, and all U.S. brands committed to being 100% cage-free for own-brand and national-brand shell eggs by 2025. Albert Heijn and Delhaize Belgium have already achieved 100% cage-free own-brand and national-brand eggs.
2. During 2024, we revised the U.S. brands' ambition from the aim to eliminate the use of gestation stalls by 2025 or sooner to the above.

Metrics

We currently only report on the cage-free eggs metric. The Company makes use of the transitional provision related to value chain topics to phase in reporting on animal welfare.

Performance management

	2024	2023	Change vs prior year
Percentage of shell eggs that are cage free	47%	45%	2pp

In 2024, our brands have continued to advance on the cage-free eggs ambition through supplier engagement and phasing out non-compliant items from their assortment.

Albert Heijn and Delhaize Belgium have already achieved 100% cage-free own-brand and national-brand eggs.



Environmental information: circularity Packaging

circularity

Circularity refers to the practice of keeping resources in circulation for as long as possible, thereby minimizing waste. This approach encourages us to rethink the design and management of our products and operations.

At Ahold Delhaize, packaging and waste – especially food waste – are the most material sustainability matters linked to circularity, making them our primary focus areas. These topics are closely linked to our *Healthy communities & planet* strategic priority and serve as starting points for our efforts to manage resources more efficiently across the value chain.

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packaging

Definition: Our brands are continuously improving product packaging by reducing virgin plastic use, incorporating more recycled content, and adopting recyclable or reusable materials in own-brand plastic packaging.

To achieve this, we measure the packaging we place on the market and concentrate our efforts on sourcing packaging that relies less on finite resources and is designed to retain its highest value for longer, preventing it from becoming waste.

IRO management

Process to identify and assess material packaging-related IROs

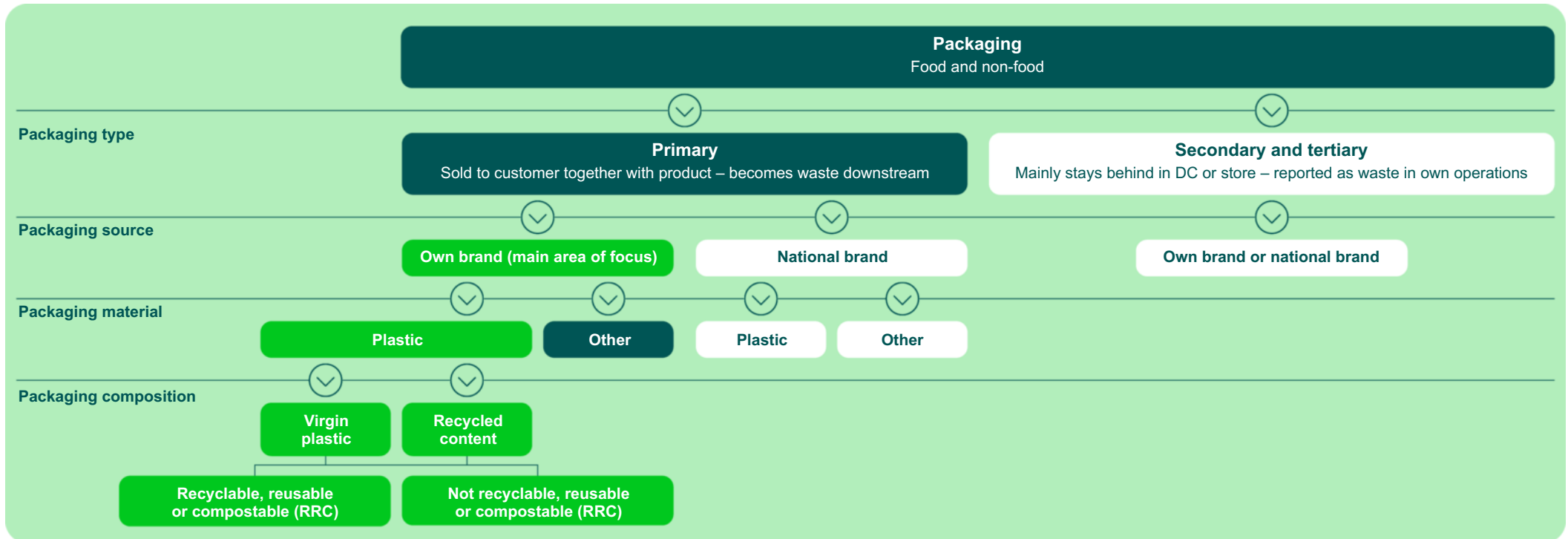
See *Our material sustainability matters* for the packaging-related impact and risk we have identified and assessed as material through our *DMA* process.

The impact around packaging we have identified as material is the negative impact on the environment through the production, use and disposal of (virgin) plastics, cardboard and other (non-)compostable primary and secondary packaging materials used and sold by Ahold Delhaize's brands. In addition, we have identified a transition risk around increased regulatory pressures. The IROs are upstream in the value chain.

In our business model, we mainly use packaging, such as plastics, for our own-brand products and through CPG suppliers that manufacture branded products delivered to our brands' own operations. Ahold Delhaize and its brands do not manufacture any packaging. Our approach and actions to address packaging-related impacts, risks and opportunities depend on the classification of the packaging. We aim to prioritize our policies and actions in the areas where we can maximize our impact and where we have more data available.

Environmental information: circularity continued

Packaging continued



- Packaging type:** Primary packaging is sold with the product to the customer and becomes waste downstream. In order to reduce the negative impacts on the environment, the aim is to eliminate or reduce primary packaging. Where that is not possible, we should aim to use packaging that is made from recycled content and designed for recycling. Secondary and tertiary packaging is mainly waste in our own operations, and as such, Ahold Delhaize and its brands deal with it according to the waste hierarchy explained under [Waste](#).
- Packaging source:** From a product management perspective, we classify the products (and the related packaging) we sell as either own-brand products or national-brand products, since the level of involvement in product development, ingredients, packaging and market propositioning differs. This subsequently impacts the level of influence we have on managing the related impacts, risks and opportunities, and our actions related to it.
- Packaging material:** Different types of packaging, such as glass, paper, aluminum and plastic, are used to pack the products sold by Ahold Delhaize and its brands. The production, use and disposal of (virgin) plastics, cardboard and other packaging materials used and sold by our brands can have negative effects on environmental resources.
- Packaging composition:** From a circular economy and environmental perspective, our activities aim to reduce or eliminate the use of virgin plastics, replace them with recycled content where elimination is not possible, and work toward ensuring that plastic packaging is recyclable, reusable or compostable.

For the definitions of own brand and national brand, see [Definitions and abbreviations: Non-financial performance measures](#).



Environmental information: circularity continued

Packaging continued

We consider plastic to be the most problematic material type due to the following reasons, among others:

- It relies on fossil fuels (finite resources) and significantly contributes to GHG emissions.
- The existing recycling infrastructure is inefficient compared to materials like paper and glass, requiring both a concerted industry effort to improve recycling rates and a reduction in the inflow of plastic to the system.
- As a non-biodegradable material, it causes long-lasting environmental harm when mismanaged or improperly disposed of.
- It poses potential health risks due to chemicals of concern and microplastics.

Studies from organizations including the Ellen MacArthur Foundation (EMF), the World Economic Forum and UNEP broadly highlight these aspects. We will conduct further investigations to better understand the impacts of other packaging materials in the future.

Policies

Ahold Delhaize has an overarching sustainability policy that also includes topics related to circularity, and is applicable to all our brands. The Company makes use of the transitional provision related to value chain topics to phase in reporting on packaging.

In addition to the sustainability policy, the Company also has a plastic packaging standard that documents how plastic packaging is managed within our brands' own operations.

As a signatory to the New Plastics Economy Global Commitment ("The Global Commitment") and a supporter of the Business Coalition for a Global Plastics Treaty – both initiatives led by

the EMF in collaboration with the UN Environment Program and WWF respectively – Ahold Delhaize has set plastic packaging-related targets for 2025.

In line with guidance from the EMF, we follow a framework designed to help us move toward a more circular system for own-brand product packaging, through:

1. Elimination
2. Shift to reusable
3. Shift to recyclable or compostable in practice and at scale
4. Decoupling the use of plastic from the consumption of finite (fossil) resources
5. Elimination of hazardous chemicals from plastic

Our policy on plastic packaging is focused on own-brand primary plastic packaging.

Our approach for branded products is to encourage CPG suppliers to become members of the EMF in order to unite more suppliers behind a common vision of a circular economy for plastics, and set reduction targets in line with the Foundation's guidance.

Our policies currently do not address packaging materials other than plastic.

Actions and resources

While each brand has one or more sustainability experts in-house, these specialists are not necessarily fully dedicated to (plastic) packaging. Management of this topic is also embedded in our brand teams' roles in product development, store operations and DC logistics. It does not require specific, separately identifiable, or dedicated resources to be allocated to the topic.

Primary plastic packaging

National brands

For national-brand products, we do not control the plastic consumption or usage within the value chain and we do not always receive detailed data on the types of plastics used in these products. We encourage our suppliers to become members of the EMF but do not explicitly monitor memberships.

Over 1,000 organizations from across the world, including businesses representing 20% of all plastic packaging produced globally and over 50 government signatories, have mobilized behind The Global Commitment's common vision of a circular economy for plastic.

Many of our significant suppliers have already made this commitment, including Nestlé, PepsiCo, The Coca-Cola Company, Unilever, Mars Incorporated and L'Oréal, along with major packaging producers like Amco, plastics producers such as Novamont and resource management specialist Veolia. These suppliers account for a significant portion of the branded products in our brands' operations.

We monitor progress made by signatories of The Global Commitment through the annual progress reports issued.

The progress report 2024 is available [here](#) and covers the 2023 reporting year. The report shows continued progress by signatories on virgin plastic production, post-consumer recycled (PCR) content and recyclability. Key findings included in the report are:

- Signatories decreased their total and virgin plastic packaging weight, with the virgin weight decrease being the greatest yearly reduction since 2018.
- For the sixth consecutive year, signatories continued to increase their use of PCR content.

- Between 2022 and 2023, signatories' recyclability in practice and at scale went up by 4 percentage points, mostly because the packaging category PP other rigids (pots, tubes, cups, etc.) is now recognized as recyclable. There is sufficient evidence that recycling rates have grown for this packaging type in multiple regions.

- With a large part of the plastic packaging industry not yet taking action, and signatories likely to miss key 2025 targets, the world is off track on eliminating plastic waste and pollution.

Own-brand

Our approach toward packaging is primarily focused on own-brand products and their primary plastic packaging, as we control the related processes within the value chain. Our brands continue to improve their own-brand product packaging by eliminating unnecessary plastic, switching to reusable and/or recyclable packaging, and increasing the use of recycled content in own-brand plastic packaging.

The vision behind the EMF guidance and framework is to help organizations progress to the target state all signatories seek over time, acknowledging that realizing it will require significant effort and investment, and recognizing the importance of taking a full life-cycle and systems perspective as we aim for better overall economic and environmental outcomes.

In line with guidance from the EMF, our actions are built on this framework, which is designed to help us move toward a more circular system for own-brand products, through the following steps:

1. Elimination

Eliminating problematic or unnecessary plastic packaging through redesign, innovation and new delivery models is a priority. To achieve a circular economy, we need to curb growth in the total amount of material that needs to be



Environmental information: circularity continued

Packaging continued

circulated. While plastics bring many benefits, there are some problematic items on the market that need to be eliminated to achieve a circular economy, and sometimes plastic packaging can be avoided altogether while maintaining utility. Elimination is about more than bans on straws and plastic bags – it is a broad opportunity for innovation.

By aiming to remove all unnecessary packaging and reduce the weight of the packaging as much as possible, we reduce the overall supply of plastic packaging.

2. Shift to reusable

The shift away from single-use toward reusable packaging is a critical part of reducing the negative impact of plastic usage. However, in order to have a real impact, reuse models need to be taken from niche to scale. The Global Commitment states in its 2023 Progress Report that strong policy measures will be crucial to enable the scaling of reuse, and unlock the significant benefits it can offer. In parallel, businesses should drive progress where they can.

Brands are encouraged to explore and implement reusable alternatives for single-use plastic.

3. Recyclable or compostable in practice and at scale

The recyclability of product packaging is complex, as it often comprises several different materials.

Designing packaging to be reusable, recyclable or compostable is an essential step, but a circular economy is only realized if packaging is actually reused, recycled or composted in practice. This requires the necessary systems to be in place to collect, sort and effectively reuse, recycle or compost the packaging.

“Recyclable” means different things to different people in different contexts. In the context

of The Global Commitment, “technically recyclable” is not enough.

Recycling needs to not just work in a lab – it should be proven that packaging can be recycled in practice and at scale. See our [Sustainability notes – Packaging](#) for more information on how we assess recyclability.

For some packaging categories – such as most rigid plastic packaging – in some geographies, designing technically recyclable plastic packaging is a crucial first step in facilitating the scaling of the necessary infrastructure to collect, sort and recycle these packages in practice.

Design changes, such as removing undetectable carbon black pigment and removing or redesigning components such as caps, lids, pumps and trigger sprays, have the potential to not only increase overall recyclability but also stimulate the scaling of essential infrastructure.

Governments are, however, essential in setting up effective collection infrastructure, facilitating the establishment of related self-sustaining funding mechanisms, and providing an enabling regulatory and policy landscape.

Similar to how recyclability is defined, for compostability, The Global Commitment also moves beyond technical compostability (i.e., meeting relevant international compostability standards) to compostability proven to work in practice and at scale.

The “in practice and at scale” requirement and suggested threshold result in some signatories reporting low or moderate recyclability percentages today. The threshold also means that progress toward 2025 targets can be expected to follow a “lumpy” trajectory (e.g., if infrastructure to collect and recycle certain high-volume categories of packaging reached the threshold scale requirement, recyclability scores would increase significantly).

It should be noted that recyclability and compostability percentages reported as part of The Global Commitment are not comparable to assessments and claims of recyclability using different definitions or methodologies. The definitions of recyclability and compostability used in the context of The Global Commitment are designed to be applied at a global level and are not linked to any specific geographical area, local context, or regulations, or on-pack recyclability or compostability labels.

Our brands have developed packaging guidelines for suppliers, providing recommendations such as:

- Designing packaging to be recyclable according to local or regional design-for-recycling guidelines
- Increasing the use of post-consumer recycled content where possible
- Avoiding black plastic and colored PET because they hinder recyclability
- Delivering and protecting products with the least amount of material.

In 2024, Ahold Delhaize brands put 170 thousand tonnes (2023: 169 thousand tonnes) of own-brand primary plastic product packaging on the market, of which 33% (2023: 28%) is currently reusable, recyclable or compostable.

4. Decoupling the use of plastic from the consumption of finite (fossil) resources

Moving toward a circular economy for plastic packaging involves decoupling the use of plastic from the consumption of finite (fossil) resources. This is achieved, first and foremost, by reducing the need for virgin plastics through elimination, reuse and use of recycled content. Using recycled content is essential (where legally and technically possible) both to decouple from finite feedstocks and to stimulate demand for collection and recycling.

Then, over time, any remaining virgin inputs must be switched to renewable feedstocks that are proven to come from responsibly managed sources and to be environmentally beneficial.

5. All plastic packaging is free of hazardous chemicals, and the health, safety, and rights of all people involved are respected

The use of hazardous chemicals in packaging and its manufacturing and recycling processes should be eliminated (if not done yet). It is essential to respect the health, safety and rights of the people involved in all parts of the plastics system, and particularly to improve worker conditions in informal (waste picker) sectors.

Since our primary plastic packaging touches food, strict rules are in place about the composition and use of other chemicals in the plastic. Our brands monitor and integrate legal requirements and regulations into their packaging guidelines to ensure compliance in the markets where they operate.

Other packaging materials

Secondary and tertiary packaging materials generally stay behind in DCs and stores and become waste. The main activity to reduce the impact of these materials is to ensure they are appropriately disposed of by separating them by type in the warehouse or store and ensuring our waste disposal contractors collect them separately and confirm they have been recycled. See also [Sustainability notes – Waste](#) for quantitative information about waste recycled and disposed.

Our online retail platform brand, bol, uses relatively more paper and cardboard packaging material as secondary packaging for shipment, but is working to reduce waste. For example, bol uses “multi-packing machines” that customize the packaging of orders consisting of multiple items. The multi-packing machine can scan the dimensions of multiple items at



Environmental information: circularity continued

Packaging continued

once and fold one cardboard box around them. Smarter, customized packaging means smaller packages, less packaging material and as little empty air as possible, and also a lower carbon footprint per delivered package.

Our brands support responsible forest management by using, as much as possible, 100% Forest Stewardship Council (FSC)- or Program for Endorsement of Forest Certification (PEFC)-certified paper and cardboard. See also the wood fiber critical commodity indicator included under [Biodiversity and ecosystems](#).

To increase the recycling of different packaging materials, a number of our brands also offer recycling stations at their stores, where customers can deposit materials like glass, paper and batteries for recycling. Some of our brands also provide facilities to collect plastic and glass bottles, specifically in cases where there are deposits on the bottles, such as in the Netherlands.

The recently adopted EU Packaging and Packaging Waste Regulation will harmonize packaging rules across all the member states. Ahold Delhaize is developing a compliance plan to align with this. It will be applied to all packaging placed on the EU market and all packaging waste referenced in the regulation.

Partnerships

We also work with several umbrella organizations to find solutions for sustainable packaging. Some of our brands are members of national plastic pacts that are implementing solutions toward a circular economy for plastic. For example, Albert Heijn is a member of the Dutch Plastics Pact, while Ahold Delhaize USA is a member of the U.S. Plastics Pact and the Sustainable Packaging Coalition, a membership-based collaborative that believes in the power of industry to make packaging more sustainable.

How we measure our performance

Consistent with the disclosure in our Annual Report 2023, we expect that we will not achieve our targets related to RRC and recycled content, due to issues ranging from the scaling up of reusable packaging to the availability of a robust recycling infrastructure for certain plastic packaging categories within some of our brands' markets. See also the key findings from the The Global Commitment 2024 progress report above.

However, we have already surpassed our virgin plastic reduction target.

To measure our performance, we have the following targets in place:

Timeline	Target
Short term	100% of primary own-brand plastic packaging is reusable, recyclable or compostable in practice and at scale by 2025.
	By 2025, our brands aim to reduce the use of virgin plastic in their own-brand primary product packaging by 5% compared to the 2021 baseline.
	25% of our total own-brand primary plastic packaging weight will be made from recycled content by 2025.

Our targets are voluntary and have been informed by the partnership with the EMF New Plastics Economy Global Commitment, and the scientific resources made available by it.

Our current targets on packaging have a time horizon up to the end of 2025. In 2025, we will determine the most appropriate future targets or ambitions and actions going forward, where applicable.

We currently do not have targets in place to monitor the progress of our national-brand suppliers have made to reduce the negative environmental impacts of the production, use and disposal of (virgin) plastics, cardboard and other (non-)compostable primary and secondary packaging materials used and sold by Ahold Delhaize's brands, nor do we have targets on packaging materials other than own-brand primary plastic packaging. Therefore, we make use of the transitional provisions on these value chain topics.

Metrics

As discussed earlier in this section, our metrics are focusing on own-brand primary product packaging. In addition, see also our reporting on total waste in [Sustainability notes – Waste](#), which includes reporting on other types of waste recycled, such as secondary and tertiary packaging materials.

The assessment methodology for recyclability follows the guidelines of the EMF New Plastics Economy Global Commitment regarding recyclability of plastic packaging, which means that actual, not technical, recycling is used for reporting. See [Sustainability notes – Packaging](#) for more information on our methodology.

In several of our brands' markets, and for several plastic packaging types, actual recycling infrastructure is not yet established, and, as such, the plastics are not reported as recyclable, even though they may technically be recyclable.

In the coming year, we will review these targets and look to identify what steps, if any, can be taken to close the gap while maintaining alignment with our overall strategy.

Performance management

Performance indicator description	2024	2023 restated	Change vs. prior year
% of own-brand primary plastic product packaging that is made from recycled content	15.7%	14.8%	0.9pp
% reduction/(increase) in own-brand primary virgin plastic product packaging against the 2021 baseline	10.3%	10.2%	0.02pp
% primary plastic own-brand product packaging that is reusable, recyclable or compostable	32.7 %	28.44 %	4.3pp

By 2024, we had reduced our virgin plastic packaging by 10.3% compared to our 2021 baseline, a minimal improvement compared to last year's 10.2% decrease against the baseline.

Total weight of virgin plastic packaging totaled 144 thousand tonnes, which is 38 tonnes lower than the previous year and, thus, basically equal to the 2023 number. This reduction in virgin plastic packaging was mostly realized due to a higher percentage of recycled content in plastic content as total plastic packaging volumes increased. In 2024, 15.7% of own-brand plastic product packaging is from recycled content, a 0.9 percentage-point improvement compared to 2023.

In 2024, 33% of our own-brand primary plastic packaging was reusable, recyclable or compostable, a 4.3 percentage-point improvement compared to 2023.

See [Sustainability notes – Packaging](#) for more information.



Environmental information: circularity continued

Waste



waste

Definitions: Our material sustainability topics around waste include the following:

Food waste: We promote the responsible handling of unsold food to reduce food waste and increase the reuse of unsold food and the recycling of food that is wasted along the supply chain, in distribution and operations as well as in customers' homes. Our aim is to contribute to a food system that is based upon the principles of the circular economy.

Other waste: This includes non-food waste from our brands' operations, such as secondary packaging materials and paper. These waste components present opportunities to refuse/avoid, reduce, reuse, repair or recycle, aiming to minimize negative environmental impacts.

IRO management

Process to identify and assess material waste-related IROs

See *Our material sustainability matters* for the waste-related impacts we have identified and assessed as material through our *DMA* process.

The impacts assessed as material relate to the negative impact on the environment and food security through the waste of food resources across the value chain and other waste generated in own operations and downstream by customers, through the use of packaging.

The own-brand products our brands sell are manufactured by third parties. With the exception of our coffee roasting facility in the Netherlands, we do not manufacture any products sold in our brands' stores or online. From a resource use and circular economy perspective, our focus is, first, to reduce waste generated within our brands' operations and, second, to improve resource efficiency in the sourcing of food products, thereby also reducing food waste.

Our brands continue to reduce the amount of food that is wasted as much as possible, in their supply chains and stores and at customers' homes. By reducing the amount of food waste at the source and donating surplus products to food banks, we can reduce our environmental impact while creating a positive social impact.

The reduction of waste is linked to our *Healthy communities & planet* strategic priority. The food waste reduction target is also part of remuneration; see *Remuneration Policy for the Management Board*.

For more information on waste, see *Sustainability notes – Waste*.

Waste generated by type in 2024



● Food waste (recycled)	16%
● Cardboard/paper (recycled)	47%
● Plastic waste (recycled)	2%
● Other waste (recycled)	9%
Percentage of recycled waste	74%
● Food waste (sent to disposal)	5%
● Other waste (sent to disposal)	21%
Percentage of non-recycled waste	26%

Policies

Ahold Delhaize has an overarching sustainability policy that also includes topics related to circularity, and is applicable to all our brands.

Food waste

In addition to our sustainability policy, we also have a specific food waste standard that documents the approach by which food waste is managed within our brands' own operations and in the value chain.

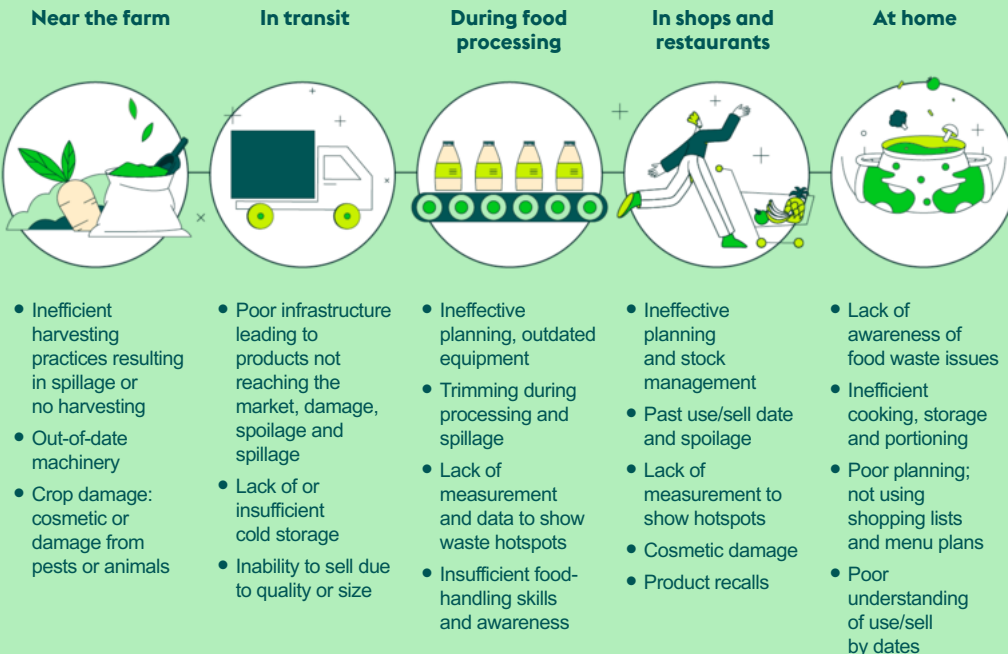
We focus on food waste because we believe it is the waste area where our actions can reduce negative environmental impacts the most. Food waste does not only negatively impact food security, it also fuels climate change. If food ends up in a landfill, it produces methane, a GHG that contributes to climate change. And when food is wasted, all the energy and water associated with growing, harvesting, transporting and packing the food are also wasted.



Environmental information: circularity continued

Waste continued

Drivers of food loss and waste throughout the value chain



We aim to contribute to a food system that ensures everyone has access to nutritious food for generations to come. There are different drivers of food loss and waste throughout the supply chain, as illustrated in the overview above, that build on an overview by the World Resources Institute. This overview is not exhaustive.

Our definition of food waste applies to both food that is intended for human consumption and its associated inedible parts that leave the human food supply chain. As a result, inedible parts, such as orange peels left over after making freshly squeezed orange juice sold

in our brands' stores, count as food waste in our figures.

Ahold Delhaize's definition of food waste includes waste sent to animal feed, bio-based materials, anaerobic digestion, composting/aerobic digestion, controlled combustion and landfill, but excludes donations to hunger relief organizations.

This definition is stricter than that of the Champions 12.3 Guidance on Interpreting Sustainable Development Goal (SDG) Target 12.3, when it comes to the destinations that count as food waste. We report separately on food donated.

Our policy is based on the Food Recovery Hierarchy; we have a three-pronged approach to reducing food waste across our brands' operations, including stores, warehouses and transport, as follows:

1. Reducing food waste through prevention
2. Diverting surplus food
3. Recycling to divert from landfill

For more information on each of the topics, see *Actions and resources* below.

While we would like to do even more to reduce food waste, our efforts are sometimes limited by external factors, such as the infrastructure of hunger relief organizations in certain of the markets our brands serve.

Our approach

Our approach to food loss and waste aims to address food waste in all areas of the value chain:

- **Upstream farm food loss:** We contribute to the prevention and reduction of food waste upstream through memberships in global initiatives and encourage actors within our value chain to also join these initiatives. We also work directly with suppliers on innovations that can be used to reduce food waste.
- **In store/own operations food waste:** Our brands implement projects that optimize sourcing, stocking and promotions so that food is sold, and where it is not possible, we maximize food donations.
- **Downstream food waste:** Our brands encourage customers to utilize food already in their homes with, for example, recipes and education.

Other waste

We do not currently have a policy, formal action plans or targets on other waste linked to our material impacts and risks. The Company makes use of the transitional provision related to value chain-related impacts to phase in reporting on waste.

For the negative environmental impact of waste generated by own operations and customers from the use of own-brand primary plastic packaging for products used and/or sold by Ahold Delhaize's brands, see our policies and actions in *Packaging*.

Actions and resources

Food waste

Our local brands are responsible for preparing plans to execute on our global strategy and policies. Specific actions can differ per brand, and each brand is held accountable for its food waste reduction efforts through annual internal target setting and performance management, with food waste reduction targets also included in our incentive plans; for more details, see *Remuneration*.

While each brand has one or more sustainability experts in-house, these specialists are not necessarily fully dedicated to food waste. Reduction of food waste is an operational topic where the impact is made on ground level every day. There are no specific, separately identifiable, dedicated resources allocated to the topic, but it is part of the way our brands run their stores and DCs.



Environmental information: circularity continued

Waste continued

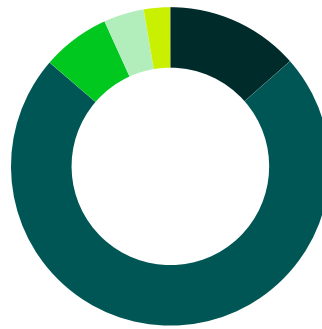
For the 56% food recycled, as a percentage of total unsold food, the recycling destinations are:

Application of unsold food



● Unsold food donated to people	25%
● Total tonnes of food recycled	56%
● Total tonnes of food waste disposed (landfill or incineration)	19%
Total of unsold food (303 thousand tonnes)	100%

Destinations of food recycled



● Animal feed	14%
● Anaerobic (biogas)	73%
● Aerobic (compost)	7%
● Bio-based materials/biochemical processing (rendering)	4%
● Recycling other (e.g., converted to biodiesel)	3%

Reducing food waste through prevention

We reduce food waste across our brands' operations, including stores, warehouses and transport. Specific actions, which can differ by brand and location, include working with suppliers to buy smarter; introducing discounts on almost-expired products; and using technology, such as dry misting in the fresh food department, electronic shelf pricing and AI. We use order algorithms to determine the optimal order sizes, taking into account inventory levels in stores and DCs, size of shelves, expirations dates and customer demand. With these considerations, our algorithms determine the optimal balance between availability and food waste. We are continuously working to make these algorithms more intelligent.

We also support innovations to reduce food waste in the upstream value chain by placing new products on the market that utilize food not necessarily suitable to be sold in supermarkets, such as processing "ugly" produce or damaged products into new products, for example, cauliflower rice. In addition, we also leverage opportunities to improve the shelf life of products.

Where possible, we also shorten our distribution chain. For example, by arranging for some of our fruit to be packed on farm level, ready for distribution to the stores and delivered directly to our DCs, our brands are able to get the products on the shelves quicker, increasing the shelf life and having fresher products in the stores.

To prevent food waste downstream in the value chain, our brands have different initiatives in place, such as providing ideas for using leftovers by offering recipes and education on better storage methods.

Diverting surplus food

We divert surplus food to food banks, charities and innovative operations, such as restaurants that cook with unsold food. In 2024, we donated 75 thousand tonnes of food waste or 25% of unsold food (2023: 76 thousand tonnes or 25%).

In 2024, Ahold Delhaize entered into a partnership with The Global FoodBanking Network (GFN), an international non-profit organization dedicated to alleviating food insecurity while reducing food loss and waste. GFN maintains strong relationship with its local partners: Feeding America and the European Food Banks Federation. During the first pilot year of this partnership, we provide support to different projects in our operating countries. All projects focus on strengthening and/ or expanding local food banks, with the aim to alleviate hunger and support local communities.

Recycling to divert from landfill

We send food no longer suitable for human consumption to other recycling destinations, to divert it from landfill. These methods can include animal feed production, green energy facilities or industrial uses. For the destinations of food recycled in 2024, see the graph *Destinations of food recycled* earlier in this chapter. Only 19% (2023: 17%) of unsold food was disposed of in 2024, either through incineration or landfill.



Environmental information: circularity continued

Waste continued

Our partnerships

Ahold Delhaize's brands enter into partnerships to reduce food waste, such as:

- U.S. Food Waste Pact: This national voluntary agreement was put forth by Ahold Delhaize USA's partners at ReFED – a national non-profit working to end food loss and waste across the food system – and the World Wildlife Fund, the world's leading conservation organization. The pact aims to assist Ahold Delhaize USA, and all food businesses, to make impactful progress on food waste reduction goals through pre-competitive collaboration.
- Ahold Delhaize is a founding member of the World Resources Institute 10x20x30 initiative, through which retailers partner with suppliers to root out food loss and waste in the food supply chain.
- Ahold Delhaize is a member of the CGF's Food Waste Coalition of Action, which is committed to contributing to the UN Sustainable Development Goals' efforts to halve per capita global food waste at the retail and consumer levels, and to reduce food loss along production and supply chains, including at the post-harvest stage, by 2030.

Other waste

The Ahold Delhaize brands are working to reduce other waste in operations, and, where reduction is not possible, we aim to recycle as much waste as possible. If recycling is not possible, waste is disposed of through incineration (with or without the generation of energy) and, only as a last resort, directed to landfill. Currently, approximately 21% of total waste generated is not recycled; see [Sustainability notes – Waste](#) for more information.

As part of our journey toward a circular economy, we explore ways to manage resources more efficiently. In addition to improving packaging (see [Packaging](#)), preventing and reducing food waste, and optimizing waste streams, some of our brands are also exploring circular approaches to store remodeling. While global policies and actions are not yet formalized, our brands are taking steps in this direction.

How we measure our performance

To measure our performance, we have the following targets in place, focused on food waste in our own operations:

Timeline	Target
Short term	We have a target of >40% reduction of total tonnes of food waste per €1 million of food sales against our 2016 baseline by 2025.
Medium term	We have a target of 50% reduction of total tonnes of food waste per €1 million of food sales against our 2016 baseline by 2030.

This target relates to the prevention and reuse layers of the waste hierarchy. The targets were informed by participation in multi-stakeholder networks, such as those listed in the [Our partnerships](#) paragraph earlier in this chapter.

In establishing the long-term target for 2030, we aligned with Sustainable Development Goal 12.3., but our targets are voluntary targets and not based upon conclusive scientific evidence.

We do not have reduction targets in place for waste other than food waste.

Metrics

We measure and track our performance on food waste according to the Food Loss and Waste Protocol (FLW Protocol), a multi-stakeholder effort to develop the global accounting and reporting standard for quantifying food and associated inedible parts removed from the supply chain.

We currently do not have metrics measuring our upstream and downstream-related impacts relating to food waste and other waste. See also the reporting on total waste as included in the [Sustainability notes – Waste](#).

Performance management

	2024	2023 restated	Change vs previous year
Tonnes of food waste per food sales (t/€ million)	3.17	3.17	
% reduction in food waste per food sales (t/€ million) ¹	35%	35%	— pp

1. The reduction is measured against the restated 2016 baseline of 4.89 t/€ million. See [Sustainability notes – Waste](#) for more information.

In 2024, tonnes of food waste per food sales totaled 3.17, which equals a 35% reduction compared to the 2016 baseline, equal to last year.

Tonnes of food waste per food sales remained the same compared to the prior year, as our increased total tonnes of food waste were offset by higher food sales. The absolute figure for food waste in 2024 amounted to 228 thousand tonnes, an increase of 1.1% compared to last year. This increase is fully driven by an algorithm update improving reporting accuracy, which resulted in higher total food waste not recycled.

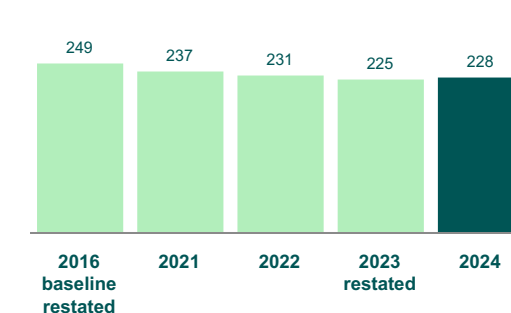
Excluding this update, total tonnes of food waste decreased by over 5% versus last year.

Food donations play an important part in decreasing our food waste. In 2024, we donated 25% of unsold food toward feeding those in need, in line with last year.

Along with increasing donations, our brands implemented measures to reduce food waste, such as offering discounts during late store hours or selling near-expired food from DCs.

See [Sustainability notes](#) for more information.

Absolute food waste (in thousands of tonnes)¹



1. See [Sustainability notes – Waste](#) for more information.

Environmental information

EU Taxonomy

The European Taxonomy Regulation (EU 2020/852) and its supporting delegated acts provide a framework to help companies, investors and policymakers identify environmentally sustainable economic activities. It is a classification system that defines criteria for economic activities aligned with a net zero by 2050 trajectory and broader environmental goals other than climate.

The regulation outlines six environmental objectives that guide businesses in reporting their contributions to a sustainable economy. To claim alignment, an economic activity must meet the technical screening criteria (TSC), demonstrating a substantial contribution to one or more of these objectives. Additionally, it must ensure no significant harm (DNSH) to any of the other objectives while adhering to minimum safeguards.

In 2024, full reporting on the eligibility and alignment of economic activities across all six environmental objectives became mandatory.

Own operations and application of the EU Taxonomy

The EU Taxonomy, which initially focused on high-emission sectors, such as energy, manufacturing, transport and buildings, has expanded its reach in recent years. It now includes non-high-emitting sectors, such as disaster risk management, information and communication technology (ICT), and professional services, as well as more sectors focusing on where companies can make the most relevant contributions to environmental objectives. However, it still does not cover the food retail sector where Ahold Delhaize primarily operates. Our business operations are explained below:

Main activities: Ahold Delhaize's main economic activity is operating food retail stores and e-commerce (see also [Note 7](#) to the consolidated financial statements). Food retail currently does not match any eligible economic activities outlined in the Climate Delegated Act and the Environmental Delegated Act that classify economic activities as sustainable; therefore, the Company's main activities are out of scope.

Secondary activities: Ahold Delhaize also engages in other secondary economic activities that primarily support its retail activities. These include transporting goods from DCs to stores and owning and leasing real estate, including retail spaces, office buildings and DCs. A number of these supporting activities are recognized as economic activities under the EU Taxonomy regulation.





Environmental information continued

EU Taxonomy continued

KPIs under the EU Taxonomy

The EU Taxonomy requires companies to report the proportion of turnover, CapEx and OpEx aligned with the six environmental objectives.

Ahold Delhaize's reported KPIs remain consistent with last year, as the estimates and judgments remain unchanged and are applied throughout the Company and its brands.

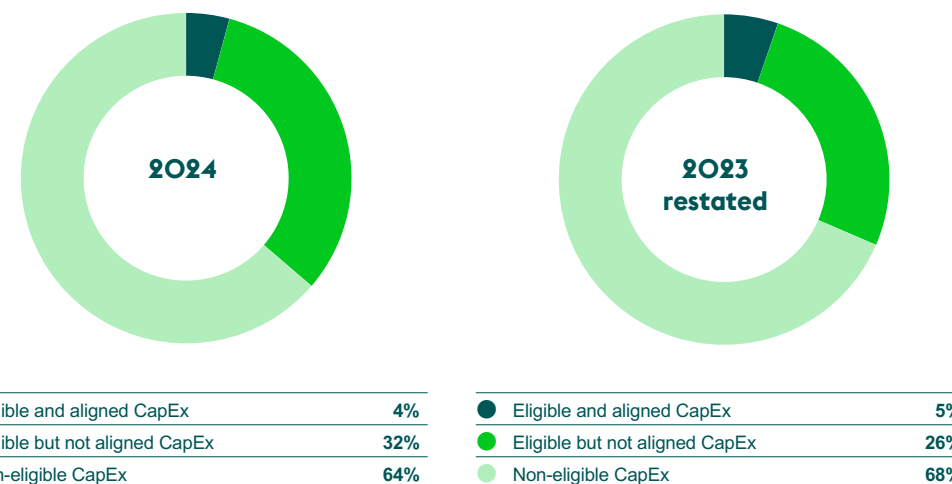
Our performance is summarized below.

Reporting summary of financial KPIs under the EU Taxonomy (in million €)

KPIs / Year	Total		Taxonomy non-eligible activities		Taxonomy-eligible activities	
	2024	2023 restated ¹	2024	2023	2024	2023 restated
Turnover	89,356	88,734	89,356	88,734	—	—
OpEx	642	711	642	711	—	—
CapEx	2,792	2,984	1,778	2,044	1,014	940
Of which:						
Taxonomy eligible and aligned					118	158
Taxonomy eligible but not aligned					896	782

1. See [Sustainability notes](#) for the restatement of 2023 figures.

Eligibility and alignment proportions of CapEx under the EU Taxonomy



For more information about our methodology as well as the estimates and judgments made, see the EU Taxonomy section in the [Sustainability notes](#), which also includes the mandatory [disclosure tables](#).

In 2024, Ahold Delhaize reported an eligibility percentage of 36.3%, up from 31.5% in 2023. This reflects newly identified economic activities under non-climate environmental objectives, specifically water supply, waste management and remediation. While gross eligibility is higher this year, aligned CapEx declined to 4.2% from 5.3% in the prior year. In the U.S., the reduction was driven by a CapEx shift from aligned LED investments to high-GWP refrigerant replacements, which are not aligned with the EU Taxonomy criteria. In the EU region, significant investments have not yet met alignment criteria. In addition, brands in the region had fewer store openings, and, for one brand, LED investments did not meet technical screening criteria.

See [Sustainability notes](#) and [CapEx disclosure table](#) for more detailed information on the economic activities under relevant environmental objectives.



social information



For more information on our performance on these social topics, see *Sustainability notes – social indicators*.



For brand examples related to social topics covered in this section, see www.aholddelhaize.com/sustainability.

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Social information

Performance highlights

Our social impact extends beyond the boundaries of our offices and our brands' stores and DCs. Our work impacts not only associates but also the customers our brands serve and, more broadly, the communities they operate in. Our great local brands aim to drive positive impact by helping customers and associates make healthy, sustainable choices and working to ensure customers have access to affordable, high-quality nutritious products. Our brands strive to ensure every associate can thrive, and that both associates and customers feel a sense of belonging and community. We also strive to reduce negative impacts, by safeguarding human rights in our brands' own operations and across our supply chains, and working to prevent store-based violence and other workplace safety-related incidents.

Social topics	Measurable targets and ambitions ^{1,2,3}	Progress	Performance
Health and safety (own workforce)	Short term: Reduce workplace injury absenteeism rate year-on-year (number of injuries that result in lost days per 200,000 hours worked) Mid to long term: Through risk mitigation, education and awareness, reduce all serious injuries and fatality occurrences (per one million hours worked).		In 2024, the workplace injury absenteeism rate (number of injuries that result in lost days per 200,000 hours worked) was 1.81, compared to 1.85 in 2023.
Human rights in the value chain	By 2025: Our ambition is to have 100% of production sites of own-brand products in high-risk countries audited against an acceptable standard with a valid audit report or certificate and no non-compliances on deal-breakers.		77% of production sites of own-brand products in high-risk countries were audited against an acceptable standard with a valid audit report or certificate and no non-compliances on deal-breakers.
Customers' health and nutrition	As per Annual report 2023: Our target is to have 52.3% healthy own-brand food sales as a proportion of total own-brand food sales by 2025. Updated in 2024: Our target is to have more than 51.7% healthy own-brand food sales as a proportion of total own-brand food sales by 2025 ⁴ .		52.4% healthy own-brand food sales as a proportion of total own-brand food sales was achieved in 2024, compared to 54.8% in 2023. The decrease is in line with the expected impact of the implementation of the Nutri-Score 2.0 algorithm in the Netherlands and Belgium.
Product safety	100% of production sites of own-brand food products are certified in compliance with an independent third party against an Ahold Delhaize-approved standard, or in compliance with an acceptable level of assurance standard by 2025.		99% of production sites of own-brand food products are certified against an Ahold Delhaize-approved standard, or in compliance with an acceptable level of assurance, compared to 98% in 2023.
	100% of high-risk non-food own-brand products are produced in production units audited by an independent third party against an Ahold Delhaize-accepted standard, tested or where stepping-stone audits were used as an alternative by 2025		97% of high-risk non-food own-brand products are produced in production units audited by an independent third party against an Ahold Delhaize-accepted standard, tested or where stepping-stone audits were used as an alternative, with 97% remaining equal to 2023.

1. Boundaries of the material sustainability topics are shown in [Our material sustainability matters](#) section.

2. See [Sustainability notes](#) for more information on the KPIs and performance.

3. See [Sustainability statements](#) section for more information on the targets and ambitions per material sustainability matter.

4. We adjusted the 2025 target for healthy own-brand food sales to more than 51.7% to account for the expected 0.7 percentage point decreasing impact of the amended Nutri-Score algorithm to be implemented in 2025 in our CSE brands. Excluding the impact, the target is more than 52.4%, which is an improvement vs 2024 and above the original target of 52.3%.

Progress key Do not achieve On track Significant progress Achieved Achieved ahead of schedule Area of focus



Social information: associates

Own workforce

own workforce

At Ahold Delhaize, we know that everything we achieve is thanks to our people – their passion, talent and creativity is what enables us to bring our purpose and our Growing Together strategy to life every day.

Ahold Delhaize's people promise is our pledge to help them thrive: we create a caring place to work, that inspires growth and collaboration, where everyone is heard and valued and finds purpose in serving our brands' communities.

in this section

own workforce

147



own workforce

Definition: The ESRS defines “workforce” to include associates who are in an employment relationship with Ahold Delhaize or our great local brands (“employees”) and those people who are self-employed, with contracts to supply labor, or who come to us from employment agencies (“non-employees”). This year, information in this section refers to associates of Ahold Delhaize or our great local brands unless specifically noted otherwise.

Introduction

The 388 thousand associates that work at Ahold Delhaize and our brands aim to make a meaningful contribution and bring positive change to the communities they serve.

This meaningful contribution starts from within, with how we treat associates at Ahold Delhaize and the brands. As a Company, we have an impact on associates, not only on their work but also on their health and well-being. This represents an enormous responsibility – and one that we take very seriously, while realizing it is an area where we can never stop learning and growing, especially in today's increasingly challenging times.

Economic, geopolitical and social challenges have put increased pressure on associate health, safety and well-being, and have undermined mental health. In the midst of these challenges, Ahold Delhaize and its brands aim to operate in a way that is consistently in sync with our shared values.

Our foundation for this is our people promise: We create a caring place to work, that inspires growth and collaboration, where everyone is heard and valued and finds purpose in serving our brands' communities.

Policies

Ahold Delhaize's people promise is underpinned by a shared set of values and ethical principles that support our brands' cultures and associates. The *Code of Ethics* lays out those principles, which help us act with integrity toward customers, communities, suppliers, business partners and each other:

- We respect each other
- We follow the law
- We engage with integrity



Social information: associates continued

Own workforce continued

Along with these ethical principles, we work to create a culture where associates have the courage to speak up by sharing concerns, asking questions and reporting any potential misconduct. For more information, see [Governance, risk and compliance](#).

Our shared values – integrity, courage, teamwork, care and humor – and ethical principles provide the framework for the decisions we make and are the foundation of our commitment to conduct our business the right way, every day. That includes our commitment to respect human rights. See [Human Rights Report 2024](#).

To ensure associates understand and can abide by our ethical principles, Ahold Delhaize provides annual training to all associates, including part-time associates and contractors, on our ethical principles. Associates at manager level and above participate in more focused training on our Code of Ethics, ethical principles and ethical culture.

In addition, we communicate the Code of Ethics and ethical principles to all associates through the Ahold Delhaize website, local intranet pages, posters, videos, local campaigns and during our global Ethics Week. Ahold Delhaize's global [Speak Up Policy](#) supports our culture by giving associates information about how to report misconduct and what safeguards are in place if they do so. See [Governance, risk and compliance](#) for more information.

The global Ethics and Compliance team leads engagement on ethics and human rights. Within this team, the Director of Ethical Engagement & Human Rights has day-to-day responsibility for leading and supporting our strategies and efforts related to ensuring that basic human rights are respected everywhere within our own workforce.

This work is coordinated through the Ahold Delhaize Working Group on Human Rights, which brings together the Group-level functional areas (such as HR, Occupational Health & Safety and Legal) responsible for supporting the brands in addressing the salient impacts in their own operations and in supply chains. For more information on the commitment of Ahold Delhaize and its brands to human rights, see [Position on Human Rights](#) and [Workers in the value chain](#) which are aligned with relevant internationally recognized instruments.

We also have a global sustainability policy that applies to Ahold Delhaize and its subsidiaries. This policy outlines Ahold Delhaize's approach to sustainability and ESG within its own operations and across its value chain. For more information on the sustainability policy please refer to [General information](#).

In addition to these global policies, Ahold Delhaize's brands also offer policies that outline additional associate expectations (e.g., travel and meeting policies) and benefits related to work-life balance (e.g., workplace flexibility and informal caregiving support). Each of the brands represents the unique character and needs of the communities it serves and is encouraged to create specific policies to service the needs of those communities.

IRO management

Process to identify and assess material own workforce-related IROs

See [Our material sustainability matters](#) for own workforce-related impacts and risks we have identified and assessed as material through our [DMA](#) process.

Working conditions

Strategy

Through our “people promise,” we aim to create a caring place to work that inspires growth and collaboration, where everyone is heard and valued and finds purpose in serving our brands' communities. To deliver on this promise, as part of the work around Ahold Delhaize's new strategic priorities, we created the thriving people strategic priority, which revolves around four key pillars:

- **Everybody grows:** Offer a space where associates can learn and grow, also ensuring the depth and diversity of our talent pipelines
- **Teams collaborate:** Passionately nurture belonging and inclusion through the 100/100/100 DE&I aspiration, continuously evolve Ahold Delhaize's “Dare to Care” employer value proposition and live our shared values
- **Culture thrives:** Foster a culture where everyone feels safe, cares for themselves and others, and collaborates to better serve communities and build a sustainable future
- **Organization evolves:** Develop, build and organize key core and future retail capabilities through functional academies and evolving the future of work (e.g., AI)

For more information, see [Thriving people](#).

Health and safety

Definition

Ahold Delhaize and each of its brands recognize and support the right of associates to work in a healthy and safe workplace. We verify responsible labor practices to support associate health and well-being.

Actions and resources

Ahold Delhaize and its brands believe that building a comprehensive safety culture, processes and tools across the Company is the foundation of creating awareness and engaging associates. To that end, we introduced the Global Safety Policy in 2024. This policy provides the framework for Ahold Delhaize's approach to health and safety. It ensures compliance with regulations, integrates industry best practices and reflects our core value of care. The policy applies to all aspects of the brands' operations, including retail, supply chain, e-commerce and construction.

Key principles of the policy include the following:

- Every associate should leave work in good condition at the end of the workday.
- Care for the health, safety and well-being of our colleagues, customers, suppliers and vendors is a Company value.
- Visible leadership commitment and associate participation in safety provide a strong foundation for positive organizational cultures.
- Business decisions should include the assessment of safety risks and mitigate or adequately control inherent business hazards.

Visible commitment from leadership and participation in safety by associates provide a strong foundation for a positive culture in an organization. Ahold Delhaize's brands and businesses strive to maintain workplaces that are accident and injury free, recognizing that healthy and safe work environments reduce absences and improve business results. Brand leadership is responsible for establishing and resourcing implementation plans and monitoring performance around locally relevant health and safety topics. We have a Global Safety Network, which comprises the Safety leads from each brand and other relevant experts, that collaborates on setting strategic priorities,



Social information: associates continued

Own workforce continued

mitigating common risks, sharing best practices and subject matter expertise, and developing common guidelines and expectations. The Global Safety Network also provides support and resources for developing and maintaining global or common safety management systems that manage organizational exposures to loss, including mitigating injury and regulatory risks. In addition to the Global Safety Network, all brands have Executive Safety Meetings and Committees whose key purpose is to discuss overall safety strategy and ensure the brand has action plans in place focused on safety improvement strategies. This year has seen an improvement in workplace absenteeism rate of 2%, from 1.85 in 2023 to 1.81 for 2024. The serious injury rate decreased by 16%, from 0.45 in 2023 to 0.39 in 2024.

Safety at Ahold Delhaize extends beyond physical measures to include digital safety, ergonomic considerations and emergency preparedness. At Ahold Delhaize, we aim to:

- Optimize associates' well-being through a safe, supportive environment
- Incorporate health and safety into every level of the Company, fostering a better place to work and shop
- Promote continuous improvement through teamwork, innovation and training

We believe that safety is a responsibility shared by everyone. To this end, we encourage all associates to report any potentially unsafe conditions or practices or safety violations to their supervisor, local safety team or the Global Compliance and Ethics team through the Speak Up line. Associates are also expected to participate in safety training and to support their colleagues in adhering to local safety practices.

All the associates that work at Ahold Delhaize and our brands are covered by our health and safety management systems. This helps to ensure the safety and health of employees in our own workforce. Examples of system elements include written safety programs, policies and job specific trainings.

How we measure performance

To measure performance, Ahold Delhaize has the following targets in place, focused on own operations:

Timeline	Ambition
Short term	Reduce workplace injury absenteeism rate year-on-year (number of injuries that result in lost days per 200,000 hours worked)
Medium to long term	Through risk mitigation, education and awareness, reduce all serious injuries and fatality occurrences (per one million hours worked).

Adequate wages

Definition

The ESRS defines an adequate wage as a wage that provides for the satisfaction of a worker's needs and those of the worker's family given national and economic and social conditions.

The application requirements provide guidance on the adequate wage benchmark that a Company can compare its lowest wage against. The guidance for European Economic Area (EEA)-based countries differs from non-EEA-based countries.

The lowest wage is calculated for the lowest pay category, excluding interns and apprentices. The calculation needs to be based on the basic wage plus any fixed additional payments guaranteed to all employees.

The adequate wage benchmark used for comparing with the lowest wage cannot be lower than the minimum wage set by the EU Directive on Adequate Minimum Wages for EEA countries.

Actions and resources

Ahold Delhaize and each of its great local brands have adopted the following six overarching principles of fundamental "procedural justice" to guide fair compensation:

- A solid base for comparing roles
- Market-based compensation
- Compensation in compliance with the law
- Equal pay for equal work
- Compensation aligned with individual performance and brand business strategy
- Compensation that is transparent, consistent and explainable for the individual associate

See our [Human Rights Report 2024](#) for more information.

In line with these principles, we compared gross hourly wages (excluding fixed additional guaranteed payments) of all our brands' associates against the applicable national minimum wage benchmarks in each country or the U.S. state minimum wage requirements, where these exceed the national minimum. The analysis confirms that Ahold Delhaize and its brands pay gross hourly wages (excluding fixed additional guaranteed payments) at or above the minimum wage in each location. Since Ahold Delhaize and its brands also pay fixed additional payments, for example, profit-sharing and holiday allowances, we can provide assurance that our brands' associates are paid an adequate wage.

Social dialogue, freedom of association and collective bargaining

Definition

Social dialogue: All types of negotiation, consultation or exchange of information between or among representatives of governments, employers and their organizations, and workers' representatives, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations solely between workers' representatives and management (or trade unions and employers' organizations).

Collective bargaining: All negotiations that take place between an employer, a group of employers or one or more employers' organizations and one or more trade unions or, in their absence, the representatives of the workers duly elected and authorized by them in accordance with national laws and regulations for:

- Determining working conditions and terms of employment
- Regulating relations between employers and workers and/or between employers or their organizations and a workers' organization or organizations



Social information: associates continued

Own workforce continued

Actions and resources

Ahold Delhaize and its brands recognize and support the right of associates to decide whether to form or join trade unions if they choose and have their legal rights to collective bargaining respected. Associates are at the center of our brands' relationships with customers and communities. In establishing their associates' employment conditions, our brands set compensation and benefits levels in line with job-level and local market norms and regularly review remuneration practices, considering societal and market dynamics as well as economic conditions.

For 57% of associates, remuneration is based on collective bargaining agreements structured primarily as fixed annual salaries or hourly wages. In addition, store managers and general management associates are eligible to receive a performance-based annual bonus. Associates in senior management positions are eligible for performance-based annual bonuses as well as Ahold Delhaize performance share grants that are linked to the long-term goals of the Company.

The HR function in each of the brands manages the relationship with associates and, where applicable, the unions that represent them. They strive to ensure an early bargaining approach is in place to actively manage collective bargaining agreement negotiations, and that contingency plans are in place to minimize the impact of potential work stoppages.

Ahold Delhaize and its brands appreciate and seek participation and feedback and encourage open dialogue between associates and management. This is done in a number of different ways.

The brands listen to and act upon associates' feedback on labor and working conditions through our annual AES and regular pulse surveys.

These surveys measure cultural aspects of inclusion and many other aspects of associate engagement, to see where brands are performing today and identify remaining gaps.

Some of Ahold Delhaize's brands have works councils in place to ensure proper consultation with and representation of associates. For example, the Ahold Delhaize Group and European Business Services Works Council consists of four members responsible for participating in discussions and decisions relating to Ahold Delhaize's policies and strategy before they are implemented. This year, Ahold Delhaize's leadership engaged with this group repeatedly to get their feedback on the new Company strategy and its implications for associates.

AD Connect is an association for Ahold Delhaize senior staff who are employed in the Netherlands or on a Dutch contract. It was founded in 1974 to represent the interests of senior staff and has more than 400 members today. AD Connect has its own board and acts as a representative voice for senior staff regarding benefits, remuneration and other employment conditions for senior management positions and above.

The brands also encourage the development of BRGs that address the specific needs and identities of their associates, including in diverse focus areas such as neurodiversity, abilities, racial/ethnic origins, and other generational and multicultural topics. These BRGs actively partner with the brands' suppliers and relevant NGOs to further educate and engage the community. They also provide direct feedback and mentoring to the brands and Executive Committee on any gaps that exist in relation to working conditions or support for these associates and provide insight and advice on how these gaps might be remediated.



Members of Lion Pride, a newly formed BRG at Delhaize Belgium focused on creating an inclusive environment for all Delhaize associates.

Through our NextCo, Ahold Delhaize ensures that the voices of a broad representation of associates are represented in the board room. See [Thriving people](#) for more information.

How we measure performance

Ahold Delhaize does not have any targets in place to measure performance on social dialogue, freedom of association or collective bargaining.

Work-life balance

Definition

A satisfactory state of equilibrium between an individual's work and private life. Work-life balance, in a broader sense, encompasses not only the balance between work and private life, given family or care responsibilities, but also the allocation of time spent at work and in private life beyond family responsibilities.

Actions and resources

Work-life balance at Ahold Delhaize starts with our people promise: we aim to create a caring place to work, inspiring growth and collaboration, where everyone is heard and valued and finds purpose in serving their brand's communities.

Life events

Providing a caring place to work includes supporting associates through transformative moments in their lives. Whether it is childbirth, moving house, marriage, navigating disability, bereavement or retirement, associates may look to us, their employers, for support.

Life events – both happy and difficult – represent significant moments in a person's life that can have a major impact on their needs and behavior. Ahold Delhaize and its great local brands already offer benefits to cover several of these life events and continuously take steps to ensure these benefits still provide adequate support as associates' needs and external circumstances change. All the local brands' associates are entitled to family-related leave through social policy dictated by government legislation, and/or collective bargaining agreements and various brand-specific policies. Family-related leave includes maternity leave, partner and parental leave, special leave (e.g., bereavement or wedding) and care leave.

In 2023, Ahold Delhaize introduced the Life Events Framework, or LEF, which means "courage" in Dutch. LEF brings together the guidelines and all relevant information about benefits, practicalities and resources to support associates, along with guidance for their managers. It represents an evolving approach that addresses the changing needs of associates.



Social information: associates continued

Own workforce continued

The program covers a pipeline of topics that come to our attention from numerous channels, including through BRGs, the brands and Ahold Delhaize's own ambitions. Once completed, frameworks are made available to all brands, who can then choose to implement them as policies or augment them to suit the needs of their associates. In 2023, LEF successfully launched two new additions. One was a "working from abroad" policy for the Ahold Delhaize Group and European teams that addresses associates' changing work patterns and expectations around work-life balance.

This year we added two new topics to the LEF offering for our Dutch brands and Ahold Delhaize EU&I. The first is menopause support, which addresses a topic that many people feel uncomfortable talking about and that is not often discussed at work. Though more than half of associates at Ahold Delhaize and the brands will experience menopause at some point in their lives, there is little awareness of how both physical and mental symptoms may impact someone's personal and working life. The material we provide helps individuals navigate this phase in their lives and helps their managers be aware of the challenges they may face. In line with our deeply held beliefs around inclusion, this policy applies to everyone who is experiencing menopause, regardless of gender identity, gender expression or biological sex.

The second new topic is informal caregiving support. Ahold Delhaize defines informal care as the regular and unpaid help an associate provides to a sick, disabled or frail person – either their partner, child, parent, family member, neighbor or friend. Due to the rapid growth of the senior population, healthcare systems are facing challenges in keeping up with increasing costs and personnel requirements in the care industry.

To fill this gap, an increasing number of people may need to combine their paid job with informal care.

Ahold Delhaize created a policy to support associates who are informal caregivers, as well as their managers and HR Business Partners. The aim is to create a workplace where associates can share their challenges, get support from their managers and environment, and understand the resources available to them, including a coaching program, mental health support, leave options, sabbaticals and remote working.

Mental health and well-being

We believe that supporting well-being is critical to making sure associates and our business can thrive. So, we have introduced and strengthened programs that improve associate safety, help people build resilience in the face of change, reinforce positive coping mechanisms and eliminate stigma or marginalization around mental health issues. Ahold Delhaize offers a mental health and well-being intranet site for Ahold Delhaize Group associates, giving them access to a range of resources for self-care and self-assessment and tells them where to go for additional support.

This intranet site also offers associates a self-care guide and an online self-assessment to check in on their emotional well-being across eight different themes. An international coach desk is also available for Ahold Delhaize Group associates: a fully online, personalized coaching process to support and challenge associates as they achieve their personal and professional goals.

The Company also offers access to online psychologists, support groups and lifestyle coaching through the assistance program OpenUp, which is freely available to associates and their families across the Group, Ahold Delhaize EU&I, our European brands and Albert Heijn associates up to store manager level. Each of our brands also offer extensive programs and support for their associates. For example, Albert Heijn offers a Feel better about yourself line ("Beter in je vel-lijn") through Psychological Interventions and Support Netherlands (PSION), providing their store-based associates with free professional advice for any psychological complaints.

Ahold Delhaize Group also hosts an annual mental health awareness month in October, in recognition of World Mental Health Day on October 10, where we organize numerous activities, information sessions and discussions to promote mental health and well-being.

Recognition



Our brands aspire to be the leading employer of choice in each of their markets. Ahold Delhaize and the majority of the brands received recognition as top employers, certified by the Top Employer Institute (TEI) in 2024. All the U.S. brands, including Ahold Delhaize USA, are now Top Employer certified, while, in Europe, Mega Image in Romania, Maxi in Serbia, Alfa Beta in Greece and Albert in the Czech Republic have also received certification. This prestigious award requires rigorous documentation of benchmarked practices that offer systemic operations to positively affect associates.

In results from the TEI, Ahold Delhaize scored the highest in the "unity" category, focused on ensuring fair practices across an associate population that "brings employees together and creates a sense of belonging and unity in the organization" in categories including purpose and values, ethics and integrity, diversity and inclusion, and sustainability. This was a great acknowledgement of our aim to be open for everyone.

Ahold Delhaize was also recognized as a top 1% employer globally by Leading Employer, an independent organization that conducts a comprehensive meta study evaluating 85,000 companies to identify the top employers globally. The study uses secondary data available freely online, including public surveys, employee reviews, audits, jury awards and memberships. The evaluation is carried out using a weighted evaluation matrix. These recognitions, and others we received, acknowledge our brands' efforts to continuously improve the associate experience, care and support, while also showing us areas where we can further improve.

How we measure performance

Ahold Delhaize does not have any metrics or targets in place to measure performance on work-life balance.

Social information: associates continued

Own workforce continued

Equal treatment and opportunities for all

Strategy

At Ahold Delhaize, when we say we are open for everyone, we mean everyone – associates, customers, partners, suppliers and every member of our communities. Our brands do this through our joint commitment to diversity, equity and inclusion, brought to life through our 100/100/100 aspiration toward a workforce that is 100% gender balanced at all levels and 100% reflective of the communities the brands serve and a culture that is 100% inclusive. As an international Company, this aspiration and framework ensures our approach is relevant to our local brands.

Ahold Delhaize has a common focus on holistic inclusion, using the strength of different perspectives to grow our brands; locally, our

brands design, implement and drive DE&I strategies tailored to the communities where they live, work and serve. Our 100/100/100 aspiration includes three pillars critical to this work:

- **People:** We define and celebrate diversity – everything that makes us unique and everything that makes us similar – inclusive of, but not limited to: generation, LGBTQ+ status, gender, race and ethnicity, disability, neurodiversity, religion and nationality.
- **Culture:** Our shared values of courage, care, teamwork, integrity and humor are at the core of who we are. They represent our north star and guide us in operating the right way, every day.
- **Community:** We believe in working together to improve the world we live in through community engagement and collaboration with external partners and organizations that share our values.

Ahold Delhaize's DE&I 100/100/100 aspiration



Diversity and inclusion

Definition

Building a diverse and inclusive environment, fostering non-discriminatory workplace practices.

Actions and resources

100% inclusion

In 2024, Ahold Delhaize and its brands continued to focus on building an inclusive environment where everyone feels welcome. In the past, our shared values primarily guided how we work together. These values remain our non-negotiable minimum standard, for everyone across the Company – they are how we present ourselves to the world and what we expect of anyone working across Ahold Delhaize.

But we realized that we needed to go further and be more resolute about which behaviors we want to prioritize. Therefore, we introduced leadership behaviors: Grow our people, Obsess over customers, and Win together. These behaviors include the following, with a focus on inclusion:

- **Genuinely care:** We create real connection, showing empathy, vulnerability, respect and interest in others.
- **Lead inclusively:** We enjoy diversity, create space for different perspectives, listen and speak to understand.
- **Evoke curiosity:** We ask questions and seek new ideas and opportunities to learn and innovate.
- **Speak up:** We act with courage and create a safe space to speak up.

We added these leadership behaviors to our performance management process, and each associate is asked to reflect on whether these behaviors are observable when they work with their colleagues. It's a huge step toward every leader taking accountability for nurturing inclusion.

To ensure Ahold Delhaize and its brands are actively and intentionally pursuing the aspiration of 100% inclusion, we continued our work with the non-profit organization the Contentment Foundation, which focuses on creating a psychologically safe environment. Ahold Delhaize inducted a cohort of 50 nominated associates to deep dive on an applied psychological safety transformation program. Participants were empowered not only to role model psychological safety themselves in any team-related situation, but also to comfortably teach others how to apply tools in practice.

The program consisted of nine live virtual sessions and individual growth work, over six months of dedicated time. This global experience was inspired by work done by the CSE brands in 2023, and we anticipate further engagement on this crucial topic across our brands in the future.

Ahold Delhaize measures and tracks progress on psychological safety and additional cultural aspects of inclusion through an inclusive workplace index that is part of the annual AES. The Company received a score of 81% on this index in 2024, which measures the following: if diversity is valued at Ahold Delhaize; if associates, regardless of their differences, are treated fairly; if associates can be their authentic selves; whether managers treat all associates with respect; and if associates are encouraged to share their ideas about improving our work environment. We are proud of this result, as 81% is 5 percentage points above the global retail benchmark.

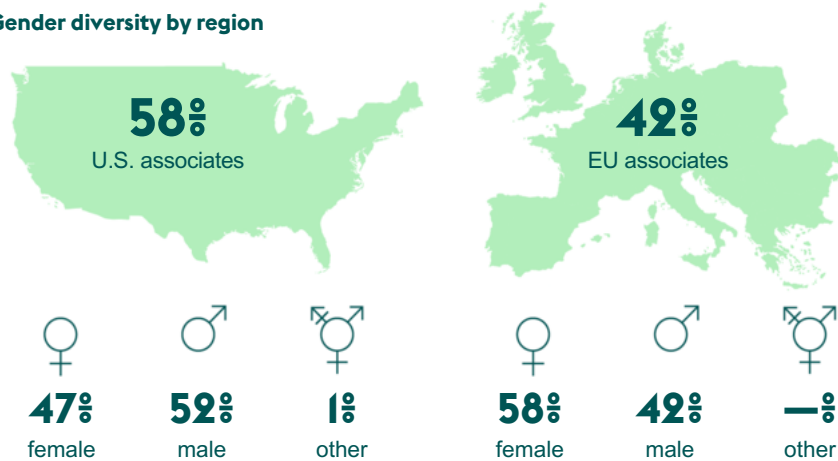
Social information: associates continued

Own workforce continued

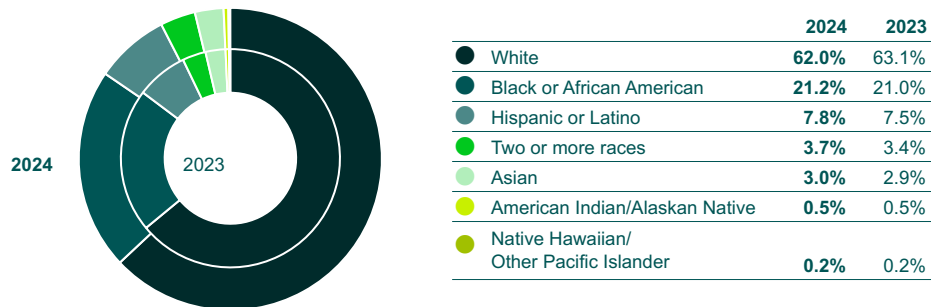
Associate population diversity



Gender diversity by region



U.S. associates: Racial and ethnic diversity¹



1. Aggregation of data from each U.S. brand. Racial/ethnic diversity is based on self-identification; data where identification is missing is not included in the analysis.

At Ahold Delhaize and the brands, we believe great working environments are those where every associate feels heard and valued and can bring their true self to work. This includes making space for the celebration of different cultural, religious or other important personal days. To enable associates to observe the days that matter most to them, some of our brands, including all of the U.S. brands, bol and Maxi, have introduced floating holidays – paid time off, taken on a day chosen by the associate, or swapped for an existing public holiday in the brands' local context. In 2024, we reviewed learnings from these different types of newly introduced and existing policies, and we expect to see this practice expand to all the European brands in 2025.

100% representative of our communities



Hannafood associate at work in a disability-friendly role.

In 2024, our EU&I brands incorporated an option for associates to self-identify many demographic points of information about themselves in our annual AES. While our U.S. brands have been viewing data with the help of self-identification for some time, this is a new practice for our European brands.

This additional anonymized data allows us to better understand the experiences of associates representing the full spectrum of diversity of the communities our brands serve, and also analyze how we are working toward our aspiration of 100% inclusion with a much finer lens. Now, with associates' input, we can look at whether, for example, single parents feel a lower sense of belonging and inclusion than other people.

This data will help us to refine our benefits and processes to ensure we are meeting the needs of associates and offering the same care to everyone, regardless of their identifiers.

Our commitment to balanced slates continues to be an important part of reaching our 100/100/100 aspirations. Balanced slates are one tangible way we can source the best talent, minimizing unconscious bias in hiring, promotions and job assignments by ensuring equitable access to opportunities. At Ahold Delhaize, we review and audit our senior-most leadership balanced slate outcomes, and the brands determine locally through what job level to apply balanced slates.



Social information: associates continued

Own workforce continued

100% gender balanced

Across Ahold Delhaize, our aspiration is to have a workforce that is 100% gender balanced at all levels.

Compared to 2023, our overall proportion of women in management increased from 41% to 42%, while our director-level representation increased from 36% in 2023 to 37% in 2024. At executive level (VP+), the proportion remained stable at 37% this year, and representation of women at SVP+ (referred to as sub-top or top-management) increased to 36.5% in 2024 compared to 32.0% in 2023. See [Corporate Governance](#) for more information on our sub-top representation.

How we track our progress

Ahold Delhaize does not have any targets in place to measure progress on diversity and inclusion.

Pay Equity

Definition

Pay Equity is about equal pay for work of equal value. The pay difference is the extend of any difference between a female and a male employee's pay.

Actions and resources

Pay equity at Ahold Delhaize

At Ahold Delhaize, we are a people business – we pride ourselves on being open to everyone and we want every associate to thrive. Striving for pay equity is an important mission for each of our brands.

We believe that the total value proposition for an associate is more than the wages and benefits they receive. It includes other factors, such as well-being support, opportunities to learn and grow, recognition and the diversity and inclusiveness of the workforce. Pay equity is an integral part of each brand's total rewards philosophy and principles. For associates, the aim is to drive fair and meaningful rewards and recognition as part of our thriving people strategic priority. Each brand is committed to delivering equal pay for equal work and equal access to career opportunities to all associates.

See [Adequate wages](#) and our [2024 Human Rights Report](#) for more information about the six overarching principles of fundamental "procedural justice" used to guide fair compensation.

In our brands, 57% of associates are covered by collective labor agreements (CLAs). For associates outside of the CLAs, each brand has adopted an independent job evaluation methodology (Korn Ferry Hay) and created policies and frameworks for determining job levels and titles, pay grades and bands, performance evaluation and wage increases. Ahold Delhaize and the brands are committed to ensuring all associates are paid equally for doing the same or equivalent jobs or work of equal value. Each brand conducted equal pay for equal work studies through independent third-party experts in this field, taking into account local legal requirements. Ahold Delhaize and its brands are committed to continuing to perform pay equity analyses, refreshing them every three years and using the results to close any unexplainable differences identified.

How we measure performance

To align with regulatory requirements for 2024 in the ESRS, Ahold Delhaize will report on the unadjusted and the adjusted average pay differences for the total aggregated company population. The unadjusted pay difference provides a straightforward assessment of the pay difference by calculating the average or median difference in earnings between genders without considering other influencing factors. The adjusted average gender pay difference shows the difference between the average hourly rate for all males compared with all females, expressed as a percentage of the average hourly rate for all males. If we were to list the pay for all male and female associates separately, from the lowest to the highest paid, the middle-paid associate for each gender represents the median for that gender.

The median gender pay difference shows the difference between the median hourly base rate for all males compared with all females, expressed as a percentage of the median hourly base rate of all males. In 2024, the unadjusted average pay difference for the total aggregated company population was 14.13% and the unadjusted median pay difference was 4.50%.

The adjusted pay difference is a measure used to analyze differences in earnings between various demographic groups, typically between men and women. The adjusted pay difference takes into account factors such as country, job level, location type and other relevant variables that might influence earnings. For the adjusted pay difference, Blinder-Oaxaca decomposition is used to separate the explained and unexplained portions of a difference in two predicted mean values from each other. This method was utilized by the European Commission in their analysis of the (adjusted) gender pay differences across different European countries¹. In 2024, the adjusted average pay difference for the total aggregated company population was 1.36%.

While we are pleased that the outcome of the adjusted pay difference informs us that there are objective and reasonable explanations for the unadjusted pay difference, Ahold Delhaize and the brands will continue the important work of delivering pay equity to associates.

1. The public available pay differences are available until 2022. In 2022, women's gross hourly earnings were, on average, 12.7% below those of men in the EU and 13.2% in the euro area (Source: Eurostat). In the Netherlands, a distinction is made between the governmental and the business sector by the Central Bureau of Statistics. The unadjusted average pay difference in the business sector in the Netherlands for 2022 was 16.4%. The adjusted average pay difference in the business sector in the Netherlands for 2022 was 6.9%.



Social information: associates continued

Own workforce continued

To accurately track and report on our progress compared to previous years, we have also chosen to share the analysis covering the same Manager+ population in the Netherlands as in our Annual Report 2022 and 2023. We chose to disclose this study first because we believe the results are more accurate due to a comparable base across one country. The gender pay difference analysis covers 2,102 male and female associates in management positions in the Netherlands. We are proud of the progress we have made in this group, as the unadjusted average pay difference is 1.63% (2023: 2.93%) and the median pay difference is 2.22% (2023: 2.59%).

Ahold Delhaize and its brands are committed to delivering pay equity to all associates. We keep challenging each other to further review practices and build internal capabilities, ensuring equity is ingrained in each of our brands' people decisions. Our brands continue to strive for consistency in their rewards and recognition by using robust job and pay structures and ensuring any unexplainable pay differences are addressed. This ambition and our pay equity commitment empower our goals to be equitable and inclusive employers.

Gender pay

Shows the difference in pay between men and women

Average pay difference

Population: Manager+, the Netherlands

1.63%

(2023: 2.93%)



Median pay difference

Population: Manager+, the Netherlands

2.22%

(2023: 2.59%)



Measures against violence and harassment in the workplace

Definition

Harassment: A situation where unwanted conduct related to a protected ground of discrimination (for example, gender, under Directive 2006/54/EC of the European Parliament and of the Council¹⁵, or religion or belief, disability, age or sexual orientation, under Council Directive 2000/78/EC¹⁶) occurs with the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment.

Actions and resources

At Ahold Delhaize and the brands, we believe that supporting well-being is critical to ensuring associates and our business can thrive. This has been particularly true in recent years, when the economic, geopolitical and social challenges we faced put increased pressure on associate health, safety and well-being.

With this in mind, our brands have introduced and strengthened programs that improve associate well-being, help associates build resilience in the face of change, reinforce positive coping mechanisms and work to eliminate any stigma or marginalization around mental health issues. One example is the OpenUp mental well-being platform we made available to associates at our support office in the Netherlands.

Ahold Delhaize and the brands also respect the human rights of all associates, including the right to a workplace free from harassment and violence. Ahold Delhaize's Code of Ethics and Position on Human Rights include clear aims and expectations on respect in the workplace. Our brands do not tolerate conduct by any associate or any other person that creates an intimidating, offensive or hostile work environment. This includes harassment based upon a person's legally protected status.

To ensure that all associates at Ahold Delhaize and the brands are able to work in an environment free from discrimination and harassment, we provide reporting options for associates, including our Speak Up lines. These are local ethics reporting lines that enable associates, third parties within and connected to our supply chains, and the public to raise concerns about improper behavior or possible violations of law or policy, including our Position on Human Rights and Standards of Engagement. Ahold Delhaize and the brands strongly encourage raising concerns and speaking up and will not retaliate or allow retaliation against anyone who, in good faith, reports a potential violation. Any form of direct or indirect retaliation is strictly prohibited, as stated in our Position on Human Rights and in the Standards of Engagement.

How we measure performance

For more information about the Speak Up lines, see [Governance, risk and compliance](#). For the number of work-related incidents and/or complaints and severe human rights impacts within our own workforce, and any related material fines, sanctions or compensation, see [Sustainability notes](#).



Social information: associates continued

Own workforce continued

Training and skills development

Definition

Initiatives put in place by the Company aimed at maintaining and/or improving its own workers' skills and knowledge. It can include different methodologies, such as on-site and online training.

Actions and resources

Associates are encouraged to develop IDPs, which are discussed as part of the performance evaluation process with the aim of guiding associates in reflecting on, owning and developing their career growth and personal aspirations. To support associates' individual development, we offer a portfolio of in-person and virtual development programs, along with online offerings through learning platforms. Our partnership with LinkedIn Learning enables us to provide skills-based online learning solutions to more than 7,500 associates across 14 of our brands. Associates can choose from a range of more than 14,500 e-learning modules across different areas to grow their skills at their own pace. Our partnership with learning experience platform Degreed has enabled data-driven development and upskilling for 7,300 associates to date.

Our customized leadership development flagship programs are designed to equip and empower our leaders to gain crucial leadership capabilities and grow personally and professionally.

One such program is Ahold Delhaize's Retail Academy, a long-standing tradition since 1999, that brings together a selected group of leaders from the brands for an intensive one-week program to learn about our strategy and develop their retail leadership and impact within the organization. Through exposure to the latest industry trends and retail best practices, participants gain a broader understanding of the retail market, positioning them to adapt and innovate. The program also offers a better understanding of our Growing Together strategy and how each can contribute to our collective goals. Finally, it fosters valuable connections by building a global network of colleagues, enabling knowledge-sharing and collaboration.

In addition to these flagship Ahold Delhaize internal programs, our functions, regions and brands offer a diverse range of opportunities for continuous growth and development. Our CSE brands offer an inspiring initiative that enables associates to learn about our business in an engaging game-based format, called Best in Town. It is designed to foster a culture of continuous learning and belonging in the workplace, while bringing associates closer to our strategy and business. This groundbreaking program started at Albert in the Czech Republic and expanded across four additional brands – Albert, Alfa Beta, Mega Image and Maxi – engaging more than 47,000 employees from stores, DCs and support offices.

In 2024, we continued to host a series of monthly leadership masterclasses for all managers across our European brands. Around 200 managers attended, and had the chance to gain insights from both industry and internal experts on topics that elevate their leadership behaviors and strengthen their internal network. The classes were popular, receiving a score of four out of five from attendees. The European team has also partnered with the organization Undercover Activist to develop the Positive Workplace Activism program. This course is intended for anyone who wants to feel encouraged and supported in addressing social and environmental issues in the workplace, mobilizing people to speak up and accelerating how our Company is integrating sustainable practices.

The GIANT Company team has revamped its new hire training to align with diverse learning styles. They are utilizing enhanced web-based modules and increasing management involvement for a more effective onboarding experience.

Albert Heijn has formed a partnership with NCVB, a company that provides nationally recognized, customized secondary (MBO) vocational training for associates. Through this cooperation, associates at the brand's stores are able to further their education with a focus on retail, to equip them to become specialists and store managers.

At Hannaford, the team developed and piloted the Hannaford Leadership Passport Program. It is designed to provide a foundation of knowledge, processes and tools for new and developing managers, setting them up for success as they lead others.

To measure the impact of our training and development programs, we actively track progress on associate growth through our AES. In 2024, we maintained a growth score of 75%, which is 4 percentage points above the norm for Global Retail.

Social information: labor and human rights in the value chain

Workers in the value chain

labor and human rights in the value chain

Ahold Delhaize's Position on Human Rights defines our support for respecting human rights in our own organizations and our supply chains. It is built on our Code of Ethics and reflected in our Standards of Engagement.

Our Code of Ethics defines the ethical values and principles that are the foundation of our commitment to conduct our business the right way, every day. This includes our support for respecting the human rights of the people who work throughout the supply chains of Ahold Delhaize and its brands.

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workers in the value chain

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workers in the value chain

Definition: Workers working for entities in the supply chain and their labor and human rights that must be respected:

Respecting the rights of every worker to a workplace free from discrimination, harassment and violence and to be treated fairly, with respect and dignity, including for women to be treated equally to men, while ensuring that salient impacts are addressed, including inadequate wages and unhealthy and unsafe working, and, where applicable, living conditions.

Respecting the right of every child to be free from labor that deprives them of their childhood, potential and dignity or harms their physical and/or mental development.

Respecting the right of every individual to be free from forced labor, slavery and servitude.

Strategy

Interests and views of stakeholders

Ahold Delhaize incorporates its stakeholders' interests and views on human rights in the supply chain into its strategy and business model by engaging with internal and external stakeholders, including representatives of supply chain workers and communities, suppliers, and external organizations, such as NGOs, civil society organizations, and industry associations like the amfori Business Social Compliance Initiative (BSCI). We actively engage with these stakeholders and their representatives individually, especially in the context of supply chain labor and human rights through the SDD process, with internal stakeholders through the DMA, and through regular conversations with the Ahold Delhaize Working Group on Human Rights.

This engagement and collaboration ensures that stakeholder interests are reflected in Ahold Delhaize's sustainability initiatives and overall business approach. By integrating stakeholder feedback in the due diligence roadmap, Ahold Delhaize aligns its business practices with the needs and expectations of these stakeholders and works towards ongoing improvement in working conditions and salient impacts across its global supply chain. See our section on [General information – Statement on due diligence](#) for more information on these processes.



Social information: labor and human rights in the value chain continued

Workers in the value chain continued

Material IROs and their interaction with strategy and business model

Our local brands depend on global supply chains for raw material sourcing, production, and business relationships, making these chains integral to our business model. At Ahold Delhaize, we use “supply chain” and “upstream value chain” synonymously, reflecting our focus on addressing key stakeholder impacts, especially those affecting supply chain workers. This alignment is guided by the SDD and DMA, which help us prioritize safeguarding workers' rights across our supply chain.

Through our SDD process, detailed in the [Statement on due diligence](#) section, we identified supply chain workers as key stakeholders potentially affected by salient human rights impacts, which often have systemic roots. Ahold Delhaize's focus on human rights concerns all our upstream value chain workers. We believe that our commitment to human rights is a foundational commitment toward people in our supply chain; therefore, it is reflected in our [trusted product](#) strategic priority.

The SDD process also highlights several vulnerable groups that are particularly at risk in these global supply chains, and they often overlap. They include:

- Children, who face risks of child labor and unsafe working conditions
- Women, who are vulnerable to discrimination, harassment, and unequal treatment
- Migrant workers, particularly in agriculture and fishery, who are at risk of forced labor and exploitation
- Low-skilled, subcontracted, and informal workers, who are vulnerable to inadequate wages, forced labor and unsafe conditions
- Minorities and refugees, who are at risk of discrimination

- Smallholders, who face inadequate incomes
- Indigenous peoples and human rights defenders, who are exposed to community impacts

We conducted a gross risk assessment focusing on product categories and key raw materials used in our own-brand products, specifically evaluating them against environmental and social risks. The table on the right summarizes the key outcomes of our brands' supply chain risk assessments, highlighting salient social impacts. It clarifies the connections between geographies, product categories, potential impacts and the vulnerable groups that may be affected.

The salient issues identified in the SDD were taken as input to the [DMA](#), and we recognized that the potential material impacts and dependencies on these workers in our brands' supply chains form a material sustainability matter for Ahold Delhaize. These material impacts align closely with those previously identified salient human rights issues, validating our due diligence outcomes and strengthening our confidence in risk assessment procedures. A table listing the material impacts identified in our DMA is provided under [Our material sustainability matters](#).

Our approach is to adapt continuously to address these impacts, concentrated in the upstream value chain, particularly in own-brand product categories and high-risk countries with limited government protections, as we work on eliminating, preventing, or reducing our negative impacts and mitigating risks. For instance, we have strengthened our human rights positions by integrating the CGF's Priority Industry Principles on forced labor into our Standards of Engagement, requiring suppliers to adhere to stringent social compliance. See also the policies sub-section [Standards of Engagement](#) to read more about this practice and other actions detailed under [Actions and resources](#).

Key product categories	Key regions	Main countries in key regions	Potential salient impacts	Potential affected vulnerable groups
Coffee	Africa, Asia, South America	Brazil, Colombia, Kenya, Rwanda, Vietnam	Child labor; forced labor; inadequate wages/incomes; discrimination (incl. gender inequality); harassment and violence; freedom of association; inadequate working time; unhealthy, unsafe working conditions; community impacts	Children (including young workers); women, low-skilled workers, informal workers, smallholders, minorities, refugees, Indigenous peoples, human rights defenders
Tea	Africa, Asia	India, Kenya, Sri Lanka		
Cocoa	Africa, South America	Ivory Coast, Ghana		
Seafood	Asia, South America	India, Thailand		
Palm oil	Asia	Indonesia, Malaysia		
Soy	South America	Brazil		
Fruit and vegetables (incl. flowers and plants)	Africa, America, Asia, Mediterranean, Middle East			
Non-food	All high-risk countries	China, Turkey		

IRO management

See [Our material sustainability matters](#) for the labor and human rights in the upstream value chain-related impacts and risk we have identified and assessed as material through our [DMA](#) process.

Policies

Our commitment to human rights

Our commitment to human rights is rooted in our dedication to ethical business practices, as outlined in the [Position on Human Rights](#) and guided by our values of integrity and care, as also mentioned in our Code of Ethics. The policy outlines a comprehensive approach to respecting human rights, focusing on key stakeholders within Ahold Delhaize's own operations and upstream value chain.

It explicitly addresses Ahold Delhaize's social salient impacts and material topics in the supply chain, including equal treatment and opportunities for all, working conditions and other work-related rights, including child labor, forced or compulsory labor and human trafficking, the safety of workers, and precarious work. It specifically addresses the needs of vulnerable groups, including women, members of the LGBTQ+ community, children, persons with disabilities and Indigenous peoples, among others.

The Position on Human Rights applies to all Ahold Delhaize brands and business relationships, covering our own operations and upstream value chain. It sets clear expectations for ethical business practices among suppliers worldwide, promotes adherence to global human rights standards and high business ethics, and emphasizes proactive engagement with stakeholders across the supply chain.



Social information: labor and human rights in the value chain continued

Workers in the value chain continued

Our Executive Committee has approved our Position on Human Rights and is responsible for its implementation, overseeing stakeholders' engagement, monitoring compliance, addressing violations and ensuring access to remedies when needed.

The commitment to human rights we outline in our Position on Human Rights is aligned with the UN Guiding Principles on Business and Human Rights and informed by the International Labor Organization's (ILO's) 1998 Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Our [Position on Human Rights](#) is publicly available on our website, ensuring stakeholders and partners are well informed about our practices and policies.

To help drive industry-wide improvements on human rights, Ahold Delhaize actively collaborates with initiatives like the amfori BSCI and the CGF's Sustainable Supply Chain Initiative.

Standards of Engagement

Ahold Delhaize's Standards of Engagement are comprehensive requirements that our suppliers maintain the same high level of business ethics, regard for human rights and respect for the environment as do Ahold Delhaize and its brands. The Standards of Engagement are approved by the CLO, who is also responsible for their global implementation.

The Standards of Engagement define our expectations and aim to ensure that our brands' suppliers maintain the same high level of business ethics and regard for human rights and the environment as Ahold Delhaize and its brands. The Standards of Engagement are integral to the contractual relationships with these suppliers.

The Standards of Engagement are aligned with the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights and further informed by the ILO's Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the amfori BSCI Code of Conduct. However, we recognize the global complexities and variations in labor regulations, particularly concerning the ILO Conventions. Because our Company operates in countries that have not ratified all of the core ILO Conventions, we also refer to the local laws and legal frameworks as they apply in each of the countries in which Ahold Delhaize, its brands and suppliers operate.

The Standards of Engagement specifically reference individuals or groups who are vulnerable or marginalized.

Our Standards of Engagement 4.0, adopted on January 1, 2024, are fully aligned with our Position on Human Rights, explicitly addressing the salient human rights impacts. Key updates include the implementation of age-verification mechanisms and the international principles on responsible recruitment, reflecting the findings of our human rights due diligence process and stakeholders' expectations.

These updated Standards also strengthen the framework for monitoring and investigating suppliers, with closer cooperation, in the case of reports or allegations of serious compliance issues. The updated Standards now apply to all suppliers, extending beyond own-brand suppliers to include national-brand and not-for-resale suppliers, and those outside high-risk countries.

All suppliers – regardless of category – are required to report any allegations or incidents of serious noncompliance and must allow Ahold Delhaize to investigate these reports. Version 4.0 will replace version 3.0 over a three-year period, effective from January 1, 2024. All new contracts or contract renewals will adhere to the revised Standards, ensuring a structured transition process. To further support this transition, the Ahold Delhaize [website](#) includes a video introduction and a guidance document for suppliers, which contains additional resources to help them learn more about specific requirements.

In cases where suppliers operate in high-risk countries or have an elevated risk of non-compliance, Ahold Delhaize may require suppliers to provide an amfori BSCI audit or equivalent assurance. For more information on requirements applicable to own-brand suppliers located in high-risk countries, see [Social compliance](#).

If significant breaches take place, such as child labor or forced labor, suppliers are obligated to immediately notify Ahold Delhaize, initiate an investigation, implement corrective measures and provide full cooperation throughout the remediation process. Ahold Delhaize reserves the right to suspend business relationships until these issues are fully resolved to its satisfaction. In 2024, Ahold Delhaize introduced reporting on deal-breakers, which includes severe cases of non-respect of these international standards. The approach to deal-breakers and broader remediation efforts is outlined under [Social compliance](#).

Processes for engaging with value chain workers about impacts

Ahold Delhaize and its brands regularly engage with a wide range of stakeholders. In 2023, we published our [Policy on Stakeholder Engagement](#), which outlines our approach to engaging with stakeholders on sustainability. This policy and our [Health & Sustainability Stakeholder Engagement Guidelines](#) are available on our website.

Globally, we engage with relevant benchmarks such as the Corporate Human Rights Benchmark, as well as NGOs and other organizations that represent or are considered proxies for workers in the upstream value chain. Locally, each brand also works with civil society organizations, industry associations and local governments, along with some of the same groups we engage with globally.

We engage with the upstream value chain workers both directly and through credible proxies, as listed above, to manage and address actual and potential impacts on their human rights. This engagement occurs at multiple stages, primarily through social compliance and certification programs, and through HRIAs focused on specific supply chains and geographies. These assessments allow for direct engagement with affected workers, particularly vulnerable or marginalized groups, such as migrant workers in agriculture.

At the operational level, social compliance and certification programs are integral to engagement. These include social audits with worker interviews to help ensure social compliance with our social standards at least every two years, and in case of major non-compliance, a re-audit is done every year. These social standards also have grievance mechanisms, such as amfori's Speak for Change program, detailed below.



Social information: labor and human rights in the value chain continued

Workers in the value chain continued

Affected workers can also engage directly with us through our Speak Up line, which is accessible to both internal and external stakeholders.

The Human Rights team oversees global stakeholder engagement on human rights generally and the global approach to engagement with affected workers in the upstream value chains.

For more information on how we engaged with parties as part of the SDD process, see [Statement on due diligence](#) under [General information](#).

Although Ahold Delhaize does not currently have any Global Framework Agreements with union federations, we remain focused on direct and proxy engagement with workers in our upstream value chain.

As an outcome of the interviews and stakeholder workshop during the SDD process, we received feedback that HRIAs are good tools for engaging directly with affected stakeholders, including rightsholders, and providing more focused insights about impacts in specific supply chains and regions. See [Human rights impact assessments \(HRIA\)](#) under [Actions and resources](#) for more information.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

Remediation and access to remedy are essential aspects of our human rights due diligence process. Ahold Delhaize and its brands are committed to providing and supporting effective remedies for labor and human rights impacts within our upstream value chain. We address any allegations of human rights violations that we cause or contribute to in good faith through legitimate processes and expect the same commitment from our suppliers.

Our approach to remediation is guided by our Position on Human Rights and Standards of Engagement, specified as Access to remedy, which requires suppliers to participate in effective, fair, and transparent grievance mechanisms and remediation.

Ahold Delhaize and its brands encourage raising concerns and speaking up. We do not retaliate or allow retaliation against anyone who, in good faith, reports a potential violation. Any form of direct or indirect retaliation is strictly prohibited.

Ahold Delhaize and its brands provide multiple ways to raise concerns, including our local Speak Up lines. These lines are free, accessible, confidential, secured, and administered by a third party to ensure the safety and protection of each of our brand's associates, third parties within and connected to our value chains, and members of the public who wish to raise concerns about improper behavior or possible violations of law or policy. For the Global Speak Up Policy, contact details, and more information about the process, including a response timeline, see the [Speak Up](#) section of our website. For more information about the Speak Up line, see [Governance, risk and compliance – Ethics and compliance](#).

While these lines are available to third parties within and connected to our supply chains and the general public, we recognize that workers in our upstream value chains may find it harder to access them. In the latest version of the Standards of Engagement, we have strengthened our expectations for suppliers regarding grievance mechanisms and made it clear that retaliation is strictly prohibited. We also emphasize the importance of allowing human rights defenders to work safely under all circumstances. We continue to work with industry organizations and standard committees, including the amfori BSCI and

others, to evaluate and promote effective grievance mechanisms among our suppliers.

One example is amfori's Speak for Change supply chain grievance mechanism program. This program is set up in line with the UN Guiding Principles, and receives complaints from workers, communities, and their representatives who believe that amfori members and their business partners have negatively impacted them. More information, aggregated data, and case reports are available on the [amfori website](#).

Our grievance mechanisms to address adverse impacts allow upstream value chain workers to raise concerns confidentially. We strive to ensure that grievances are addressed promptly and effectively, and remediation is provided when our brands' operations cause or contribute to negative impacts.

We monitor non-compliance through social audits and certification processes. Each social audit includes a corrective action plan (CAP), and suppliers must demonstrate continuous improvement to remain in the audit or certification process. For more information on deal-breakers identified during the certification process, see [Social compliance: Deal-breakers](#).

Sometimes, an allegation of (severe) non-compliance with our Standards of Engagement comes from external sources, such as independent organizations or journalists, raised outside Ahold Delhaize's social audit process. When this happens, we follow a process similar to how we handle internal grievances. In 2024, we responded to allegations made via the Business and Human Rights Resource Center related to working conditions and access to grievance mechanisms of workers in the upstream value chain. Our responses are publicly available. For examples, see our [Human Rights Report 2024](#) sections [Human rights in the supply chain](#) and [Access to remedy](#).

Looking ahead, one of the key steps in our Company's due diligence roadmap is to enhance the accessibility and effectiveness of our supply chain grievance mechanism in partnership with industry groups and social standards organizations, as well as other collaborative programs that Ahold Delhaize and the brands engage in.

Actions and resources

Our approach to managing material impacts in the upstream value chain focuses on areas where we can drive the most impact. For both national and own-brand products, we embed our Standards of Engagement within the procurement process. In addition, as we work together with suppliers to identify and address risks, we prioritize our own-brand products, because they allow direct conversations about product conditions, ingredients and production practices with our suppliers.

Social compliance

As part of our social compliance audit program, Ahold Delhaize requests own-brand suppliers to demonstrate social compliance at their production locations in high-risk countries through Ahold Delhaize-accepted third-party audit reports or certificates, which are [amfori BSCI or equivalent](#). The Ahold Delhaize-accepted or stepping-stones audits monitor social compliance with our Standards of Engagement. The third-party auditors assess working conditions and progress and measures to mitigate impacts necessary to protect human rights at production locations in our value chain, such as working conditions, health and safety, inadequate wages, equal treatment and opportunities, discrimination, harassment and violence, and preventing child labor and forced labor. By having policies, key indicators of impacts on our above-mentioned DMA topics, and CAPs, audited, own-brand suppliers can demonstrate social compliance.



Social information: labor and human rights in the value chain continued

Workers in the value chain continued

Our focus is on high-risk countries, as defined by amfori, through which we target managing material impacts and potentially affected workers and vulnerable groups in our global value chain. We are making steady progress toward auditing and obtaining certification of our own-brand production locations in high-risk countries against acceptable standards, including those defined as any standard equivalent to amfori BSCI. For Ahold Delhaize, utilizing the amfori BSCI standard is a strategic choice for managing human rights impacts in the supply chain.

We also accept stepping-stone standards to support suppliers in specific countries as a first temporary step in making progress toward an acceptable standard, acknowledging that change cannot happen overnight. When including these standards, 93% of own-brand suppliers' production locations have been audited or certified on social compliance. See also the [Sustainability notes](#) for more information.

Our routine social audits against these certification programs in high-risk countries form a key part of our approach to ensure that suppliers comply with social standards.

While we recognizes the limitations of social audits, we see them as a meaningful, independent and scalable way to monitor working conditions in complex, global supply chains. The amfori BSCI approach emphasizes continuous improvement through CAPs that address noncompliance, followed by progress reports.

We continue to work closely with standard-setting organizations and other stakeholders to address the credibility and effectiveness of social audits, find ways to improve working conditions and address adverse human rights impacts throughout the supply chain.

Deal-breakers

If a social compliance audit identifies a severe compliance issue, such as child labor, forced or bonded labor or life-threatening health and safety situations, Ahold Delhaize brands may suspend orders from that supplier and work with them to get the violation or adverse impact remediated. If a supplier is unable or unwilling to remediate its non-compliance within a reasonable timeframe, the brand could ultimately terminate its relationship with that supplier. In practice, most of the deal-breaker cases involve occupational health and safety situations.

In 2024, Ahold Delhaize brands reported six own-brand first-tier production units with deal-breakers. In some cases, the brands and their suppliers were able to remediate the deal-breaker at the own-brand first-tier production unit. We are working closely with our suppliers to resolve the remaining cases as soon as possible.

We monitor these violations across all social audit programs, including amfori BSCI (or equivalent). All certification programs we accept have a set of minimum requirements that cover the deal-breakers. Our brands will initially suspend orders from a non-compliant supplier and work with the supplier to get the violation or adverse impact remediated.

Regardless of whether a supplier is audited or certified, if a serious allegation of a deal-breaker is raised at a supplier (or elsewhere in our supply chain), Ahold Delhaize conducts a thorough investigation and takes appropriate action.

See also our performance on the social compliance metric as reported in our [Sustainability notes](#).

Critical commodities

Our approach to critical commodities emphasizes certification to address environmental and human rights impacts. By 2025, Ahold Delhaize and its brands aim to have certified 100% of their own-brand products containing soy, palm oil, cocoa, coffee, wood fiber, seafood and tea against an acceptable standard. Certification standards include standards like Fairtrade, Rainforest Alliance and the RSPO, which address and minimize environmental and social impacts. The commodity certification standards that Ahold Delhaize and its brands accept include social requirements, with the exception of the Marine Stewardship Council (MSC), the standard we use to certify wild-caught seafood. Therefore, Ahold Delhaize has contributed to developing the FISH Standard for Crew and is engaged in partnerships like the Global Tuna Alliance and the Seafood Task Force to address social impacts in those supply chains.

See also [Biodiversity and ecosystems](#) for more details on our certification of critical commodities.

Human rights impact assessments

HRIAs can help Ahold Delhaize understand where and how people are negatively impacted. An essential aspect of an HRIA is to gain insight into the perspectives of workers who may be particularly vulnerable and/or marginalized, foster open dialogue between businesses, rightsholders (individuals or social groups that have particular entitlements in relation to specific duty-bearers) and stakeholders, and create and implement action plans to address those impacts.

Over the past three years, Albert Heijn has published reports and action plans from 10 HRIAs focused on specific suppliers, with more in progress. Learnings from these HRIAs have informed their recently introduced [Positive Produce for People and Planet Program](#) for fruits and vegetables.

Building on Albert Heijn's work, Ahold Delhaize has initiated two HRIAs focused on key salient impacts across our supply chains. We have selected independent, expert organizations that help us to meaningfully engage and ensure that rightsholders' voices are heard and considered. These assessments will cover multiple Ahold Delhaize brands and evaluate adverse impacts in value chains, including the material impacts identified in our DMA. We believe that this approach will help us assess impacts more broadly and establish global action plans that allow us to address impacts collectively.

The global HRIAs, initiated in 2024, focus on key issues, including the treatment of migrant workers in global value chains, particularly in agriculture and fisheries. Once the HRIAs are finalized in 2025, we will determine the follow-up actions.

Collaboration and partnerships

Partnerships and collaborations are essential in our human rights work and drive a broader impact on our brands' operations, communities and supply chains as we address systemic risks, such as inadequate wages, unsafe working conditions and discrimination. Ahold Delhaize engages in sector-wide collaboration and takes an active role in the key organizations that it partners with, including as Chair of the amfori Board, member of the CGF's Sustainable Supply Chain Initiative Steering Committee and participant in other working groups. We consult with our partners to continuously improve the effectiveness of those programs and initiatives.



Social information: labor and human rights in the value chain continued

Workers in the value chain continued

Our brand, Albert Heijn, is on the board of IDH's Sustainability Initiative Fruit and Vegetables (SIFAV) and the Dutch Initiative for Sustainable Cocoa and Ahold Delhaize USA is on the board of the Seafood Task Force.

Our brands also collaborate with national-brand suppliers on human rights and social compliance programs, such as the CGF's Sustainable Supply Chain Initiative, which aims to mutually recognize auditing, monitoring and certification programs through comprehensive independent benchmarking.

Sustainability risk assessment (SRA)

Our SRA is guided by the OECD and FAO for Responsible Agricultural Supply Chains. Our brands annually conduct the SRA to evaluate key raw materials against environmental and social risks in our own-brand products. The social risks identified in the SRA are based on our salient and material impacts and combine information on publicly available risk data per country to assess the likelihood and severity of risks. Each brand determines the extent to which the risk is mitigated and the available leverage to (further) mitigate the risk in order to prioritize supply chains and formulate actions.

While our current tool has been effective, we plan to either update it based on our findings from the SDD process and DMA or explore existing external tools that we can implement.

Tracking effectiveness of our actions

The effectiveness of our actions is tracked through quarterly reports on [SpeakUp line issues reported](#) and grievances resolved. We also leverage programs like amfori's Speak for Change, which provides transparency and efficient tracking mechanisms as detailed on their platform. This approach helps us focus on meaningful interventions and resolutions.

Actions to mitigate risks such as forced labor include deeper supplier audits and increasing scrutiny of high-risk regions. We periodically evaluate social compliance programs and continuously work with standards to improve their effectiveness and outcomes.

See also how we measure our performance below.

Managing material impacts: What's next

We are advancing the integration of our Standards of Engagement into our Global Purchasing Policy to strengthen ethical practices across purchasing. Our due diligence roadmap now forms an integrated, risk-based approach to managing social and environmental impacts.

Over the next two years, the roadmap will guide the development of additional tools, including expanded grievance mechanisms and supplier capacity-building initiatives. We will focus also on executing the due diligence roadmap, as outlined in the [General information](#) section.

Looking ahead, we plan to integrate social compliance audits more effectively into our broader due diligence framework and engage with social standards like amfori and Sedex to strengthen integrity and continue improving our social compliance program further.

Resources and governance

Our approach to human rights is led through a centralized Ethics and Compliance team that drives global engagement on human rights. This work is coordinated through the Ahold Delhaize Working Group on Human Rights and is built on cross-functional collaboration. Its members regularly collaborate with counterparts in the brands to manage human rights programs and adapt to local contexts, helping brand leadership teams actively

monitor and address human rights impacts within their upstream value chains.

Each brand has their own resources responsible for managing its programs and activities and ensuring working conditions for own-brand products and critical commodities are monitored at the brand or regional level, which aligns with our diversified upstream value chain approach.

How we measure performance

To measure our performance in addressing labor and human rights in our upstream value chain, we have the following ambition in place, which is focused on our own-brand products:

Timeline	Ambition
Short term	100% of production sites of own-brand products in high-risk countries audited against an acceptable standard with a valid audit report or certificate and no non-compliance on deal-breakers by 2025

For more information on how social compliance audits and certificates aim to address labor and human rights mentioned in this chapter, see [Social compliance](#).

The ambition supports our broader policy objective of ensuring ethical sourcing and sustainable supply chain practices. See also the ambitions set on critical commodity sourcing of own-brand products under [Biodiversity and ecosystems](#).

While we do not have a target in place, we measure our performance against the above ambition, aiming to increase the percentage of production units meeting fully acceptable standards while progressively reducing reliance on stepping-stone audits and strengthening compliance across our value chain.

Metrics

The social compliance metrics are used to report on labor and human rights in the supply chain.

Performance management

Performance indicator description	2024	2023	Change vs. prior year
% of production sites of own-brand products in high-risk countries audited against an acceptable standard with a valid audit report or certificate and no non-compliance on deal-breakers	77%	78%	(1)pp
% of production sites of own-brand products in high-risk countries audited against a stepping-stone standard with a valid audit report or certificate and no non-compliance on deal-breakers	17%	18%	(1)pp

In 2024, 77% of production sites of own-brand products in high-risk countries were audited against an acceptable standard (amfori BSCI or equivalent). While our brands are focused on implementing social compliance at all their own-brand suppliers in high-risk countries, we acknowledge that we still have necessary steps to take to reach our ambition. If we include stepping-stone standards (see [Sustainability notes](#) for more information) in our total social compliance numbers, we reached 93% in 2024.

In the coming year, we will review the ambition and identify what steps can be taken to close the gap while maintaining alignment with our overall strategy.



Social information: communities

Community impacts

communities

Community impacts, and specifically the rights of Indigenous peoples and local communities to land and natural resources such as water, have been identified as a new material sustainability topic in our 2024 DMA. These impacts primarily occur at the start of our supply chains: farming activities, deforestation, and competition for scarce water resources can affect local communities and Indigenous peoples with new activities in their natural habitat. However, addressing these impacts is complex, as Ahold Delhaize brands do not directly interact with these communities.

While direct interventions on community impact are complex and often extend beyond our supply chain, our actions in these areas inherently address key community concerns. Many of our existing sustainability efforts – including those related to deforestation, responsible sourcing of commodities and human rights – already contribute indirectly to mitigating these negative impacts. Our social compliance certification processes, supplier engagement, and broader sustainability initiatives inherently address key community concerns. Given the interconnected nature of these topics, this chapter will illustrate our approach and actions by referencing our ongoing work on other material sustainability topics. We recognize that this is an evolving area, and we will continue to assess and refine our approach over time.

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Community impacts

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community impacts

Definitions: Local communities, including Indigenous peoples, along with entities in our supply chain and their human rights that must be respected:

Respecting the rights of local communities and Indigenous peoples to land and natural resources, including access to water, for their livelihoods and access to adequate food.

Respecting the rights of human rights defenders to work peacefully toward the protection and promotion of human rights and to work safely under all circumstances and in environments that enable them to do so.

Strategy

Interests and views of stakeholders

Ahold Delhaize and the brands recognize and support the rights of Indigenous peoples and local communities to land and natural resources, including access to water. We recognize that Indigenous peoples, local communities, smallholders and women are often dependent on the use of or access to land or natural resources, including water, for their livelihoods.

Land rights are essential in tackling environmental and climate-related issues, including deforestation and natural resource management.

There is also increasing pressure on the availability of potable water, often in areas of agricultural production, which can affect local and Indigenous communities and small farmers.

Our commitment to embedding the interests, views and rights of affected communities aligns with practices detailed under *General information* and *Labor and human rights in the supply chain*, ensuring a structured approach that harmonizes the Company's goals with stakeholder needs and societal expectations.



Social information: communities continued

Community impacts continued

Material IROs and their interaction with strategy and business model

As stated under *Workers in the value chain*, our local brands depend on global supply chains for raw material sourcing, production and business relationships, making them integral to our business model. Through our SDD process, detailed in *Statement on due diligence*, we identified affected local communities as key stakeholders potentially affected by salient human rights impacts, which often have systemic roots.

We believe that our commitment to human rights is a foundational commitment towards people in our supply chain and is therefore linked to our *Trusted product* strategic priority and reflected in our values of care and integrity.

Ahold Delhaize recognizes that local communities – especially vulnerable groups such as Indigenous peoples, smallholder farmers and women – are often dependent on the use of or access to land or natural resources, including water, for their livelihoods and access to food.

We also recognize the importance of human rights defenders who work to promote social justice, protect the environment and ensure sustainable development. This group is at risk for retaliation, intimidation, threats, physical violence and other forms of illegal mistreatment.

The salient issues identified in the SDD informed our *DMA*, and resulted in the potential negative impacts on these affected communities in our brands' supply chains to be identified as a new material sustainability matter. While Ahold Delhaize has historically acknowledged community-related human rights within broader human rights due diligence, the explicit focus on these communities as a new material sustainability matter represents a strategic shift as a result of our *DMA*. As this is new, the Company is making use of the transitional provision related to value chain topics, where relevant, to determine the extent of reporting required on this topic in future years.

See *Our material sustainability matters* for an overview of the identified impacts and risks as well as for how our material sustainability matters link with our strategy and business model.

IRO management

See *Our material sustainability matters* for the impacts and risks we have identified and assessed as material for affected communities through our *DMA* process.

Policies

Our commitment to human rights extends to affected communities across our supply chain, as outlined in our Position on Human Rights and Standards of Engagement. These policies, detailed under *Labor and human rights in the value chain*, define our approach to protecting the economic, social and cultural rights of affected communities through their land-related rights and access to water for their livelihoods and access to food, while also addressing civil and political rights, particularly those of human rights defenders.

The policies stated above set out expectations for how we should respect the rights of vulnerable groups within these communities, such as women, Indigenous peoples, and other marginalized groups, and manage impacts on affected communities.

We do not tolerate land grabbing. In the recent revision of our Standards of Engagement, we strengthened requirements for suppliers involved in land acquisition, leasing, or disposal. It highlights Ahold Delhaize's commitment to recognizing the particular rights of Indigenous peoples, including the need for free, prior and informed consent on matters impacting their lands and resources. This process safeguards the rights of affected communities, ensuring that their voices are heard and respected in all land-use decisions.

Please read the Community impacts chapter of our 2024 *Human Rights Report* for more details.

Processes for engaging with affected communities about impacts

The *Policy on Stakeholder Engagement* outlines our approach to engaging with stakeholders on sustainability and, together with the *Health & Sustainability Stakeholder Engagement Guidelines*, defines our engagement process with affected communities.

The *Workers in the value chain* chapter of the Policy lists the stakeholders we engage with and outlines the process and ownership by which we engage with them. This process and ownership also applies to affected communities. This chapter also includes information on our engagement with organizations that represent or are considered proxies for affected communities in our supply chain.

This recent collaboration has deepened our understanding of community impacts, including land rights and access to water. This enhanced perspective helps us address issues affecting these communities and stakeholders with greater insight and responsiveness.

Ahold Delhaize and its brands also engage with affected communities in supply chains through the social compliance and certification programs. Key elements of an amfori BSCI social audit include an assessment of the environmental impacts on surrounding communities and require suppliers to have a grievance mechanism in place that is accessible to those communities. Other examples include:

- The Round Table on Responsible Soy certification program that facilitates a global dialogue on responsible soy and target addressing human rights of local communities
- The certification program of the RSPO, a multi-stakeholder approach that covers inclusion of smallholder farmers.

In 2024, we commissioned global HRIAs, which include, among other things, community impacts in global supply chains. Where relevant, these assessments allow direct engagement with affected communities, particularly vulnerable or marginalized groups, such as Indigenous peoples and smallholder farmers.

The global HRIAs initiated in 2024 focus on key issues, including the treatment of migrant workers in global value chains, particularly in agriculture and fisheries. Once the HRIAs are finalized in 2025, we will determine the follow-up actions.



Social information: communities continued

Community impacts continued

Processes to remediate negative impacts and channels for affected communities to raise concerns

Our remediation processes are detailed in the [General information](#) section and, for global supply chains specifically, under [Workers in the value chain](#). We require our suppliers to establish or participate in an effective, fair and transparent grievance mechanism for individuals, communities and their representatives.

Action and resources

Our approach to managing material impacts in the value chain focuses on areas where we can drive the most impact. For both national- and own-brand products, we embed our Standards of Engagement in the procurement process. In addition, when working together with suppliers to identify and address risks, we prioritize our own-brand products, because they allow direct conversations about product conditions, ingredients and production practices.

Compliance and certifications

Our social compliance program addresses labor and human rights violations in the supply chain. However, its coverage is limited, as it focuses on the last stage of production (LSOP), specifically on own-brand production units in high-risk countries. Programs like amfori BSCI or SMETA extend this coverage to include some community impacts.

To manage the broader risks of deforestation and land degradation and how those connect to the livelihoods of local communities and Indigenous peoples, we rely on certifications that address additional impacts beyond social compliance, especially in critical commodities.

We are working to certify six critical commodities in our own-brand supply chains, including palm oil, soy, wood fiber, tea, coffee and cocoa.

Certifications like Fairtrade, Rainforest Alliance or equivalent are committed to continuous improvement in cocoa, coffee and tea supply chains. For example, Ahold Delhaize brands aim to source 100% sustainably certified own-brand coffee and tea products to improve agricultural practices and reduce community impacts. By adhering to Rainforest Alliance or Fairtrade Standards, these certifications help improve farming practices while addressing social factors that affect communities, like access to water.

By 2025, our brands aim to have 100% of their own-brand products containing soy, palm oil, cocoa, coffee, wood fiber, tea and seafood certified against an accepted standard or otherwise assured. For more information, see [Biodiversity and ecosystems](#) and [Water and marine resources](#).

Collaboration and partnerships

Partnerships and collaborations play an important role in our work on human rights and in driving a broader impact on supply chains, including local communities. Ahold Delhaize often takes an active role in the key organizations it partners with and participates in other working groups and consultations to contribute to the continuous improvement of the effectiveness of those programs and initiatives.

Recognizing the critical importance of water resources, particularly in high-water-risk regions, some of our Ahold Delhaize brands, in close collaboration with the SIFAV, are implementing stringent water management standards.

These standards are designed to monitor water use in agricultural production, to see that it does not adversely affect local communities, in an effort to safeguard their access to this vital resource.

One of the key efforts from our brands Albert Heijn and Delhaize involves implementing water management standards in high-water-risk regions as part of the SIFAV. By 2025, all SIFAV partners aim to ensure that at least 70% of volumes from these regions comply with approved water standards, significantly mitigating the risk of water scarcity and its impact on local communities.

In the Human Rights Report 2024, you can find more information about some of the key partnerships to prevent, mitigate and remediate material impacts in commodity supply chains.

Sustainable sourcing and biodiversity programs

Ahold Delhaize is committed to sustainable sourcing and agricultural practices that respect the rights of local communities. Our brands actively participate in initiatives like GLOBALG.A.P., the S.A.I. Platform Farm Sustainability Assessment and the Rainforest Alliance to promote sustainable and regenerative agriculture to mitigate negative impacts on nature, biodiversity and local communities. These initiatives help ensure that farming practices are environmentally responsible, respect the rights of local communities and are considerate of the communities that rely on these resources.

Human rights impact assessments (HRIAs)

HRIAs can help Ahold Delhaize understand where and how people in the upstream value chain are negatively impacted. An essential aspect of an HRIA is the way it can be used to gain insight into the perspectives of affected

communities that may be particularly vulnerable and/or marginalized, fostering open dialogue between businesses, rightsholders and stakeholders, and creating and implementing action plans to address those impacts.

Therefore, they are a vital part of our approach to SDD. See [Workers in the value chain](#) for more information.

Managing material impacts: What's next

Ahold Delhaize is committed to managing material risks and seizing opportunities to support affected communities through targeted initiatives.

Looking ahead, one of the steps on Ahold Delhaize's due diligence roadmap is to further develop supply chain grievance mechanisms, ensuring they are accessible and effective. We plan to achieve this in partnership with industry organizations, social standards and other collaborative programs that Ahold Delhaize and the brands engage in.

In 2023, we began refining our approach to managing nature-related impacts, which includes water consumption and withdrawals in our supply chain. See [Nature](#) for more information on the progress made.

How we measure performance

Our social compliance metrics and ambition and our ambition and metrics used to measure progress on critical commodity certification are also used to measure the progress of our actions toward mitigating negative impacts on affected communities.

See [Workers in the value chain](#) for the related metrics on social compliance and [Biodiversity and ecosystems](#) for the related metrics on critical commodities.

Social information: customers

Product safety

customers

At Ahold Delhaize, we translate our passion for food into healthy, fresh and affordable products that are accessible to our brands' customers. We serve customers' life needs through our core business of food retail, and an expanding ecosystem of integrated products, services channels and data.

In this section of the sustainability statements, we provide more information on our material sustainability matters linked to consumers.

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product safety

Definition: A "safe product" means any product which, under normal or reasonably foreseeable conditions and actual duration of use, presents no risk or only the minimum risk compatible with the product's use.

From a materiality perspective, we focus on the impact on customers, including vulnerable groups, through the sale of products that are illegal or unsafe and could harm or injure customers.

For product safety purposes, we make a distinction between food and non-food. Food is defined as all products that are considered as human food and exclude medicine and dietary supplements. Non-food refers to all products that are not considered as human food, including medicine, and dietary supplements.

Strategy

Product safety is a key priority and the cornerstone of the trust our brands build with customers. Ahold Delhaize brands are committed to providing customers with legal and safe products. This commitment is based on the applicable legal and regulatory requirements that relate to our businesses as well as Ahold Delhaize's internal policies and procedures related to ethical business practices.

As a leading group of supermarkets, ensuring the safety and quality of our products is a fundamental aspect of our commitment to customers. Our license to operate is intrinsically linked to our ability to provide safe and reliable products. Regulatory bodies and customers expect us to adhere to stringent safety standards. Failure to meet these standards could result in legal consequences, loss of consumer trust and ultimately the inability to continue our operations. For these reasons, maintaining product safety is essential to our business continuity.

Every item on our shelves undergoes rigorous safety checks to ensure it meets quality standards. This is not just a regulatory obligation but a core business principle. Safe products foster customer loyalty, enhance our brands' reputation and drive sales. In competitive markets, our brands' commitment to product safety reinforces their position as trusted retailers.

From a strategic perspective, prioritizing product safety aligns with our long-term business goals. It mitigates risks associated with product recalls, legal liabilities and potential harm to consumers.

We have a product safety policy and standards in place that are based on regular reviews of product safety regulations; quality assurance reviews; and audits in stores and DCs and at key suppliers.



Social information: customers continued

Product safety continued

Our brands develop, brand and market own-brand lines in-house to offer great value across different price points and a relevant local assortment. They partner to have them produced and packaged for sale. We take responsibility for maintaining the highest levels of product safety for our own-brand products. We work to ensure they are safe; produced in clean, efficient facilities; and clearly and accurately labeled. Product safety for national-brand products is the responsibility of the national-brand suppliers.

Ultimately, our focus on product safety supports our mission to provide high-quality products, ensuring the well-being of our brands' customers and the success of our business.

Interests and views of stakeholders

We recognize customers as key stakeholders. For information on the interests and views of affected stakeholders, see [Stakeholder engagement](#).

Material IROs and their interaction with strategy and business model

The outcomes of the *DMA* shows that product safety might have a potential negative impact downstream in our value chain, with the focus on vulnerable groups, including the health and safety and protection of children. See [Our material sustainability matters](#) for details on the product safety-related impact and risk we identified and assessed as material through our DMA process. See the [Strategy](#) section for an overview of how our material IROs interact with our strategy and business model.

IRO management

Ahold Delhaize and own-brand suppliers operate a risk-based quality assurance system that takes into account vulnerable groups, including young, old, pregnant and immunocompromised people. The food safety standards we require include the usage of the vulnerable groups in the Hazard Analysis and Critical Control Point (HACCP) risk assessment. This risk assessment is used to identify, assess and control potential hazards in food production and processing. It ensures that food products are safe for consumption by focusing on preventive measures rather than relying on final product testing alone. We also take these vulnerable groups into account in our risk assessment for non-food products and in incident assessments.

Policies

Ahold Delhaize has a product safety policy, compliance standards, terms and conditions, and product safety specifications with clear accountability in place. The product safety policy establishes the mission, vision, objectives, responsibilities, tasks, organizational structure and application as well as the roles and the governance of product safety at Ahold Delhaize. The policy covers product safety for food and non-food products and extends to all of Ahold Delhaize's business activities, including operations conducted by the Ahold Delhaize brands, manufacturing facilities, and distribution and transportation activity. In terms of governance, the CLO of Ahold Delhaize, who is a member of Ahold Delhaize's Executive Committee, is responsible for compliance with the product safety policy.

Our Code of Ethics and contracts establish key requirements for all suppliers. We actively monitor compliance for our own-brand products through an extensive (third-party) audit program and provide support for suppliers if issues are identified. We also have regular engagement with expert bodies to understand and respond to changes in safety standards. We closely monitor any updates to product safety regulations, to ensure our standards and products continue to conform with all relevant regulations.

Processes for engaging with affected stakeholders about impacts

The [Policy on Stakeholder Engagement](#) outlines our approach to engaging with stakeholders on sustainability and, together with the [Health & Sustainability Stakeholder Engagement Guidelines](#), defines our engagement process with affected stakeholders.

Processes to remediate negative impacts and channels for affected stakeholders to raise concerns

To monitor and support the safety and integrity of our products, we have established governance, assurance and risk management processes, such as monitoring own-brand product safety and customer complaints, with corrective actions taken when required and responses given to customers who file complaints.

We are aware that the risk of product recalls is always present, but we have a robust process in place to mitigate and minimize their occurrence, and if recalls do happen, we have an effective procedure to address them promptly.

Customers can raise their concerns in person, online, by phone or in writing to our brands, or they can bring their products back to our stores. Safety-related complaints are handled by the brands as a part of the general complaint-handling process.

Product recalls are implemented following the national legislation of the country where the brand operates. Recall notices for the own-brand products are posted on the brand's websites. As a response, investigations are conducted internally, and, if needed, at our suppliers, to determine the causes and implement the necessary corrective measures for prevention.

Actions and resources

Actions to implement the existing policies around product safety did not result in significant, separately identifiable operating or capital expenditure in 2024.

Ahold Delhaize's Product Safety & Compliance team assesses the effectiveness of our product safety control frameworks and facilitates follow-up inquiries to realize management's action plans. This approach helps stimulate the continuous improvement of our product safety practices and performance.

We have monitoring processes in place to manage food safety and product integrity throughout the Group and supply chain. Our brands perform a variety of quality assurance reviews and audits in stores, DCs and at key and preferred alternative suppliers.



Social information: customers continued

Product safety continued

To ensure the quality of the reviews, we have qualified food and product technology teams at the brands who also have access to external experts. We use diverse data sources and analytics to identify and anticipate potential product safety issues (horizon scanning). We further mitigate our risks in this area through different types of insurance coverage within our brands. We also review and monitor controls throughout the product lifecycle on an ongoing basis to confirm compliance with mandatory and internal safety requirements.

The focus of our product safety reporting is on own-brand products. Our brands work to ensure that the products are produced in clean, efficient facilities with good working conditions. As the risk assessment on vulnerable groups is part of the accepted standards, we have created a KPI with an ambition on the number of production sites certified.

For product safety, we have a food and a non-food ambition in place. We measure this at a certain point in time; therefore, there will always be some suppliers who are not yet certified or renewing their certificate at the time of measurement.

Hazard Analysis and Critical Control Point (HACCP)

We apply the internationally recognized HACCP system to ensure food safety.

This science-based, preventive system identifies, assesses and controls hazards critical to food safety. We review our HACCP plans and systems annually, ensuring they meet rigorous standards. These standards are implemented worldwide.

Collaboration and partnerships

Partnerships and collaborations play an important role in our product safety work. As a member of the CGF, we take an active role in various standards committees and working groups to drive global food safety. We support the CGF's Global Food Safety Initiative (GFSI) standards to advance the safety of food products. GFSI is a CGF Coalition of Action that enables continuous improvement of food safety management across the supply chain, through benchmarking, collaboration and harmonization of food safety certification programs. The GFSI Benchmarking process is now the most widely recognized in the food industry worldwide. As an active contributor to organizations such as the Brand Reputation through Compliance Global Standard (BRCGS) and GLOBALG.A.P., we help develop and maintain the highest standards on food safety.

Managing material impacts and risks

Ahold Delhaize is committed to managing material impacts and risks.

Product safety does not only rely on processes and procedures, but also on associates' awareness of their (potential) effect on the safety of the products. In 2024, we started a project to establish a methodology to assess product safety culture at the brands and identify potential areas for further development. We plan to continue this project in coming years.

See also [Our material sustainability matters](#) for how our material sustainability matters link with our strategy and business model.

How we measure performance

While we do not have a target in place to measure our performance on reducing our negative impacts and risks relating to product safety, we have the following ambition in place, focused on certification and audits by independent third parties:

Timeline	Ambition
Short term	100% of production sites of own-brand food products are certified in compliance with an independent third party against an Ahold Delhaize-approved standard, or in compliance with an acceptable level of assurance standard by 2025
Short term	100% of high-risk non-food own-brand products that are produced in production units audited by an independent third party against an Ahold Delhaize-accepted standard, tested or where stepping-stone audits were used as an alternative by 2025

Currently, Ahold Delhaize has no targets linked to our material impacts and risks relating to product safety in the downstream value chain. The ambition supports our broader objective of ensuring product safety.

Metric

Our metrics and methodology around the metrics used to measure product safety are included in the [Sustainability notes](#) section of this report.

Performance management

Performance indicator description	2024	2023	Change vs Previous Year
% of production sites of own-brand food products that are certified in compliance with an Ahold Delhaize-approved standard or comply with an acceptable level of assurance standard	99%	98%	1pp
% of high-risk non-food own-brand products that are produced in production units audited by an independent third party against an accepted standard, tested or where stepping-stone audits were used as an alternative	97%	97%	—pp

We aim to achieve 100% for both indicators. However, because new suppliers are still in the process of gathering data at measurement date (year-end), and the process of renewing current certificates – which involves finding auditors, conducting audits, and waiting for certificate issuance – is ongoing, this resulted in our not achieving full 100% compliance at year-end.



Social information: customers continued

Customers' health and nutrition and access to healthy, affordable products



customers' health and nutrition and access to healthy, affordable products

Definitions:

Customers' health and nutrition:

We inspire customers and communities to engage in positive habits, by offering the right assortment, nudging them toward healthy lifestyles, and supporting them through education, inspiration and the use of technology.

Access to healthy, affordable products:

We strive to provide customers and communities with access to affordable, high-quality nutritious products by making healthier products affordable and accessible for all.

Strategy

Customers' health and nutrition

Customers' health and nutrition seamlessly fits into our Growing Together strategy, specifically in our strategic priority *healthy communities & planet*. We aim to inspire customers and communities to engage in positive habits, offering the right assortment, and making healthier and sustainable products affordable and accessible for all. Our brands will continue to grow healthy sales and facilitate progress toward making healthy and affordable products accessible to everyone.

To further reinforce our dedication to a healthier and more sustainable food system and inspire customers to make healthier choices, we have announced that our European food retail brands have set a consolidated target, aiming for 50% plant-based food sales by 2030. A gradual shift toward more plant-based proteins is an important component of our plan to reduce carbon emissions and our impact on nature, and can also help achieve nutritional health objectives. By rebalancing protein sales and advancing the development of lower-carbon-emission animal products, we are addressing emissions in line with our climate ambition – while simultaneously providing greater value and choice to our brands' customers. This includes offering delicious, nutritious and affordable options that cater to diverse lifestyles and preferences. Our U.S. brands continue their focus on building lower-carbon assortments to inspire customers to make better choices and support a more sustainable food system. See *Actions* for more information.

Our local brands make healthier eating easier through their broad ranges of products that include affordable, nutritious choices and with recipes, support services, transparent labeling and nutritional information. They use engaging activities, both in store and online, to make

healthier food an attractive choice. All our brands continue to reformulate own-brand products and recipes to reduce sugar, salt, colorants and additives while safeguarding product integrity and safety. Several of our U.S. brands are actively engaged in initiatives focused on reducing portion sizes.

Access to healthy, affordable products

Through our DMA, we identified access to healthy, affordable products as an actual positive impact downstream in our value chain.

The topic sits at the intersection of our *healthy communities & planet* and *trusted product* strategic priorities. Through trusted product, we translate our passion for food into healthy, fresh and affordable products that are accessible to our brands' customers.

Since this topic has been newly identified as material in our value chain, we will make use of the transitional provisions for value chain topics to phase in a comprehensive approach.

In the meantime, our brands continue to undertake many great efforts to make healthy products affordable for customers. They do this, for example, through Price Favorites affordable, entry-level products and through various incentive programs.

Interests and views of stakeholders

Our brands engage with customers through local channels, such as their customer service departments, the telephone, in-store feedback, email and local brand websites. Some of our brands also make use of consumer insight and engagement studies to obtain further insight on, for example, customer preferences, satisfaction and behavior. Some of our U.S. brands have customer interaction programs in place that are focused on health and nutrition, such as

extensive dietitian programs and classes on healthy living. Engaging with customers is part of everyday business for our brands.

We see customers as a key group of affected stakeholders. See *Interests and views of stakeholders*, for a description of how the interest, views and rights of our brands' customers inform our strategy and business model.

IRO management

Process to identify and assess IROs

Through the *DMA*, customers' health and nutrition is identified as an actual positive impact downstream in our value chain and an opportunity to meet customer needs for more healthy, sustainable and nutritious products.

Although the DMA did not identify a negative impact, we acknowledge the potential for negative impacts on customers' health and nutrition and strive to manage this by contributing to healthy eating and offering nutritious products. See *Our material sustainability matters* for the impacts and risks we have identified and assessed as material for affected communities through our *DMA* process.

Policies

Our global sustainability policy includes more information about customers' health and nutrition. We also have an internal Global Consumers' Health & Nutrition (GCH&N) standard that describes our objectives and scope; the material impacts, risks or opportunities the policy relates to; and the process for monitoring these impacts and risks. It also describes the different levers our brands use to inspire and support customers. See *General information: Governance* for more information on our policies.



Social information: customers continued

Customers' health and nutrition and access to healthy, affordable products continued

The GCH&N standard focuses on creating a food system that provides access to healthy nutrition in several ways, such as offering a broad product range that includes affordable nutritious choices, using nutritional navigation systems to identify healthier products, and providing customers with healthy and sustainable diets. Our healthy own-brand food sales metric helps us evaluate progress as we work to meet growing customer needs for healthy and nutritious products, and is linked to our Management Board [Remuneration](#).

For more information on the human rights policy commitments that are relevant to our brands' customers, including the processes and mechanisms to monitor compliance with UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at work and OECD Guidelines for Multinational Enterprises, see [Labor and human rights in the value chain: Policies](#). For more information on channels customers can use to raise concerns, see [Product safety](#).

Actions and resources

Support and inspire customers in making healthy choices

Actions to implement the existing policies around customers' health and nutrition did not result in significant, separately identifiable OpEx or CapEx in 2024. Ahold Delhaize brands have dedicated H&S teams that address matters relating to customers' health and nutrition alongside other sustainability topics.

All of our brands have initiatives in place, both in-store and online, to support customer health. These range from loyalty programs, to product placement and campaigns, to reformulation and education. With [healthy communities & planet](#) being a strategic priority for Ahold Delhaize, we will continue to implement and/or enhance these types of initiatives in coming years.

We continuously share knowledge and insights across our brands, in order to have the most impactful tactics in place and to learn and leverage each others' expertise.

Our brands are committed to enhancing transparency about nutritional value through systems like Nutri-Score in Europe and Guiding Stars in the U.S. Most of Ahold Delhaize's brands have a nutritional navigation system in place. However, our brands in the CSE countries face challenges in meeting this target. Local authorities have resisted adopting Nutri-Score. They have prohibited it as a consumer-facing system, pending EU-wide legislation from the European Commission on front-of-package labeling. Consequently, our CSE brands, including Albert, Alfa Beta, Mega Image and Delhaize Serbia, have removed the Nutri-Score logo from their own-brand products. Despite these challenges, our CSE brands remain dedicated to promoting healthier diets by proactively enhancing their marketing messages around healthy products.

Our brands are committed to delivering healthier options and guidance to customers, while also providing a broad selection of products that cater to consumer needs. Health- and nutrition-related initiatives are being implemented on various levels: from incentives provided through loyalty programs and promotional campaigns to educating our youngest customers – children – by teaching them about healthy eating in a fun and engaging way. An increasing number of programs in the U.S. are using Guiding Stars as the standard for food purchases to guide participants to more nutritious choices.

In addition, to actively encourage customers to eat and live healthily, our brands are also focused on optimizing their product ranges and assortments. In order to reformulate items that are on the borderline of receiving a Guiding Star, the U.S. teams have worked together to identify and reformulate items that did not

yet qualify for a star due to their nutritional composition – such as having too much salt.

To further reinforce our dedication to a healthier and more sustainable food system and inspire customers to make healthier choices, we are expanding our protein transition target across EU brands. In addition to moving toward more balanced planetary diets, all our brands are focused on creating a lower-carbon assortment, for example, through GHG emission-reduction initiatives within meat and dairy.

Lastly, the protein transition is receiving increased attention across the European food industry. As mentioned, all of our European food brands agreed on a consolidated target of at least 50% plant-based sales by 2030. See [Climate change](#) – scope 3 key levers for more information.

How we measure performance

Timeline	Target
Short-term	Our target is to have more than 51.7% healthy own-brand food sales as a proportion of total own-brand food sales by 2025 ¹ .

1. We adjusted the 2025 target for healthy own-brand food sales to more than 51.7% to account for the expected 0.7 percentage point decreasing impact of the amended Nutri-Score algorithm, to be implemented in 2025 in our CSE brands. Excluding the impact, the target is more than 52.4%, which is an improvement vs. 2024 and above the original target of 52.3%.

Our current voluntary target on health has a time horizon up to the end of 2025. In 2025, we will determine the most appropriate future ambitions or targets and actions going forward, where applicable.

Metric

We use the [Guiding Stars](#) ratings for U.S. brands and the Nutri-Score criteria for European brands as our healthy sales standards. All of our European brands use the Nutri-Score criteria for

measuring the performance indicator healthy own-brand food sales.

Our methodology, estimates and judgments around the metrics used to measure customers' health and nutrition are included under [Sustainability notes](#).

Our healthy sales metric is applicable to all of our brands, with the exception of bol. We changed the metric and target took place as a result of Nutri-Score's change to a 2.0 algorithm. Our Dutch and Belgian brands transitioned to the Nutri-Score 2.0 algorithm at the beginning of 2024, and the remaining European brands will follow in 2025.

Performance management

	2024	2023	Change vs prior year
% of healthy own-brand food sales as a proportion of total own-brand food sales	52.4%	54.8%	(2.4)pp

By 2024, 52.4% of own-brand food sales across our brands consisted of sales from healthy products. This is an improvement compared to 2023, when excluding the change to Nutri-Score 2.0 at Albert Heijn and Delhaize Belgium.

The Nutri-Score 2.0 algorithm made it harder for products to receive an A or B score, which had a total negative impact of 3.4 percentage points on a group level. Excluding the Nutri-Score 2.0 impact, the own-brand healthy sales percentage would have been 55.7%, an increase of 0.9 percentage points compared to 2023.

The percentage of healthy own-brand food sales increased, mainly driven by product reformulations, introducing new, healthy SKUs and promotions of healthy products.



governance information

Although our DMA process concluded that business conduct is not a material sustainability matter, our commitment to integrity and our ethical principles are foundational to our governance framework and our day-to-day business practices that enable our sustainability activity. We have not identified any other governance-related material sustainability matter to report on.

See also [Governance, risk and compliance](#) for more information.



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Sustainability notes

Introduction

The sustainability notes include the metrics we use to track our performance on our material sustainability matters. This section also includes the methodologies we use for measuring performance and the data collection process and considerations we take into account when reporting on these indicators.

We provide the information necessary to understand the development, performance, position and impact of activities relating to *Our material sustainability matters* and include the indicators required by the applicable ESRS. For more information about our DMA, see *Double materiality assessment*.

Basis of preparation

For the basis of preparation, see *General information*.

The sustainability notes include information for the financial year 2024, with comparative figures from 2023. Ahold Delhaize's financial year is a 52- or 53-week period ending on the Sunday nearest to December 31. The financial year 2024 consisted of 52 weeks and ended on December 29, 2024. See also *Note 2*. From a practical perspective, certain indicators are based on a calendar year rather than the 52-week financial year. Due to rounding, numbers presented may not add up precisely to the totals provided.

For details on the definitions used, see *Definitions and abbreviations*.

Setting and adjusting baselines and correction of errors

In order to provide meaningful and consistent comparison of ESG indicators, such as GHG emissions reduction, over time, we set a performance date to compare progress of our current performance against a set baseline. This performance date is referred to as the baseline year. We use the following baseline years:

GHG emissions scope 1 and 2:	2018 (2018 was used, as target was set in early 2020)
GHG emissions scope 3:	2020 (updated from 2018 in 2022 as part of our updated scope 3 targets)
Plastic packaging:	2021 (2021 was the most recent year, as target was set in 2022)
Food waste:	2016 (aligned with SDG target 12.3)

For consistent tracking of performance over time, the baseline may need to be recalculated due to changed circumstances, such as divestments and acquisitions, or changes in the calculation methodology or the correction of errors. The purpose of the recalculation is to make the comparison between the actual performance data and the baseline like for like.

The discovery of significant errors is also corrected in the comparative figures, where possible. If this is not possible, it is indicated. Impacts are considered significant (or material) if omitting, misstating or obscuring them could reasonably be expected to influence decisions that the primary users of the sustainability statements and the underlying ESG KPIs make on the basis of that data.

Data collection and use of data from third parties

Data collection for a number of the ESG indicators we report on is a complex task, because of the large number of products our brands have in their assortments as well as the significant number of locations. The maturity of data completeness and accuracy differs between the third parties delivering both transactional and master data to us. Verifying all of this data is a cumbersome process; the data quality varies per brand and country and sometimes depends on the willingness of other parties in the industry to provide data. For example, indicators for plastic packaging rely heavily on third-party data on weight and composition. Capturing accurate master data on packaging requires diligence, not only on our side but also on the side of third parties in our value chain.

We also use third-party data sources, such as emission factors, in our calculations of GHG emissions. In the absence of verified third-party data or own data sources, we must estimate the emissions in our value chain with standard emission factors, use of estimates and extrapolation of existing data. In addition, data provision from third parties on nutritional information to calculate the Guiding Stars or Nutri-Score labels, as well as weight of food waste collected on our behalf by third-party waste processing companies, is also critical in determining our indicators.

See also the data collection and considerations paragraphs for the relevant indicators mentioned for more detail.

Events after balance year end

See also *Note 36* to the consolidated financial statements for information. We did not identify any matters impacting the sustainability statements.

Non-financial performance measures

In presenting and discussing ESG performance, we also use the Company's own metrics where it allows for a better understanding of Ahold Delhaize's ESG performance or where there are not always clear reporting requirements yet. These metrics should not be viewed in isolation and should be read in conjunction with the definitions included in the *Definitions and abbreviations*, as other companies might define these measures differently than Ahold Delhaize.

Wherever possible, indicators are based on elements of a total group, for example, own-brand products, food sales, associates, stock-keeping units and sales areas. Definitions of these topics are included in the *Definitions and abbreviations* section, together with the definitions of other non-financial alternative performance measures used in the sustainability statements and elsewhere in this report.



Sustainability notes continued

Environmental indicators

Climate change

Energy consumption and mix

Energy consumption and mix (in MWh)	2024	2023 ¹
(1) Fuel consumption from coal and coal products	—	
(2) Fuel consumption from crude oil and petroleum products	1,073,038	
(3) Fuel consumption from natural gas	1,108,796	
(4) Fuel consumption from other fossil sources	—	
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	2,722,044	
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	4,903,878	
Share of consumption from fossil sources in total energy consumption (%)	65.7%	
(7) Consumption from nuclear sources	681,496	
Share of consumption from nuclear sources in total energy consumption (%)	9.1%	
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	3,638	
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources ²	1,835,012	
(10) The consumption of self-generated non-fuel renewable energy	36,651	
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	1,875,301	
Share of consumption from renewable sources in total energy consumption (%)	25.1%	
Total energy consumption (calculated as the sum of lines 6, 7 and 11)³	7,460,675	7,666,588
Renewable electricity produced on-site and exported to grid ⁴	6,187	3,138

Not reported¹

- The data for 2023 is not available at the level of detail required by ESRS E1 Climate change and, therefore, we only disclose the comparative total energy consumption for the year.
- Includes energy attribute certificates
- The amount disclosed in the Annual Report 2023 as facilities energy consumption (6,812 million kWh or 6,812,229 MWh (6,677,940 MWh restated)) did not include the fuel consumption for transportation.
- The 2023 amount disclosed in the Annual Report 2023 included an amount of 9,368 MWh representing electricity produced on-site and used on-site, which was reclassified in 2024.

Energy consumption is reported as derived from nuclear or renewable sources only if the origin of the energy is supported by a contractual instrument; see table [Share and types of contractual instruments used for calculating scope 2 market-based emissions](#) for more details on the contractual instruments used for the renewable electricity purchased.

When electricity is purchased and the mix includes fractions of nuclear-generated or renewable-generated electricity (residual mix), these fractions were not included in the amount disclosed under Consumption from nuclear sources or Total renewable energy consumption.

Energy intensity per net revenue

	2024	2023	% change
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/ € million net sales)	83	86	(3.4)%

Ahold Delhaize's main businesses are covered under section G (retail) of the Statistical Classification of Economic Activities in the European Community (NACE codes): supermarkets (G 47.11), online sales (G 47.95), drug stores (G 47.74/47.75) and liquor stores (G 47.25). In line with the guidance from ESRS E1 paragraphs 38 and 40 – 43, all Ahold Delhaize activities are considered high-impact climate sectors. As such, the energy intensity is calculated based on the total energy consumption, in MWh, as mentioned in the table above, and the total net sales for the Group, in the amount of €89,356 million (2023: €88,734 million); see the [Consolidated income statement](#).

GHG emissions

We report our GHG emissions by applying the financial control approach. Therefore, the table [Overview GHG emissions](#) shows the GHG emissions related to the consolidated Ahold Delhaize group. ESRS E1 requires entities to disclose the GHG emissions of the investments over which they have operational control. Ahold Delhaize does not have control over its investments, and, therefore, their emissions are reported in category 15 of scope 3, in line with the GHG Protocol guidance.

As mentioned in these sustainability statements under [How we measure our performance](#), the metrics and targets sub-section of Climate change, we have set our GHG emissions reduction targets in line with the SBTi guidelines. For scope 3 targets, this means that the inventory includes the following:

- For the 2030 targets: 67% of category 1 emissions, 100% of categories 2 through 13 emissions, and 0% of categories 14 and 15 emissions
- For the 2050 targets: 90% of category 1 emissions, 100% of categories 2 through 13 emissions, and 0% of categories 14 and 15 emissions

A reconciliation between the total scope 3 GHG emissions, as reported, and the scope 3 GHG emissions used to report our performance against the targets set in line with the SBTi is included in the table [Overview of calculation of our SBTi-methodology scope 3 emissions](#).

Of total gross scope 3 GHG emissions, 0.06% (2023: 0.05%) were calculated using primary data provided directly by suppliers or third parties. This includes mainly data related to upstream transportation and distribution activities.



Sustainability notes continued

Environmental indicators continued

Overview GHG emissions

Performance indicator description (in ktCO ₂ e)	Base year restated	Retrospective					Reduction milestones and target years								
		2024	% reduction/ (increase) vs. baseline	2023 restated	% change 2024 vs. 2023	2022 restated	% change 2023 vs. 2022	2025	% average annual emission reduction ⁴	2030 ²	% average annual emission reduction ⁴	2040	% average annual emission reduction ⁴	2050 ³	% average annual emission reduction ⁴
Scope 1 GHG emissions	2018														
Gross scope 1 GHG emissions	2,096	1,695		1,838	(7.8)%	1,842	(0.2)%								
Scope 1 – Refrigerant leakage		1,199		1,323	(9.4)%	1,305	1.4 %								
Scope 1 – Heating		246		262	(6.2)%	278	(5.5)%								
Scope 1 – Own transport		250		252	(0.6)%	259	(2.7)%								
Percentage of scope 1 GHG emissions from regulated emissions trading schemes (%)	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Scope 2 GHG emissions	2018														
Gross location-based scope 2 GHG emissions	N/A	1,646		1,672	(1.5)%	1,668	0.2%								
Scope 2 – Electric energy use		1,630		1,654	(1.4)%	1,649	0.3%								
Scope 2 – Use of imported heat and cooling		16		18	(9.0)%	19	(7.4)%								
Gross market-based scope 2 GHG emissions	1,914	889		812	9.6%	1,017	(20.2)%								
Scope 2 – Electric energy use		873		794	10.0%	998	(20.4)%								
Scope 2 – Use of imported heat and cooling		16		18	(9.0)%	19	(7.4)%								
Scope 1 and 2 GHG emissions (location-based)	N/A	3,342		3,510	(4.8)%	3,511	—%								
Scope 1 and 2 GHG emissions (market-based)	4,010	2,584	36 %	2,650	(2.5)%	2,859	(7.3)%	2,486	5.4%	2,005	4.2 %	401	4.1 %		
Scope 3 GHG emissions¹	2020 Actual	2020 near term² SBTi	2020 long term³ SBTi	near term											
				Actual	SBTi	Actual	Actual								
Gross indirect (scope 3) GHG emissions				63,559		61,365	3.6%	61,311	0.1%						
Gross indirect (scope 3) GHG emissions – FLAG emissions	25,132	16,839	22,619	27,622	(9.9)%	26,632	3.7%	27,108	(1.8)%		11,737	3.03%		6,333	2.4%
Gross indirect (scope 3) GHG emissions – E&I emissions	35,259	23,711	29,176	35,937	(0.2)%	34,733	3.5%	34,203	1.6%		13,753	4.2%		2,918	3.0%
Total GHG emissions															
Total GHG emissions (location-based)				66,901		64,875	3.1%	64,821	0.1%						
Total GHG emissions (market-based)				66,144		64,015	3.3%	64,170	(0.2)%						

1. For details on scope 3 categories, see next page.

2. Our near-term scope 3 reduction target (i.e., 2030) is measured against the 2020 baseline calculated in line with SBTi guidance for setting near-term reduction targets. For more details, see table [Overview of the calculation of our SBTi-methodology scope 3 emissions](#).

3. Our long-term scope 3 reduction target (i.e., 2050) is measured against the 2020 baseline calculated in line with SBTi guidance for setting long-term reduction targets. For more details, see table [Overview of the calculation of our SBTi-methodology scope 3 emissions](#).

4. The percentages are calculated using the emissions in the target and base years and do not consider the emissions of the current year. These reduction percentages do not represent the actual performance.



Sustainability notes continued

Environmental indicators continued

Overview GHG emissions continued

Performance indicator description (in ktCO ₂ e)	Retrospective									Reduction milestones and target years			
	Base year ^{1,2} restated			% reduction/ (increase) vs. baseline		% of total scope 3	% change 2024 vs. 2023		% change 2022 vs. 2023		% average annual emission reduction ⁴	% average annual emission reduction ⁴	
	2020 Actual	2020 near term SBTi	2020 long term SBTi	2024 Actual	2024 SBTi	2023 Actual	2023 % change	2022 Actual	2022 % change	2030 ¹	2050 ²	2050 ²	2050 ²
Scope 3 GHG emissions				near term									
Gross indirect (scope 3) GHG emissions				63,559		61,365	3.6%	61,311	0.1%				
Gross indirect (scope 3) GHG emissions – FLAG emissions	25,132	16,839	22,619	27,622	(9.9)%	26,632	3.7%	27,108	(1.8)%	11,737	3.03%	6,333	2.4%
<i>Category 1 – Purchased good and services – FLAG emissions³</i>				27,622		26,632	3.7%	27,108	(1.8)%				
43.5%													
Gross indirect (scope 3) GHG emissions – E&I emissions	35,259	23,711	29,176	35,937	(0.2)%	34,733	3.5%	34,203	1.6%	13,753	4.2%	2,918	3.0%
<i>Category 1 – Purchased good and services – E&I emissions³</i>				25,539		24,544	4.1%	23,611	3.9%				
40.2%													
<i>Category 2 – Capital goods</i>				323		381	(15.0)%	354	7.6%				
0.5%													
<i>Category 3 – Fuel and energy-related activities (not included in scope 1 or scope 2)</i>				1,267		1,314	(3.6)%	1,415	(7.2)%				
2.0%													
<i>Category 4 – Upstream transportation and distribution³</i>				290		243	19.3%	271	(10.1)%				
0.5%													
<i>Category 5 – Waste generated in operations</i>				168		165	1.8%	149	10.6%				
0.3%													
<i>Category 6 – Business travel</i>				14		14	(0.3)%	3	450.5%				
0.02%													
<i>Category 7 – Employee commuting</i>				472		495	(4.6)%	690	(28.2)%				
0.7%													
<i>Category 11 – Use of sold products</i>				3,336		3,516	(5.1)%	3,703	(5.1)%				
5.2%													
<i>Category 12 – End-of-life treatment of sold products</i>				782		749	4.4%	818	(8.5)%				
1.2%													
<i>Category 14 – Franchises</i>				464		179	159.1%	157	14.3%				
0.7%													
<i>Category 15 – Investments</i>				3,282		3,133	4.8%	3,033	3.3%				
5.2%													

1. Our near-term scope 3 reduction target (i.e., 2030) is measured against the 2020 baseline calculated in line with SBTi guidance for setting near-term reduction targets. For more details, see table [Overview of the calculation of our SBTi-methodology scope 3 emissions](#).

2. Our long-term scope 3 reduction target (i.e., 2050) is measured against the 2020 baseline calculated in line with SBTi guidance for setting long-term reduction targets. For more details, see table [Overview of the calculation of our SBTi-methodology scope 3 emissions](#).

3. Emissions from third-party transportation between the tier 1 suppliers and our own operations are included in category 1, instead of category 4.

4. The percentages are calculated using the emissions in the target and base years and do not consider the emissions of the current year. These reduction percentages do not represent the actual performance.



Sustainability notes continued

Environmental indicators continued

Overview of the calculation of our SBTi-methodology scope 3 emissions

Performance indicator description (in ktCO ₂ e)	Near-term target and performance						Long-term target		
	2020 actual value as reported in the Annual Report 2024 (as restated)	% inclusion of category emissions in the SBTi methodology baseline for 2020	2020 baseline calculated using SBTi methodology and used for near-term target setting	2024 actual value as reported in the Annual Report 2024	2024 actual value using SBTi methodology	2023 actual value as reported in the Annual Report 2024	2023 actual value using SBTi methodology	% inclusion of category emissions in the SBTi methodology baseline for 2020	2020 baseline calculated using SBTi methodology and used for long-term target setting
	A	B	C=A*B	D	E=B*D	F	G=B*F	H	H=A*H
Scope 3 GHG emissions									
Total gross indirect (scope 3) GHG emissions – FLAG emissions	25,132		16,839	27,622	18,507	26,632	17,843		22,619
<i>Total gross indirect (scope 3) GHG emissions – FLAG emissions</i>	25,132	67%	16,839	27,622	18,507	26,632	17,843	90%	22,619
Total gross indirect (scope 3) GHG emissions – E&I emissions	35,259		23,711	35,937	23,763	34,733	23,321		29,176
<i>Category 1 – Purchased good and services – E&I emissions</i>	23,758	67%	15,918	25,539	17,111	24,544	16,444	90%	21,382
<i>Category 2 – Capital goods</i>	644	100%	644	323	323	381	381	100%	644
<i>Category 3 – Fuel and energy-related activities (not included in scope 1 or scope 2)</i>	1,369	100%	1,369	1,267	1,267	1,314	1,314	100%	1,369
<i>Category 4 – Upstream transportation and distribution</i>	278	100%	278	290	290	243	243	100%	278
<i>Category 5 – Waste generated in operations</i>	134	100%	134	168	168	165	165	100%	134
<i>Category 6 – Business travel</i>	15	100%	15	14	14	14	14	100%	15
<i>Category 7 – Employee commuting</i>	736	100%	736	472	472	495	495	100%	736
<i>Category 11 – Use of sold products</i>	3,871	100%	3,871	3,336	3,336	3,516	3,516	100%	3,871
<i>Category 12 – End-of-life treatment of sold products</i>	746	100%	746	782	782	749	749	100%	746
<i>Category 14 – Franchises</i>	250	—%	0	464	0	179	0	—%	0
<i>Category 15 – Investments</i>	3,458	—%	0	3,282	0	3,133	0	—%	0
Total scope 3 footprint	60,392			63,559		61,365			

In our Annual Report 2023, the 2020 SBTi methodology baselines for near- and long-term targets were calculated based on the 2020 actual GHG emissions as reported in the Annual Report 2022 of 65.9 MtCO₂e. This resulted in a 2020 FLAG baseline of 15.5 MtCO₂e and a 2020 E&I baseline of 29.5 MtCO₂e for near-term reduction targets, and a 2020 FLAG baseline of 20.8 MtCO₂e and a 2020 E&I baseline of 37.8 MtCO₂e for long-term reduction targets (see page 119 of the Annual Report 2023). In 2023, the 2020 actual figure was restated to 59.8 MtCO₂e (see page 287 of the Annual Report 2023), and, in 2024, the 2020 actual figure was restated to 60.4 MtCO₂e (see *Restatement of prior year figures and adjustments to baseline* below).

Performance indicator description (in ktCO ₂ e)	Near-term target			Long-term target		
	2020 baseline calculated using SBTi methodology and used for near-term target setting	2030 percentage reduction target per SBTi methodology	2030 reduction target in absolute value ¹	2020 baseline calculated using SBTi methodology and used for long-term target setting	2050 percentage reduction target per SBTi methodology	2050 reduction target in absolute value ²
	A	B	C=A*B	D	E	F=D*E
Scope 3 GHG emissions						
Total gross indirect (scope 3) GHG emissions – FLAG emissions	16,839	30.3%	5,102	22,619	72.0%	16,286
Total gross indirect (scope 3) GHG emissions – E&I emissions	23,711	42.0%	9,959	29,176	90.0%	26,258

1. The 2030 reduction targets in absolute value are calculated based on the 2020 SBTi methodology baseline for near-term target, as restated (2023: 4.7 MtCO₂e for FLAG and 12.4 MtCO₂e for E&I – see page 119 of the Annual Report 2023).

2. The 2050 reduction targets in absolute value are calculated based on the 2020 SBTi methodology baseline for long-term target, as restated (2023: 15.0 MtCO₂e for FLAG and 34.0 MtCO₂e for E&I – see pages 119 and 120 of the Annual Report 2023).



Sustainability notes continued

Environmental indicators continued

Share and types of contractual instruments used for calculating scope 2 market-based emissions¹

	2024
Nuclear electricity purchased	9.1%
Renewable electricity purchased	24.7%
<i>Bundled contractual instruments</i>	
Power purchase agreements	1.3%
Supplier contracts	18.1%
<i>Unbundled contractual instruments</i>	
Virtual power purchase agreements	—%
Spot purchases	2.8%
Long-term contracts	2.6%

1. The data for 2023 is not available at the level of detail requested by ESRS E1 and, therefore, not reported.

The share of contractual instruments is calculated based on the quantity (MWh) of electricity purchased through the different types of contractual instruments and the total energy consumption (MWh) as reported in the table above on *Energy consumption and mix*.

GHG intensity per net revenue

GHG intensity per net revenue	2024	2023	% change
Total GHG emissions (location-based) per net revenue (ktCO ₂ e/€ million net sales)	0.75	0.73	2.4%
Total GHG emissions (market-based) per net revenue (ktCO ₂ e/€ million net sales)	0.74	0.72	2.6%

The GHG intensity is calculated based on the total GHG emissions, as mentioned in the table *Overview GHG emissions based on the financial control approach*, and the total net sales for the Group, in the amount of €89,356 million (2023: €88,734 million); see the *Consolidated income statement*.

Biogenic emissions¹

Performance indicator description (in ktCO ₂ e)	2024
Direct biogenic emissions	0.9
Indirect biogenic emissions	6.4

1. The data for 2023 is not available and, therefore, not reported.

The direct biogenic emissions are emissions from the combustion of biofuels in our own operations, while indirect biogenic emissions result from the combustion of biofuels in the value chain. Both are related to transportation activities.

Other information

Refrigerants

Performance indicator description	2024	2023
Refrigerant leakage rate (%)	13.1%	13.2%
Refrigerant average GWP ¹	2,341	2,420

1. Based on total refrigerant charge

Methodology

Energy consumption and mix

Energy consumption and mix information is based upon actual activity data relating to energy consumption and liters of fuel used for owned transport.

Scope 1 and 2 emissions

For our approach and progress on the material sustainability matter climate change, which also addresses GHG emissions, see *Climate change*.

We report our scope 1 and 2 GHG emissions data with reference to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Our main sources of GHG emissions are fuel combustion, energy consumption and refrigerant leakages. To calculate carbon-equivalent emissions based on these sources, we use emission factors. GHG-emission data consists of a calculated CO₂ equivalent, defined as actual CO₂ emitted plus equivalent emission from other GHGs: methane (CH₄), nitrous oxide (N₂O) and various refrigeration blends, including hydrofluorocarbons (HFCs). Ahold Delhaize concluded that perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not material for its business and therefore we do not measure them.

The carbon footprint methodology follows the guidelines of the WBCSD/World Resources Institute (WRI) GHG Protocol on corporate GHG accounting and reporting.

We use the latest available emission factors in our reporting. We source location-based electricity emission factors from the International Energy Agency (IEA) (*IEA*, 2024 edition; 2022 data) for European countries and from the Environmental Protection Agency (EPA) (based on *eGrid* 2022 values, issued in January 2024) for the United States. The source we use for the market-based (residual mix) emission factors for our European brands is the *European residual mix*, edition 2024, 2023 data, and for our U.S. brands is *Green-e* edition 2023, 2021 data.



Sustainability notes continued

Environmental indicators continued

We source fuel emission factors according to GHG Protocol 2014 wherever available, and otherwise from other appropriate sources. For refrigerant leakages, GWP values of all refrigerant blends used in Ahold Delhaize facilities were calculated based on GWP values of refrigerants from the Intergovernmental Panel for Climate Change Assessment Report 6, AR6 Chapter 7 (2021).

Scope 3 emissions

Our reporting on scope 3 GHG emissions was done in prior years with a one-year delay. As this delay is no longer utilized in the Annual Report 2024, we provide both 2023 and 2024 figures as newly reported figures, with 2022 as the previously reported comparative.

Our carbon footprint methodology follows the guidelines of the WBCSD/WRI and we report our scope 3 GHG emissions with reference to the latest version of the Greenhouse Gas Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard (version 2011).

To calculate carbon-equivalent emissions, we use emission factors. GHG emissions data consists of a calculated CO₂ equivalent, as defined above under scope 1 and 2 emissions methodology.

Calculating scope 3 emissions is complex. Our grocery retail brands have hundreds of thousands of products on their shelves supplied by more than 10,000 direct suppliers. All of these direct suppliers source materials and ingredients from their own suppliers, resulting in complex supply chains covering all the geographies of the world.

As a result of this complexity, actual data on our scope 3 GHG emissions is currently not consistently available, and we continue to work to improve this. As our brands continue to reach out to their suppliers, we expect increasing access to actual data, which will make our numbers more accurate. At the moment, we fully rely on assumptions and estimations when calculating our scope 3 GHG emissions.

Our scope 3 footprint consists of 11 relevant scope 3 emission categories (out of 15 defined by the GHG Protocol). We have used two main calculation methods, as defined by the GHG Protocol: the average data method and the spend-based method¹. We applied the method that was most suitable, based on the scope 3 category, as detailed in *Data collection and considerations*.

The following categories are not considered significant and, therefore, we do not report on them: upstream leased assets (based on the financial control approach, the emissions related to the right-of-use assets are already included in our scope 1 and 2), downstream transportation and distribution (immaterial) and downstream leased assets (immaterial). The processing of sold products category is not applicable, as we only sell finished products.

1. Calculation of scope 3 emissions requires us to make certain estimates and assumptions and then apply our judgment, all within the bounds of the applicable GHG Protocol. As a result, the way we calculate our scope 3 emissions may vary from the way other businesses calculate their scope 3 emissions.



Data collection and considerations

Scope 1 and 2 emissions, including energy consumption and mix

Activity data on energy consumption, leakage for refrigerant substances and liters of fuel used for owned transport has been collected on a quarterly basis on site level at each brand. The sources of this data include invoices, remote meter records, third-party service provider reports and internal reports. Activity data is reviewed internally and reported to the Group through an internal reporting tool that stores conversion factors to calculate the GHG emissions. Absolute emissions are calculated by multiplying activity data by relevant conversion factors.

Data is not always available in real time or immediately after quarter close. In these limited cases, we use data extrapolated from previously known consumption.

If data is not available at all, e.g., for a portion of stores, we use estimates calculated using locations that are comparable in size and format.

Scope 3 emissions

Obtaining accurate scope 3 data is a challenge across industries. We encourage our brands' suppliers to report their emissions to our local brands through surveys (such as CDP and ImpactBuying), so that we can account for the emissions in our inventory. This reporting process is resource intensive for suppliers, and the task of validating the data provided also puts a burden on our local brands.

Due to the resource requirements of reporting scope 3 data, we collect scope 3 GHG-emission data on an annual basis. In the absence of verified supplier data, we must estimate the emissions in our value chain with standard emission factors. Using standardized factors creates barriers to fully understanding our emissions profile, measuring progress and identifying opportunities for reduction.

Calculating category I: Purchased goods and services

Purchased goods and services, the most material category, accounts for 83.6% of our total estimated scope 3 footprint in 2024. Several assumptions and estimates are used in our calculation of the category. We use different input datasets to calculate the emissions from products and services, depending on the information available in our brands' data systems. As we continue to enhance our calculations for scope 3, we were able to move to an increased percentage of more accurate, weight-based calculations, as detailed below. The following information sources were used to calculate the 2024 emissions:

- Weight of products purchased (50%) (2023: 48%; 2022: 51%)
- Value of products purchased (24%) (2023: 25%; 2022: 24%)
- Weight from products sold corrected for waste (17%) (2023: 17%; 2022: 16%)
- Value from products sold is corrected for margin and waste to come to the value of products purchased (10%) (2023: 11%; 2022: 10%). The correction for margin and waste is done at brand level but assumed to be the same for all product categories, not diversified to product category.



Sustainability notes continued

Environmental indicators continued

These average data method calculations are based on the publicly available emission intensity of different foods.

For products with weight (66%) (2023: 65%; 2022: 66%), we mainly used the Big Climate Database (all brands except Delhaize Belgium) and Agribalyse (solely for Delhaize Belgium). With these databases, all retail-specific product categories were assigned emissions factors that enabled us to apply corresponding emissions intensities for each category. Emissions are calculated by multiplying the volume of products purchased and sold by the corresponding emission factor. For all years of calculation (2020-2024), we have used version 1.0 of the Big Climate Database. This enables a comparable calculation year-on-year. We recognize that there have been updates to the database since version 1.0; however, as we cannot distinguish which emission factors should be updated in our baseline versus what should only be updated in the most recent year of calculation, we have decided to remain with version 1.0 for this reporting cycle. We are investigating an update to our calculation approach, which will involve shifting from the Big Climate Database to an expanded emission factor database.

For the spend-based method (34%) (2023: 35%; 2022: 34%), we used the emissions intensities of different food and non-food industries (source: UK Department for Environment, Food & Rural Affairs (Defra, 2011) for food (emissions factor corrected for inflation) and Base Carbone (2024) for different non-food categories) and multiplied this by the value of products purchased and sold (corrected for margin and waste, if needed).

As a consequence, due to our ongoing efforts to implement further due diligence procedures in connection with scope 3 emissions, reducing the use of assumptions and estimates, our numbers may materially change over time.

For services, the footprint is calculated using the spend-based method. Activity data is the annual brand-level purchased value of products and services multiplied by the emissions intensity for relevant services, adjusted for inflation (source: EPA Supply Chain Greenhouse Gas Emission Factors for U.S. Industries and Commodities).

Emissions from not-for-resale purchased goods and services are calculated using the spend-based method and emissions factors from the EPA (Supply Chain Greenhouse Gas Emission Factors for U.S. Industries and Commodities), adjusted for inflation.

Calculating category 2: Capital goods

Category 2 is calculated using the average-spend method and emission factors from the EPA (Supply Chain Greenhouse Gas Emission Factors for U.S. Industries and Commodities), adjusted for inflation.

Calculating category 3: Fuel- and energy-related activities

Category 3 is calculated using scope 1- and 2-related activity data, volumes of sold fuel combined with well-to-tank emission factors from Defra and electricity life cycle factors from the IEA.

Calculating categories 4: Upstream transport and distribution

Category 4 is calculated using the fuel-average data method. The volumes of fuel used in vehicles outside the financial control boundary are multiplied by a well-to-wheel emission factor, which is sourced from Defra.

Calculating category 5: Waste generated in operations

Category 5 is calculated using an average-data method. Emission factors from Ecoinvent are applied per waste processing method. The waste volumes per processing method are reported by the operations.

Calculating category 6: Business travel

Category 6 is calculated using the distance-based method. Distances travelled per modality are either provided by travel booking partners or estimated based on headcount. Distance-based emission factors are sourced from Defra, EPA and CO2emissiefactoren.nl.

Calculating category 7: Employee commuting

Category 7 is calculated using the distance-based method. Distances travelled per modality are estimated based on headcount. Distance-based emission factors are sourced from Defra, EPA and CO2emissiefactoren.nl.

Calculating category 11: Use of sold products

The second biggest emissions category is category 11: Use of sold products, which accounts for 5.2% of our total estimated scope 3 emissions in 2024. This category is impacted by the gasoline stations some of our brands operate and, as of 2024, the electrical products sold by our brands.

Emissions for fuel sold are calculated using an average-data method, by multiplying the total volume of fuel sold to customers by the relevant emission factor from the EPA and Defra.

Emissions from sold electrical products (lightbulbs and appliances) are calculated using the average-data method. Per product group, assumptions are made on the average life time and the average electricity consumption over the life time, based on a supplier-provided Life Cycle Analysis (LCA) or LCA from third parties or other public sources. With the assumptions, total electricity consumption over the product lifetime is calculated, which is then multiplied by volumes and location-based grid emission factors sourced from the IEA.

Calculating category 12: Waste from end of life of sold products

Category 12 is calculated using an average-data method. Emission factors from Ecoinvent are applied per waste processing method. The waste volumes are derived from the sold product volumes.

Calculating category 14: Franchisees (/affiliates)

Emissions from franchises are calculated by extrapolating scope 1 and 2 emissions on a store-area basis.

Calculating category 15: Investments

Emissions from investments are calculated using data reported by the investment entities.



Sustainability notes continued

Environmental indicators continued



Restatement of prior year figures and adjustments to baseline

Only the items disclosed in the Annual Report 2023 and that were restated are shown in the tables below.

Scope 1 and 2 emissions

Note 1: ESRS E1 requires all energy data to be reported in net calorific value. Data related to fuel used for heating was reported in gross calorific value, while a net calorific value emission factor was used. In 2024, we converted the data from gross calorific value to net calorific value, which impacted the emissions calculated for the previous years and for the baseline.

Note 2: As part of the Belgium Future Plan project, the baseline for scope 1 and 2 has been adjusted to remove the GHG emissions coming from own stores.

Performance indicator description (in ktCO ₂ e)	2023 per Annual Report 2023	Note 1:	2023 restated
Total gross scope 1 emissions	1,867	(29)	1,838
<i>Scope 1 – Heating</i>	292	(29)	262
Scope 1 and 2 GHG emissions (location-based)	3,539	(29)	3,510
Scope 1 and 2 GHG emissions (market-based)	2,679	(29)	2,650

Due to the above restatements, the percentage reduction in absolute CO₂e emissions from own operations (scope 1 and 2) (market-based approach) in 2023 versus the restated 2018 baseline (see below) changed from 35% to 34%.

Performance indicator description (in ktCO ₂ e)	2022 per Annual Report 2023	Note 1:	2022 restated
Total gross scope 1 emissions	1,873	(31)	1,842
<i>Scope 1 – Heating</i>	309	(31)	278
Scope 1 and 2 GHG emissions (location-based)	3,542	(31)	3,511
Scope 1 and 2 GHG emissions (market-based)	2,891	(31)	2,859

(in ktCO ₂ e)	2018 baseline restatement
Reported in Annual Report 2023	4,095
Note 1: Correction from gross to net calorific value for fuel used for heating	(32)
Note 2: Adjustment related to the Belgium Future Plan project	(53)
Restated 2018 baseline	4,010

Scope 3 emissions

Note 1: In 2024, we improved the calculation of the not-for-resale purchased goods and services emissions by applying better-aligned emission factors and ensuring consistent application throughout the data sets used, which led to an adjustment of (2,372) ktCO₂e in 2022 and (2,853) ktCO₂e in 2020. In addition, in line with the GHG Protocol, emissions related to capital goods need to be reported under category 2 of scope 3 (these amounted to 354 ktCO₂e for 2022 and 644 ktCO₂e for 2020). We previously included all emissions related to not-for-resale purchased goods and services, including capital goods emissions, in category 1. We recorded the improvement in calculation and reclassification to category 2 in 2024; this impacted previous years and the baseline figures.

Note 2: We previously included upstream emissions from the procurement of sold fuels in category 1. In 2024, we concluded that these emissions should be captured under category 3 of scope 3. We made a reclassification in 2024, which changed previous years and the baseline figures.

Note 3: One of our brands improved the process of estimating category 1 emissions during 2024 by moving from manual calculation to a more streamlined calculation method, which led to more accurate calculations, and also adjusted the prior years and baseline numbers.

Note 4: We have updated the methodology for calculating the following categories:

- Category 12: As of 2024, we used the category 1 datasets to derive the waste volumes; these were previously calculated based on spend data only.
- Category 14: As of 2024, we used location-based own-store emissions to estimate franchisees' emissions; these were previously estimated based on the market-based own-store emissions.

Note 5: We identified inconsistencies in 2024, with impact on prior years and the baseline numbers reported for categories 1, 4 and 7. The adjustments we made included the amendment of gaps in the dataset used and the correction of errors.

Note 6: New emissions included in our inventory:

- We initially calculated emissions from sold electrical products (lightbulbs and appliances) in 2024 as part of category 11, and adjusted the prior years and the baseline numbers.
- As of 2024, category 15 includes the proportional share of the scope 3 GHG emissions of the investments in joint ventures. We also adjusted the prior years and baseline numbers.



Sustainability notes continued

Environmental indicators continued

Note 7: As part of the Belgium Future Plan project, we adjusted the baseline for scope 3 category 14 to align with the current portfolio structure.

(in ktCO ₂ e)	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Gross indirect (scope 3) GHG emissions
2022 figure reported in Annual Report 2023							59,885
Category 1 restatement	(2,372)	(854)	(175)		176		(3,226)
Category 2 restatement	354						354
Category 3 restatement		854					854
Category 4 restatement					28		28
Category 7 restatement					(3)		(3)
Category 11 restatement						438	438
Category 12 restatement				80			80
Category 14 restatement				(48)			(48)
Category 15 restatement						2,948	2,948
Restated 2022 actual figure							61,311

(in ktCO ₂ e)	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Note 7	2020 actual baseline restatement
2020 figure reported in Annual Report 2022²								65,930
Restatements made in Annual Report 2023 ¹								(6,129)
2020 figure reported in Annual Report 2023								59,801
Category 1 restatement	(2,853)	(843)	(366)		(831)			(4,893)
Category 2 restatement	644							644
Category 3 restatement		843						843
Category 4 restatement					10			10
Category 11 restatement						635		635
Category 12 restatement				(54)				(54)
Category 14 restatement				(20)			35	16
Category 15 restatement						3,389		3,389
Restated 2020 actual baseline								60,392

1. For details, see page 287 of our Annual Report 2023.

2. In the Annual Report 2023, this was the figure used to calculate the SBTi baseline – it was the figure used in the SBTi submission for target validation.

Water and marine resources

Since water consumption in own operations is not a material sustainability matter, it is not reported on in this section. Consistent with prior years, data on water consumption in own operations is included in the *Appendix to the Sustainability statements* under *Additional data points below materiality threshold*.

Marine resources

Performance indicator description	2024	2023
Percentage of purchase value of own-brand seafood products certified against an accepted standard, from sources assessed by an accepted third party, or from accepted FIPs or AIPs	96.7%	96.9%

Methodology

The value of own-brand seafood products is based on the monetary value of seafood purchased.

Seafood is defined as all fresh, frozen and/or canned products, where, at a minimum, seafood is a main and/or the only ingredient, or where seafood is in the product name. This excludes pet food, niche items (such as seaweed, alligator and frog legs), supplements, and binders and fillers (such as fish gelatin).

Acceptable standards are defined as:

- Any Global Sustainable Seafood Initiative (GSSI)-recognized standard; see <https://www.ourgssi.org/gssi-recognized-certification/>. If a new standard is GSSI-benchmarked during the reporting period, the certification is acceptable in the reporting period
- All Aquaculture Stewardship Council (ASC) standards.

To meet the criteria for an accepted FIP, the FIP must be listed on the fisheryprogress.org website or a similar public system.

To meet the definition of an accepted AIP, brands must do either of the following:

- Be using an AIP in the ASC Aquaculture Improvement Programme
- Be able to demonstrate that the AIP includes the following elements:
 - Participation: Must have active participation from harvesters and/or supply chain actors (by contributing financially, in-kind and/or by working on actions in the work plan)
 - Public commitment: Participants must publicly commit by signing a memorandum of understanding or something similar, and should publish a list of formal participants.
 - Objectives: Must have time-bound objectives defined
 - Work plan: Must have a work plan with activities designed to address issues in the fishery (or farm) and to achieve objectives, including a budget, timelines and responsible parties



Sustainability notes continued

Environmental indicators continued

- Progress tracking / public reporting: Must regularly track and report progress publicly, with evidence/documentation, and make progress over time

By “assessed by an accepted third party,” we mean that seafood products have been evaluated by an accepted third party as coming from either low or medium-risk sources. We consider seafood assessed at low or medium-risk to be compliant. Accepted third parties include: the Gulf of Maine Research Institute, the WWF, the Sustainable Fisheries Partnership, the Institute for Agricultural and Fisheries Research (ILVO), The Good Fish Foundation, the University of Mendel and other educational or research facilities.

Data collection and considerations

Information and certifications on seafood are collected from suppliers and reviewed by internal teams to ensure all certifications are valid and up to date.

Biodiversity and ecosystems

Critical commodities

Performance indicator description	2024	2023
Tea, coffee and cocoa		
Percentage of own-brand products containing tea (as defined) certified against an accepted standard	99.5%	99.4%
Percentage of own-brand products containing over 1% coffee by weight certified against an accepted standard	97.4%	97.1%
Percentage of own-brand products containing over 5% cocoa certified against an accepted standard	96.5%	91.8%
Palm oil		
Percentage of own-brand products containing palm oil certified against an accepted standard ¹	96.4%	93.7%
Percentage of own-brand products containing palm kernel oil certified against an accepted standard ²	95.8%	98.9%
Wood fiber products and wood fiber packaging		
Percentage of own-brand wood-fiber-based products either certified against an accepted standard, classified as low-risk or recycled	91.6%	93.4%

Performance indicator description	2024	2023
Soy		
Percentage of high-risk own-brand soy certified against accepted standards or covered by accepted credits at year end	65.6%	Not reported ³
Percentage of high-risk soy credits purchased after year end to ensure 100% coverage of high-risk soy	34.4%	
Percentage of high-risk own-brand soy certified against accepted standards or covered by credits	100%	100%

1. In order to mitigate the negative impacts of purchasing uncertified palm oil, the remaining balance was offset by purchase of Roundtable on Sustainable Palm Oil (RSPO) Book & Claim. At year end 2024, 0.01% (2023: 1.1%) was offset by supplier purchased credits, while 3.6% (2023: 5.1%) was purchased in the next financial year.
2. In order to mitigate the negative impacts of purchasing uncertified palm kernel oil, the remaining balance was offset by purchase of Roundtable on Sustainable Palm Oil (RSPO) Book & Claim. At year end 2024, 0.03% (2023: 0.2%) was offset by supplier purchased credits, while 4.2% (2023: 0.9%) was purchased in the next financial year.
3. The split is not readily available for 2023 and thus not reported.

Methodology

Tea, coffee and cocoa

Tea products are defined as all products based on tea (*camellia sinensis*), including flavored or scented teas, as well as Rooibos. The following are excluded from the scope of this indicator: matcha, iced tea drinks, iced tea mixes, ready-to-drink beverages such as kombucha, and herbal tea that does not contain *camellia sinensis*.

Coffee products are defined as products containing more than 1% coffee by weight. This includes products based on coffee beans (beans, ground coffee, instant coffee, liquid coffee and cold coffee drinks) and excludes coffee flavoring in food products.

Cocoa is defined as products containing more than 5% cocoa by weight. “Cocoa” includes cocoa, cocoa powder, cocoa butter, and cocoa liquor.

Accepted standards applicable to tea, coffee and cocoa are:

- Rainforest Alliance/UTZ
- Fair Trade USA/Fairtrade/FLO-CERT/*Fairtrade Sourcing Program*
- Equivalent, as defined by Ahold Delhaize’s H&S team

Palm oil

Palm oil is defined as all products and ingredients derived from the oil palm fresh fruit, including palm oil, palm fat and palm kernel oil, as well as fractions and derivatives. We allow for a margin of error for products containing $\leq 1\%$ (ingredient based) of palm oil, palm kernel oil and palm oil fractions and derivatives.



Sustainability notes continued

Environmental indicators continued

RSPO credit means one (1) RSPO Credit represents one (1) metric tonne of RSPO-certified sustainable oil palm product.

Any certified oil palm products can be traded through any of the four supply chain models that are approved by RSPO, of which only the first three (any one or a combination) models are considered for certification:

1. Identity Preserved (IP): The RSPO-certified oil palm product delivered to the end user is uniquely identifiable to a single RSPO-certified IP mill.
2. Segregated (SG): Supply chain model that assures that RSPO-certified oil palm products delivered to the end user come only from RSPO-certified sources (a mixture of IP products)
3. Mass Balance (MB): Supply chain model that allows certified claims to be transferred from one oil palm product to another either through physical blending or administratively
4. Book and Claim (BC): A model that supports the production of RSPO certified sustainable oil palm products through the sale of RSPO credits

Our own-brand products can only contain certified palm oil if it is sourced from suppliers that are RSPO Chain of Custody (CoC) certified. Note that RSPO membership is not the same as RSPO certification. Own-brand products must contain physically certified RSPO IP, SG or MB palm oil, where available.

Where procurement of RSPO-certified palm oil is not possible, Ahold Delhaize brands will buy RSPO credits to offset the remaining volumes, and work with suppliers to set a timeline to transition to RSPO physically certified palm oil as soon as possible.

Wood fiber

For wood fiber to classify as certified, the direct supplier (tier 1) is CoC certified, and uses either of the following:

- Certified sustainable wood fiber, to accepted standards
- Certified recycled wood fiber, to accepted standards

Wood fiber content that is certified recycled falls into the certified category, as it requires a CoC certification from suppliers.

The accepted standards for certification are:

- FSC
- PEFC
- Equivalent, as defined by Ahold Delhaize's H&S team

For wood fiber to classify as low-risk, the direct supplier (tier 1) is not CoC certified. However, the supplier's supplier (tier 2) is CoC certified, and uses sustainable wood fiber that is certified to accepted standards.

For wood fiber to classify as recycled, the direct supplier provides a self-declaration that more than 70% of product is made of recycled content.

Soy

The CGF has developed the following classification, which breaks soy into multiple tiers, based on its usage, also called the soy measurement ladder:

- Tier 1: Directly purchased soy and its derivatives
- Tier 2: Raw meet feed
- Tier 3: Eggs and dairy
- Tier 4a: Meats in processed food products
- Tier 4b: Eggs and dairy in processed food products
- Tier 5: Sundry indirect (embedded) soy and soy derivatives

Source: CGF Calculation Guidelines for the Measurement of Embedded Soy Usage in Consumer Goods.

High-risk soy is defined as soy that comes from South America, which can potentially lead to deforestation and degradation of valuable ecosystems such as the Amazon and Cerrado (CGF Soy Sourcing Guidelines).

For the purpose of soy reporting, the scope is all high-risk (South American) soy volumes in own-brand products made of or containing soy (tier 1) or in own-brand animal-based products where soy (tiers 2-3) is used in the supply chain.

There are currently various soy certification options available that fall into the CoC model categories. To offer a consistent and transparent assessment of the certification options offered by different schemes, the categories have been taken from the ISEAL "Chain of Custody Models Guidance" document.

The following modules are generally applicable:

1. IP: A CoC system that ensures that certified product from a certified site is kept separate from other sources
2. SG: A CoC system in which the certified product is kept physically separate from the non-certified product throughout the entire supply chain
3. MB: A CoC system in which the soy from a certified source may be mixed with sources of non-certified soy, provided the mixing process is monitored
4. BC: A model that supports the production of certified soy through the sale of credits.

The Ahold Delhaize policy specifies that high-risk soy must be either physically certified by an accepted standard or covered by accepted (Area MB) soy credits to offset South American soy volumes used.



Sustainability notes continued

Environmental indicators continued

The accepted standards are:

- ADM Responsible Soybean Standard (SG)
- Donau Soja (SG)
- International Sustainability & Carbon Certification (ISCC) (SG)
- ProTerra (SG)
- RTRS (SG)

For credits, Ahold Delhaize accepts Area MB Soy Credits issued by:

- RTRS
- Cefetra Certified Responsible Soya Standard (CRS)
- Equivalent, as defined by Ahold Delhaize's H&S team



Data collection and considerations

Information and certifications for critical commodities are collected from suppliers and reviewed by internal teams to ensure all certifications are valid and up to date.

For soy offset by RTRS or CRS credits and palm oil offset by RSPO Book & Claim, credits are either purchased in the fourth quarter to cover usage over the entire year or the residual portion is purchased in the first quarter of the next financial year.

To calculate our soy footprint for embedded soy, we use the RTRS conversion tables. It is, therefore, an estimate.

Animal welfare

Performance indicator description	2024	2023
Percentage of shell eggs that are cage free	47%	45%



Methodology

The percentage of own- and national-brand shell eggs that are cage free is based on the number of eggs sold by our brands during the reporting period. The percentage is calculated by dividing the number of sold own-brand or national-brand shell eggs that are cage free in the reporting period by the total number of eggs sold in the reporting period.

The brands report on both own- and national-brand eggs on a year-to-date basis, based upon eggs sold. Eggs are only counted when sold as the product itself, not when eggs are an ingredient or main ingredient in a product. The reporting only includes sold chicken eggs; no other types of eggs sold, such as quail eggs, are taken into account.



Data collection and considerations

Cage-free shell eggs are defined as chicken shell eggs produced by farms that do not make use of cages or enriched cages (EU class three and four). Eggs produced in "combination systems," or systems with cages that allow chickens to leave the cages, whether it is temporary or not, are not considered to be cage free.

Packaging

Performance indicator description ¹	2024	2023 restated
Own-brand primary plastic product packaging (thousand tonnes)	170	169
Own-brand primary virgin plastic product packaging (thousand tonnes)	144	144
Own-brand plastic product packaging made from recycled content (thousand tonnes)	27	25
% of own-brand plastic product packaging made from recycled content	15.7%	14.8%
% reduction/(increase) in own-brand primary virgin plastic product packaging against the 2021 baseline ²	10.3%	10.2%
% primary plastic own-brand product packaging that is reusable, recyclable or compostable	32.7%	28.4%

1. The 2023 figures exclude Gall & Gall.

2. The change is shown against a restated 2021 baseline of 160 thousand tonnes.



Methodology

Almost all of our brands report plastics on a component level, while a few brands that have less granularity in their data report elements for which the main structural element (comprising at least 50% of packaging weight) is plastic, including packaging components that are part of this larger plastic packaging (labels, sleeves and triggers/sprays).

The reporting on plastic packaging only looks at own-brand primary plastic packaging and does not include national brands. We do not report on national-brand products because we do not control the plastic consumption or usage within the value chain and we do not currently receive detailed data on the types of plastics used within these products.

The assessment methodology for recyclability follows the guidelines of the EMF New Plastics Economy Global Commitment regarding recyclability of plastic packaging, which means that actual, not technical, recycling is used for reporting.

A packaging or packaging component is only reported as recyclable if: (a) its successful post-consumer collection, sorting and recycling is proven to work in practice and at scale and (b) no materials or components disrupt the system for recycling.



Sustainability notes continued

Environmental indicators continued

That means that for point (a) above, we use the latest results of The Global Commitment's Recycling Rate Survey to check those plastic packaging categories for which there is evidence that a "system for recycling" exists in practice and at scale today (a 30% post-consumer recycling rate in multiple regions, collectively representing at least 400 million inhabitants). For point (b) above, we verify whether the color of plastic packaging fits the system for recycling or hinders its ability to be recycled.

In several of our brands' markets, and for several plastic packaging types, this is not yet the case and, as such, the plastics are not reported as recyclable, even though they may technically be recyclable.

Data collection and considerations

Data collection for primary plastic packaging data is a complex task, because of the large number of products our brands have in their assortments, but also due to several additional circumstances.

- Firstly, in most cases, plastic packaging is not produced by product suppliers themselves but sourced through third parties. Therefore, our brands depend solely on the information they receive from their suppliers.
- Secondly, the assortment at our brands is continuously changing, and product design is renewed during the year, meaning that frequent changes to the packaging materials need to be captured in our systems.
- And thirdly, the complexity of the packaging itself has an impact. Many products, including branded products, use different packaging components (e.g., type, color and weight) that are frequently changed, and each component can impact the reported weight and recyclability of the plastic packaging.

The European brands collect and report on plastic packaging data on a quarterly basis, and the U.S. brands do so on an annual basis. For the 2023 reporting period, the U.S. brands reported over the period beginning in Q4 of the previous financial year through the end of Q3 2023. In 2024, the reporting covers the 2024 financial year, but includes some estimates.

Data collection is accomplished, among other things, through supplier questionnaires that are distributed either directly or through a third party. These surveys enable us to collect information per plastic packaging component, such as weight, type of plastic and color. Some brands, including the U.S. brands, started implementing a system that requires packaging vendors to input information about their plastic packaging into software, and are performing some validation of the data at brand level. This new way of working was not yet fully in place by the end of 2024 but is in the process of being implemented.

Data received from third parties and suppliers is analyzed internally through sanity checks, focusing on outliers and anomalies. Based on these checks, variations have been identified between reported and actual weight and type of the plastic packaging. Therefore, we encourage our suppliers to continuously improve the accuracy of the data they provide to us. Most of our brands have implemented a process of physical (sample) testing with an external third party,

taking into account a tolerance level, and store the outcomes in a data-collection tool as evidence and for reference purposes.

In order to determine the total reported weight of own-brand plastic product packaging, the reported weight of each SKU's components is multiplied by the number of SKUs sourced.

Recyclability of own-brand primary plastic packaging is assessed internally or, in some cases, through a third party. In some of our brands, data availability prevented us from doing a full EMF assessment. In these cases, we performed the recyclability steps as well as possible.

At the end of 2024, our brands were able to collect information for most of our own-brand products. Most of the information was directly received from suppliers or third-party service providers. For the remaining part, our brands estimated the weight of the plastic packaging using the average weights of similar products. Estimated plastic packaging weight is identified as not recyclable.

The current percentage of reusable, recyclable or compostable own-brand primary plastic product packaging is completely based on recyclable packaging, as reusable and compostable packaging is used in very small amounts that do not impact the overall percentage at group level.

Restatement of prior year figures and adjustments to baseline

Note 1: We made a reclassification of both 2023 and the baseline of 2021. The reclassification related to post-industrial plastic, which was previously counted toward virgin plastic, but should have been reported as recycled content. This adjustment results in a reduction of virgin plastic packaging and an increase in recycled content in plastic packaging.

Performance indicator description	2023 per Annual Report 2023	Note 1: Reclass	2023 restated
Own-brand primary virgin plastic product packaging (thousand tonnes)	146	(3)	144
Own-brand plastic product packaging made from recycled content (thousand tonnes)	22	3	25
% of own-brand plastic product packaging made from recycled content	13.2%	1.7%	14.8%
% reduction/(increase) in own-brand primary virgin plastic product packaging against the 2021 baseline	10.3%	(0.1)%	10.2%

Performance indicator description	2023 per Annual Report 2023	Note 1: Reclass	Restated
Baseline restatement 2021: Own-brand primary virgin plastic product packaging (thousand tonnes)	163	(3)	160



Sustainability notes continued

Environmental indicators continued

Waste (including food waste and other waste)

Performance indicator description	2024	2023 restated
Total waste generated in own operations (thousand tonnes)	1,089	1,102
Total amount of recycled waste (thousand tonnes)	807	825
Total amount of non-recycled waste (thousand tonnes)	282	277
Percentage of non-recycled waste (of total waste) (thousand tonnes)	26%	25%
<i>Radioactive waste generated (thousand tonnes)</i>	—	—
Total amount of recycled waste ((diverted from disposal) (thousand tonnes)	807	825
<i>Non-hazardous waste</i>		
Food waste recycled (thousand tonnes)	170	173
Plastic recycled (thousand tonnes)	27	28
Paper and cardboard recycled (thousand tonnes)	512	532
Other waste recycled (thousand tonnes)	98	92
Total amount of non-recycled waste (directed to disposal) (thousand tonnes)	282	277
<i>Non-hazardous waste</i>		
Incineration with energy recovery (thousand tonnes)	79	75
Incineration without energy recovery (thousand tonnes)	1	1
Landfill (thousand tonnes)	202	201
Other disposal operations (thousand tonnes)	—	—

Performance indicator description	2024	2023 restated
Food waste		
Total tonnes of unsold food (thousand tonnes)	303	302
Total tonnes of food donated (thousand tonnes)	75	76
Total tonnes of food waste (thousand tonnes)	228	225
Percentage of unsold food donated to feed people	25 %	25 %
Total amount of food waste recycled (diverted from disposal) (thousand tonnes)	170	173
Diverted to animal feed (thousand tonnes)	23	29
Diverted to biogas: Codigestion / anaerobic digestion (thousand tonnes)	124	119
Diverted to composting: Aerobic processes (thousand tonnes)	12	12
Diverted to rendering: Converting material into industrial products (thousand tonnes)	7	7
Diverted to other recycling activities (thousand tonnes)	5	4
Total amount of non-recycled food waste (directed to disposal) (thousand tonnes)	58	53
Incineration with energy recovery (thousand tonnes)	9	4
Incineration without energy recovery (thousand tonnes)	—	—
Landfill (thousand tonnes)	49	48
Other disposal operations (thousand tonnes)	—	—
Tonnes of food waste per food sales (t/€ million)	3.17	3.17
Percentage reduction in food waste per food sales ^{1,2}	35%	35%
Tonnes of food waste sent to disposal per food sales (t/€ million)	0.80	0.74
Percentage of food waste recycled (of total food waste)	75 %	77 %

1. Reduction is shown against the restated 2016 baseline of 4.89 t/€ million).

2. See *Restatement of prior year figures and adjustments to baseline* below for more information.

Methodology

Total waste

Total waste generated includes food waste, cardboard, plastic, glass, metal and wood.

Ahold Delhaize does not generate significant amounts of hazardous waste or any radioactive waste and, therefore, we do not report against it.



Sustainability notes continued

Environmental indicators continued

Food waste

We calculate food waste according to the FLW Protocol), a multi-stakeholder effort to develop the global accounting and reporting standard for quantifying food and associated inedible parts removed from the supply chain. Our definition of food waste includes waste sent to animal feed, bio-based materials, anaerobic digestion, composting/aerobic digestion, controlled combustion and landfill. Food waste does not include donations to hunger relief organizations, theft or cash shortages.

We follow Champions 12.3 Guidance on Interpreting Sustainable Development Goal Target 12.3. According to this, the definition of food loss and waste applies to both food that is intended for human consumption and its associated inedible parts that leave the human food supply chain. This is because Target 12.3 comes under SDG 12 (Responsible consumption and production) and not SDG 2 (Zero hunger), so it covers both food security and resource-use efficiency, not just food security alone. As a result, inedible parts count as food waste in our figures.



Data collection and considerations

Total waste

Figures are reported on a quarterly basis through a combination of internal measurements and reports from external partners. This data captures food waste and non-food waste from all integrated stores, DCs and offices where Ahold Delhaize manages the waste stream. Our brands work with a number of external partners to recycle cardboard, paper, plastic, metal, glass, wood, electronics, cooking oil and food waste.

In some cases, estimates are made by weight and number of bins picked up by third parties. The majority of waste is disposed of off-site. The contractual agreements on waste streams with external parties are managed locally.

Food waste

We report food waste figures on a quarterly basis through a combination of internal measurements and reports from external partners. Waste in stores and DCs is separated into food waste, cardboard, plastic, glass and trash.

We provide training for associates to ensure waste separation is done as accurately as possible and we perform audits to check the quality of waste separation. Given the variety of circumstances under which the data is collected, it may contain limited inaccuracies, as our audits show that some food waste ends up in trash bins.

To recycle and dispose of food waste, Ahold Delhaize brands work with a number of external partners with varying degrees of maturity in how they collect data. In some cases, weights are estimated based on average bin weight and frequency of service.

The metric we use is tonnes of food waste per € million food sales. Food sales are measured in euros and are impacted by exchange rates. The food waste figure used in this metric is converted to euros on the basis of the accounting policies used for the consolidated financial statements. See [Note 2](#) and [Note 3](#) for more information.

According to the FLW Protocol, the definition of food loss and waste (FLW) does not include packaging, such as boxes, wrap or plastic containers. Depending on the data collection method, some amount of food waste also includes the weight of the packaging. Estimates are made to effectively remove the weight of the packaging from the amount of food waste, but this is not yet done consistently across all of our brands. As our data collection processes mature over time, we will remove the weight of the packaging from our food waste figures for all of our brands and also adjust our baseline by using the guidance of the FLW Protocol for excluding the weight of packaging from the weight of FLW.

Our food waste figures exclude food waste (and food sales) of franchisee/affiliated stores, aligned with our consolidation scope. We, therefore, only include food waste in our integrated stores and food sales to franchisees/affiliates (not the sales of franchisees/affiliates to customers). In certain situations, we use estimates for the reporting, to make a split of total food waste between food waste from integrated stores and from franchisee/affiliates.

When calculating the total tonnes of unsold food donated to people, we use estimates for some brands, as actual weight data is not always available.



Restatement of prior year figures and adjustments to baseline

Note 1: We have made minor corrections to the reported number of total waste generated in own operations in 2023, resulting in the reported number from the Annual Report 2023 being restated from 1,103 thousand tonnes to 1,102 thousand tonnes.

Note 2: Due to a change in Delhaize Belgium's business model, by which all integrated stores have been converted to the affiliate model, we have made an adjustment to the 2016 baseline. This adjustment impacted both the food sales and food waste in tonnes.

Performance indicator description	2023 per Annual Report 2023	Note 2: Change in business model	Restated
Restatement of 2016 baseline: Tonnes of food waste per food sales (t/€ million)	4.99	(0.10)	4.89

Due to the restatement of the 2016 baseline, the percentage reduction in food waste per food sales (t/€ million) for 2023 changed from 37% to 35%.



Sustainability notes continued

Environmental indicators continued

EU Taxonomy

The European Commission has established the European Taxonomy Regulation (EU 2020/852) (“EU Taxonomy”) as an important step toward the objective of a climate-neutral EU by 2050. The EU Taxonomy aims to redirect capital flows toward activities that meet the criteria outlined in the regulation. As such, the European Commission has developed a catalog of economic activities to determine if they substantially contribute toward a sustainable economy based on TSCs. Companies must use this classification system to assess if their business activities are sustainable. The EU Taxonomy and its supporting delegated acts are designed to help companies, investors and policymakers identify environmentally sustainable economic activities.

While we support the EU Taxonomy’s goals, we recognize the ongoing complexities and evolving nature of the framework. For that reason, we will periodically review and adjust our methodology and figures in line with updates to the regulations and guidance, including finalized commission notices.

Definitions

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts (Climate Delegated Act and the Environmental Delegated Act) supplementing the Taxonomy Regulation, irrespective of whether that economic activity meets any or all of the TSCs as laid down in those delegated acts. Taxonomy non-eligible economic activity means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

An economic activity is Taxonomy-aligned when it complies with the TSCs, as defined in the Climate Delegated Act and the Environmental Delegated Act, and is carried out in compliance with the minimum safeguards regarding human and consumer rights, anti-corruption and bribery, taxation and fair competition. To meet the TSCs, an economic activity contributes substantially to one or more environmental objectives, while not doing significant harm (DNSH) to any of the other environmental objectives.

KPIs under the EU Taxonomy

Turnover

Consistent with previous years, the food retail sector remains outside the scope of EU Taxonomy regulation. No net sales are accounted for in the consolidated income statement for the main and secondary activities listed above. Therefore, due to how the regulation is structured, our turnover is not covered by, and thus is not eligible for, the EU Taxonomy. As a result, we report 0% eligibility and alignment for 2024, which is in line with the prior year.

Per our consolidated financial statements, total turnover (or net sales) is €89.4 billion, of which 0% is eligible and aligned under the EU Taxonomy. See also the [disclosure template](#) for turnover.

Accounting policies

Turnover eligibility is calculated in accordance with the definition in Article 8 of the EU Taxonomy. The net sales line, as included in the consolidated income statement, is the equivalent of turnover under the EU Taxonomy. See also [Note 7](#) to the consolidated financial statements.

Estimates and judgments

Other income is disclosed as a separate line in the consolidated income statement and, as such, is not considered to meet the definition of turnover under the EU Taxonomy. Other income includes, for example, rental income from real estate.

CapEx

We have allocated our CapEx to eligible activities under the six environmental objectives in accordance with the EU Taxonomy and followed the same approach as last year, where economic activities with insignificant CapEx were considered small or insignificant and, as such, reported as non-eligible and not aligned, even though some might qualify under the EU Taxonomy criteria.

The following Company-specific circumstances impact Ahold Delhaize’s eligibility and alignment figures:

- Eligibility and alignment of economic activities require an assessment against local regulation, which does not always align with the EU Taxonomy, making it more challenging to prove alignment against locally available regulation (if any). This requirement significantly impacts our business in the United States, where we spend approximately 55% (53% in 2023) of our total regular CapEx (see [Capital investments and property overview](#) for more information).
- Countries are at different maturity levels in terms of energy performance certification. For example, in Romania, local regulation to facilitate energy performance certificates was not yet in place, resulting in no alignment of newly acquired or leased real estate in that country. In addition, obtaining certification is not mandatory in certain countries.
- Energy-efficiency labeling for specially built or business-to-business equipment is not available. For example, Ahold Delhaize’s brands often install custom-built refrigeration systems that combine different store components. Since there is no labeling in place for these types of systems, these assets are not aligned, even though our brands are confident in their quality and energy efficiency.
- Prices for equipment requiring specialized or extended installation or a more granular breakdown of costs are not always available in the level of detail needed to consider eligibility and alignment. For example, labor costs are capitalized on a project basis and not allocated to individual equipment, making it impossible to determine the total cost price of a specific asset to consider its eligibility or alignment. As a result, all capitalized labor costs are considered not eligible and not aligned.



Sustainability notes continued

Environmental indicators continued

- Our experience has shown that, in many cases, the criteria around DNSH are stricter than the substantial contribution criteria under TSCs and require more stringent rules for compliance than the assets currently available in the market. For instance, the noise pollution requirement for transport is set at such a high standard that the average electric small delivery vehicle cannot meet the criteria for alignment.

Eligible CapEx increased across both regions, while aligned CapEx declined. This shift was primarily driven by changes in construction and real estate activities. In the U.S., the reduction was driven by a shift from aligned LED investments to high-GWP refrigerant replacements, which are not aligned. In the EU, the decline was due to investments in non-certified buildings and LED investments not meeting alignment criteria.

In transportation, eligible CapEx grew, particularly in new trucks and hybrid vehicles, but alignment declined due to TSCs and DNSH noise requirements.

Eligible and aligned CapEx increased in water supply, waste management and remediation activities, driven by significant investment in bottle and can dispensers in the EU and an anaerobic digestion plant at our Stop & Stop brand in the U.S.

For information and communication, eligible CapEx decreased due to lower investments in digital projects, while aligned CapEx increased as route optimization and ESL investments met alignment criteria.

See the [CapEx disclosure table](#) for the movement across economic activities under relevant environmental objectives.

Accounting policies

We have determined the CapEx eligibility and alignment in accordance with the definition as per Article 8 of the EU Taxonomy. CapEx includes additions to tangible¹ and intangible assets during the financial year considered before depreciation, amortization and any remeasurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. It also includes additions to tangible and intangible assets resulting from business combinations but excludes additions to goodwill.

The additions follow the accounting principles as disclosed in the financial statements of this Annual Report. A reconciliation of the additions included in the financial statements (see [Note 11](#), [Note 12](#), [Note 13](#) and [Note 14](#) to the consolidated financial statements) to the total CapEx under the EU Taxonomy is as follows:

1. Tangible assets comprise the balance sheet line items property, plant and equipment, right-of-use assets and investment property.

Reconciliation of the alternative financial performance measure: CapEx

(€ millions)	2024	2023
Additions to property, plant and equipment (PPE) (Note 11)	1,756	1,872
Acquisition of PPE through business acquisitions (Note 11)	6	21
Additions to investment property – owned (Note 13)	11	10
Additions of right-of-use assets – PPE (Note 12)	485	588
Acquisition of right-of-use assets – PPE through business acquisitions (Note 12)	0	1
Additions of right-of-use assets – investment property (Note 13)	2	5
Additions to intangible assets (Note 14)	531	485
Acquisition of intangible assets through business acquisitions (Note 14)	20	27
Subtotal	2,811	3,008
Adjustments: Excluding additions to goodwill (Note 14)	(20)	(24)
CapEx used for EU Taxonomy purposes	2,792	2,984



Accounting estimates and judgments

Reassessments and modifications to right-of-use assets have been excluded from the EU Taxonomy calculation of CapEx.

While the Company's IT systems only partially capture all of the necessary data fields for EU taxonomy automation, our teams made efforts to improve this. Some manual processes are still in use to determine the underlying economic activities. Where relevant, we have allocated CapEx to the identified activities, based on a review of readily available information, such as investment proposals, cost centers and asset registers, which may not be entirely suitable for classification under the EU Taxonomy. As a result, estimates and judgments were applied, to a certain extent, to determine the CapEx number, as reported under the EU Taxonomy.

Operating expenditure (OpEx)

The regulation also considers the spend on OpEx directly attributed to CapEx needed for the transition to more sustainable operations to be eligible in accordance with the EU Taxonomy. Ahold Delhaize's operating expenses denominator, as defined by the EU Taxonomy regulation, represent an insignificant portion of the Group's total OpEx. As this indicator remains irrelevant to the Group's activities, it is not assessed for taxonomy eligibility and alignment, so we use the exemption for the calculation of the numerator of the OpEx KPI in accordance with the regulation.

As a result, we report 0% eligible (and aligned) OpEx, based on our materiality assessment for the six environmental objectives. For 2024, the OpEx denominator is €642 million, versus €711 million in 2023. See also the [disclosure template](#) for OpEx.



Sustainability notes continued

Environmental indicators continued

Accounting policies

The EU Taxonomy defines OpEx as direct non-capitalized costs that relate to research and development; building renovation measures; short-term leases, maintenance and repair; and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to which activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. This definition differs from the broader definition used in the consolidated financial statements as Operating expenses or Other operating expenses; see [Note 8](#).

The EU Taxonomy allows for an exemption where the OpEx is not material for the business model of non-financial undertakings. Ahold Delhaize makes use of this exemption, as explained above.

Estimates and judgments

Ahold Delhaize's long-term goals to transition to more sustainable operations are strategically focused on prioritizing CapEx over OpEx. In accordance with the EU Taxonomy OpEx definition, OpEx is not significant to our business model; therefore, from both perspectives, it remains insignificant for the Company and supports the judgment of using the exemption for the calculation of OpEx.

The OpEx denominator was determined using estimates to decide if the amounts meet the definition of OpEx, as our current IT systems only partially capture the necessary information to determine the underlying economic activities and nature of expenses as defined by the EU Taxonomy.

Assessment of compliance with the EU Taxonomy Regulation

The assessment of taxonomy-aligned activities follows a three-step approach, considering the two TSCs set by the Taxonomy Regulation (EU) 2020/852 and adherence to minimum safeguards. For economic activity to claim alignment, it must fulfill the TSCs of substantial contribution and DNSH, and comply with minimum safeguards.

Eligible economic activities

In 2024, Ahold Delhaize analyzed its economic activities to assess compliance with all six environmental objectives outlined in the Taxonomy Regulation (2020/852). As a result, we identified 11 economic activities that meet the eligibility criteria under the Climate Delegated Act and Environmental Delegated Act, contributing to the CCM and CE environmental objective, and are listed in the table "*Eligible activities*." However, CCM5.5 and CE2.5 eligible economic activities were part of the smaller activities classified in prior years; in 2024, they were classified as eligible due to more significant CapEx spending.

Eligible activities

Activity number ¹	Activity name	Description and main activities by Ahold Delhaize
CCM6.5	T: Transport by motorbikes, passenger cars and light commercial vehicles	The economic activities of Ahold Delhaize's brands relating to leasing cars and sometimes small delivery vehicles, mainly for their e-commerce businesses, fall under this economic activity code.
CCM6.6	T: Freight transport services by road	The transportation activities of Ahold Delhaize's brands relating to buying or leasing trucks to deliver goods from DCs to stores are eligible under this activity code. However, it excludes outsourced transportation services, unless the vehicles in these agreements are considered leases.
CCM7.3	Construction and real estate activities (CRE): Installation, maintenance and repair of energy-efficiency equipment	This activity includes most of the store remodeling activities of Ahold Delhaize's brands that lead to energy-efficiency improvements. The activity also includes adding insulation to walls, roofs and floors, using energy-efficient windows and doors, and upgrading heating, ventilation and air-conditioning systems.
CCM7.4	CRE: Installation, maintenance and repair of charging stations for electric vehicles in buildings	Ahold Delhaize's brands engage in the installation, maintenance and repair of electric vehicle charging stations at stores or in buildings and associated parking spaces.
CCM7.6	CRE: Installation, maintenance and repair of renewable energy technologies	The economic activity includes various measures such as setting up and caring for solar photovoltaic systems, solar hot water panels, heat pumps, wind turbines, solar transpired collectors and energy storage units. Ahold Delhaize's brands engage in installing solar panel systems and ancillary technical equipment.
CCM7.7	CRE: Acquisition and ownership of buildings	Acquiring and owning real estate properties are part of the economic activities of Ahold Delhaize's brands. When entering into new lease agreements for real estate (additions to right-of-use assets), although it may not technically be considered acquiring or owning a building, Ahold Delhaize utilizes this economic activity for CapEx reporting, following the broader definition of CapEx under the EU Taxonomy.
CCM8.1	Information and communication (IC): Data processing, hosting and related activities	Spending by Ahold Delhaize's brands on servers and essential hardware to operate the IT Center of Excellence for the Belgian and CSE brands falls under this activity code.
CCM8.2	IC: Data-driven solutions for GHG emissions reductions	Investments by Ahold Delhaize's brands in software to enhance the efficiency of the e-commerce supply chain, home delivery and productivity units per hour. These investments focus on the logistics software that calculates the most optimal routes, contributing to reduced GHG



Sustainability notes continued

Environmental indicators continued

Activity number ¹	Activity name	Description and main activities by Ahold Delhaize
CCM5.5	Water supply, sewage, waste management & remediation (WM): Collect/transport non-hazardous waste	Ahold Delhaize's brands have introduced automatic waste collection machines for plastic, glass and metal packaging under the Guarantee-Return System to facilitate efficient collection and transport of non-hazardous waste.
CE2.3	WM: Collection of hazardous and non-hazardous waste	Management of waste by Ahold Delhaize's brands for reuse or recycling through spending on gathering and sorting plastic bottles, cans and other hazardous and non-hazardous waste at the brands' stores for recycling, falls under this economic activity code.
CE2.5	WM: Recovery of bio-waste by anaerobic digestion or composting	All expenditures under this activity relate to the anaerobic digestion plant, which processes bio-waste to generate biogas and organic fertilizers and contributes to a circular economy by diverting waste from landfills, reducing greenhouse gas emissions and producing renewable energy.
CE4.1	IC: Provision of IT/OT data-driven solutions	Investments by Ahold Delhaize's brands in IT systems, particularly in reducing food waste and implementing dynamic pricing strategies. Initiatives such as Electronic Shelf Labelling (ESL), IT-driven solutions for dynamic pricing, digitizing inventory information, and enhancing replenishment systems focused on reducing food waste are, therefore, eligible activities under this economic activity.

1. Activities and the related activity numbers as defined in the Climate Delegated Act and Environmental Delegated Act



Estimates and judgments

We applied estimates and judgments to identify eligibility under climate and non-climate environmental objectives where uncertainties arise due to regulation's complexity or lack of clarity. The Company recognizes the challenge of understanding disclosure requirements complexities and highlights the recurring nature of uncertainties in dealing with them.

Multiple environmental objectives: We applied estimates and judgments when splitting CapEx, especially when facing complex projects contributing to multiple objectives. The judgment involves assessing these projects to determine the primary reporting objective, favoring alignment with the most significant environmental objective. For instance, construction and real estate activities are relevant for CCM and CE environmental objectives. However, we determine allocations to CCM using business judgment. Similarly, the business activities of collecting and sorting cans and plastic bottles focus on recycling rather than just collecting and transporting them, contributing to CE and not directly to CCM.

Real estate: While the Company and its brands, from time to time, construct new buildings on existing (or newly acquired) land or renovate existing buildings, these construction activities are always outsourced to a professional developer or construction company. In 2024, Ahold Delhaize continued outsourcing all construction and renovation work to professional developers. Similar to last year, renovations of existing buildings were reported under "CCM7.7. Acquisition and ownership of buildings" rather than as separate activities for new construction or renovations. The economic activity CCM7.7 also includes the CapEx of right-of-use assets.

Although refrigerant replacement or retrofitting is not explicitly listed under "CCM7.3. Installation, maintenance, and repair of energy efficiency equipment," since refrigerators are included under "CCM3.5 Manufacture of energy efficiency equipment for buildings," we believe they are eligible when used in construction and should be considered part of the CCM7.3 economic activity.

Energy: Ahold Delhaize brands regularly install solar panels on store and DC rooftops, using the energy generated on-site. While this may seem to fall under the activity "4.1. Electricity generation using solar photovoltaic technology," all our solar panel installations on top of roofs are considered to be part of economic activity "7.6. Installation, maintenance, and repair of renewable energy technologies," as they are considered integral to the building.

Information and communication: Ahold Delhaize primarily engages in data processing and hosting activities, often outsourced to third-party providers. However, Ahold Delhaize's strategic use of ICT solutions in route optimization software for its e-commerce business model supports overall logistic management. Ahold Delhaize considers these types of economic activities relevant for activity code "CCM8.2 Data-driven solutions for GHG emissions reductions," as they contribute to lower GHG emissions.

Substantial contribution: Technical screening criteria (TSCs)

The first pillar in the alignment assessment is determining if an undertaking substantially contributes to one of the environmental objectives that is required to meet the specific TSCs set out in the Delegated Acts of Taxonomy Regulation (2020/852). Ahold Delhaize and its brands assessed substantial contribution criteria for all eligible activities based on the regulation requirements covering relevant activity codes.



Estimates and judgments

Due to the complexity of the currently available regulation and the need for clarity around how to interpret and apply it, we used estimates and judgments to evaluate compliance with the detailed TSCs.

Sometimes, the criteria are complex because they refer to multiple EU and local regulations. It is difficult to provide the necessary evidence, especially in non-EU countries where the transposition of an EU directive into local law is not applicable or where the transposition to local law in an EU country is only partially done. Therefore, we have applied a conservative approach in claiming alignment.



Sustainability notes continued

Environmental indicators continued

Do no significant harm (DNSH) criteria

The second pillar in the alignment assessment ensures that our activities do not significantly harm the other five environmental objectives under in the EU Taxonomy. We evaluated the DNSH criteria on an economic activity level and, where applicable, further considered it on an asset level. The most significant DNSH criterion relates to CCA, which requires us to assess climate risks and create adaptation plans. This is consistent with the physical risk assessments we conduct for our overall business.

We have further advanced last year's process, where we utilized an automated climate risk assessment tool to streamline our processes. Building on last year's risk insights, we enhanced our 2024 climate risk assessment by expanding the scope to include additional brands and new assets. Where material, we have prepared CCA plans to mitigate the identified climate risks, although some implementation plans are still pending, reflecting our ongoing commitment to improvement. For a detailed update, see further details in [Climate change](#).

Estimates and judgments

Estimates and judgments were applied in evaluating compliance with the DNSH TSC, considering the evolving character of the European regulatory framework, the level of complexity of the available regulation, and the need for clarity around how to interpret and apply it.

Minimum safeguards

The final pillar of Ahold Delhaize's alignment assessment focuses on compliance with minimum safeguards, ensuring that our economic activities adhere to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These safeguards guide key aspects of our policies, including human rights due diligence, anti-corruption, taxation, and fair competition.

With the updated [Position on Human Rights](#), published in 2022, and the latest version of the [Standards of Engagement](#), published in 2023, we continue to reinforce our commitment to respecting human rights across all operations and our supply chain. For more detailed information, please refer to our [2024 Human Rights Report](#) and sections on [Social information](#) as part of our Sustainability reporting, effective this year.

Estimates and judgments

We have applied judgments to assess the adequacy of Ahold Delhaize's minimum safeguards at the Company level for asserting compliance. Given that alignment with the guidelines encompasses a diverse set of criteria, the application of these criteria is subject to interpretation.

Restatement of prior year figures

We identified an error in category CCM 7.3 that required a €26 million adjustment, increasing the aligned CapEx from €132 million to €158 million in the 2023 reporting year. The aligned CapEx for this economic activity was initially reported as €25 million instead of the correct amount of €51 million. As a result, both eligible and aligned CapEx and eligible but not aligned CapEx percentages have been restated, and the percentage changes are reflected in the table below.

Performance indicator description	2023 per Annual Report		2023 Restated
	2023	Adjustment	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	4.4%	0.9%	5.3%
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	27.1%	(0.9)%	26.2%

EU Taxonomy KPI disclosure tables

The KPI tables on the following pages summarize the outcome of Ahold Delhaize's assessment of its turnover, CapEx and OpEx.

2024 marks the first year of reporting eligible and aligned proportions of KPIs for all six environmental objectives. The tables also include 2023 comparative figures for taxonomy-eligible and aligned economic activities related to climate objectives, taxonomy-eligible KPIs, and the first reporting of aligned KPIs for the four non-climate environmental objectives.



Sustainability notes continued

Environmental indicators continued

Turnover (Amounts in € million)

Economic activities (1)	Code(s) (2)	Currency	Allocate turnover (3)	Proportion of turnover (4)	Substantial contribution criteria										DNSH criteria			Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Minimum safeguards (17)	Category (enabling activity or) (19)	Category (transitional activity) (20)	
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Percent					E
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy-aligned)																						
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			—	—%																	—%	
of which Enabling			—	—%																	—%	
of which Transitional			—	—%																	—%	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			—	—%																	—%	
Total (A.1 + A.2)			—	—%																	—%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy-non-eligible activities (B)		89,356	100%	100%																	100%	
Total (A + B)		89,356	100%	100%																	100%	



Sustainability notes continued

Environmental indicators continued

CapEx (Amounts in € million)

Economic activities (1)	Code (s) (2)	Allocate CapEx (3)	Currency	Proportion of CapEx (4) %	Substantial contribution criteria					DNSH criteria							Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N-1 (18) Percent restated	Category (enabling activity or) (19) E	Category (transitional activity) (20) T
					Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/ EL	Biodiversity and ecosystems (10) Y; N; N/EL	Climate change mitigation (11) Y / N	Climate change adaptation (12) Y / N	Water and marine resources (13) Y / N	Pollution (14) Y / N	Circular economy (15) Y / N	Biodiversity and ecosystems (16) Y / N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Collection and transport of non-hazardous waste in source segregated fractions	CCM5.5	4		0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	—%		
Transport by motorbikes, passenger cars and commercial vehicles	CCM6.5	10		0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.5%	T	
Installation, maintenance and repair of energy-efficiency equipment	CCM7.3	14		0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	1.7%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	2		0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.1%	E	
Installation, maintenance and repair of renewable energy technologies	CCM7.6	10		0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.1%	E	
Acquisition and ownership of buildings	CCM7.7	64		2.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	2.8%		
Data-driven solutions for GHG-emissions	CCM8.2	1		—%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	—%	E	
Collection and transport of non-hazardous and hazardous waste	CE2.3	10		0.4%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	—%		
Recovery of bio-waste by anaerobic digestion or composting	CE2.5	1		—%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	—%		
Provision of IT/OT data-driven solutions	CE4.1	1		—%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	—%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)¹		118		4.2%	3.8%	—%	—%	—%	0.4%	—%	Y	Y	Y	Y	Y	Y	5.3%		
of which Enabling		29		1.0%	1.0%	—%	—%	—%	—%	—%							2.0%	E	
of which Transitional		10		0.4%	0.4%												0.5%	T	



Sustainability notes continued

Environmental indicators continued

CapEx (Amounts in € million)			Substantial contribution criteria							DNSH criteria							Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N-1 (18)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N (19)	Category (transitional activity) (20)	Category (enabling activity or) (19)	E	T
Code (s) (2)	Allocate CapEx (3)	Currency	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Percent restated						
Economic activities (1)																						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Transport by motorbikes, passenger cars and commercial vehicles	CCM6.5	20	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.7%						
Freight transport services by road	CCM6.6	48	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							1.0%						
Installation, maintenance and repair of energy-efficiency equipment	CCM7.3	155	5.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							6.2%						
Acquisition and ownership of buildings	CCM7.7	671	24.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							17.0%						
Data processing, hosting and related activities	CCM8.1	1	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.4%						
Data-driven solutions for GHG-emissions reduction	CCM8.2	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.4%						
Collection and transport of non-hazardous and hazardous waste	CE2.3	1	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.3%						
Provision of IT/OT data-driven solutions	CE4.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							0.3%						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)²		896	32.1%	32%	—%	—%	—%	—%	—%							26.2%						
Total (A.1 + A.2)		1,014	36%													32%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
CapEx of Taxonomy-non-eligible activities (B)		1,778	64%													68%						
Total (A + B)		2,792	100%													100%						

1. The comparative percentage for A.1 has been restated. See the restatement of the prior year above.

2. The comparative percentage for A.2 has been restated. See the restatement of the prior year above.



Sustainability notes continued

Environmental indicators continued

OpEx (Amounts in € million)

Economic activities (1)	Code (s) (2)	Currency	Proportion of OpEx (4) %	Substantial contribution criteria										DNSH criteria				Category (enabling activity or) (19) E	Category (transitional activity) (20) T
				Climate change mitigation (5) Y; N;	Climate change adaptation (6) Y; N;	Water and marine resources (7) Y; N;	Pollution (8) Y; N;	Circular economy (9) Y; N;	Biodiversity and ecosystems (10) Y; N;	Climate change mitigation (11) Y / N	Climate change adaptation (12) Y / N	Water and marine resources (13) Y / N	Pollution (14) Y / N	Circular economy (15) Y / N	Biodiversity and ecosystems (16) Y / N	Minimum safeguards (17) Y / N	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year N-1 (18) Percent		
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	—	—%																—%	
of which Enabling	—	—%																—%	
of which Transitional	—	—%																—%	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	—	—%																—%	
Total (A.1 + A.2)	—	—%																—%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)	642	100%																100%	
Total (A + B)	642	100%																100%	



Sustainability notes continued

Environmental indicators continued

Nuclear energy and fossil gas-related activities (Template I)

Nuclear energy-related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas-related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No



Sustainability notes continued

Social indicators

Own workforce

Please note that Associate data is collected using calendar years; the data presented here is as at December 31, 2024, which differs from our 2024 financial year end of December 29, 2024. The 2023 figures are also reported as at December 31; however, that aligns with our 2023 financial year.

Own workforce – workplace conditions

Associate engagement

Performance indicator description ^{1,2}	2024	2023
Associate engagement score	78%	78%
Associate growth score	75%	75%
Inclusion score	81%	81%

1. For 2024, this excludes Delhaize Belgium and bol.

2. For 2023, this excludes Delhaize Belgium, bol and FreshDirect.

Methodology

Associate engagement is measured through an annual survey of all associates employed by Ahold Delhaize and the brands at the time of the survey distribution in October each year. We work with a third party (Perceptyx) to deploy our AES.

For information on definitions used and questions asked, see [Definitions and abbreviations: Non-financial performance measures](#).

Data collection and considerations

We offer our AES online and do our best to reach all associates and encourage them to complete the survey. In 2024, we had a participation rate of 80% (2023: 81%) of the total number of associates invited to complete the survey.

Other associate-related matters

Performance indicator description	2024	2023
% Greatest Generation (1900-1945)	0.30%	0.35%
% Baby Boomers (1946-1964)	11%	12%
% Generation X (1965-1979)	21%	21%
% Generation Y (millennials) (1980-1995)	24%	24%
% Generation Z (1996-2009)	43%	43%
% Generation Alpha (2010+)	1 %	—%
Age group under 30 years old ¹	46%	46%
Age group 30-50 years old ¹	29%	29%
Age group over 50 years old ¹	25%	25%
Associate turnover 30+ contract hours	26%	27%
Associate turnover ²	53%	58%
Racially/ethnically underrepresented at VP+ level (U.S.) ³	14%	15%
Racially/ethnically underrepresented at director level (U.S.) ³	19%	18%
Racially/ethnically underrepresented at manager level (U.S.) ³	23%	22%
Racially/ethnically underrepresented below manager level (U.S.) ³	37%	37%

1. Number of associates under age 30 is 177,742, between age 30-50 is 111,951, and over age 50 is 97,858.

2. Total number of associates who left the undertaking in 2024 is 206,511.

3. Figures are for associates in the U.S. only and exclude associates in Europe due to legal restrictions in Europe.



Sustainability notes continued

Social indicators continued

Performance indicator description	2024	2023
% of female associates: Total Ahold Delhaize	52%	52%
% of female Supervisory Board members	50%	44%
% of female Management Board members	25%	25%
% of female Executive Committee members	38%	29%
% of females at VP+ level	37%	37%
% of females at director level	37%	36%
% of females at manager level	42%	41%
% of females below manager level	52%	53%
% of male associates: Total Ahold Delhaize	48%	47%

Performance indicator description	2024	2023
Number of Supervisory Board members – Male	5	5
Number of Supervisory Board members – Female	5	4
Number of Supervisory Board members – Other/unknown	—	—
Number of Management Board members – Male	3	3
Number of Management Board members – Female	1	1
Number of Management Board members – Other/unknown	—	—
Number of Executive Committee members – Male	5	5
Number of Executive Committee members – Female	3	2
Number of Executive Committee members – Other/unknown	—	—

Also see [Our Management Board and Executive Committee](#) and [Our Supervisory Board](#).

Methodology

We have a process in place that enables us to map all data to automatically calculate the metrics above, which are based on the monthly personnel submissions by the brands or our Global HR system. The outcomes are provided at an aggregate level.

Associate data is collected using calendar years; the data presented here is as at December 31, 2024.

Associate turnover

Associate turnover is defined as the number of people who left the Company compared to the total number of associates. It includes all turnover, regardless of reason.

Turnover is calculated based on averages over the year; the data is based on actual data. We see within our brands that, in some cases, associates return several times after a contract has ended. For example, this may be due to the fact that we also employ students, who organize their work around their school schedules.

We, therefore, report on an additional metric: associate turnover with more than 30 contract hours. For Ahold Delhaize reporting purposes, the definition from the U.S. government of a full-time associate is used for this metric and, therefore, only includes associates who have a contract with a minimum of 30 working hours per week. This metric is considered to give a better view of turnover, as it excludes associates, such as students, who work at our brands as a side job.

Reflective of markets

For the purposes of Ahold Delhaize's reporting, the following racially/ethnically underrepresented groups are used and reported in the following categories: underrepresented groups, white and unknown.

Figures are for associates in the U.S. only and exclude associates in Europe due to legal restrictions in Europe. The term "racially/ethnically underrepresented" refers to racial/ethnic groups that are underrepresented in the U.S. workforce in general, for example Black or African American, Asian, Native American or Alaska Native, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, two or more races.

Reported associate racial/ethnic categories in the U.S. are based on voluntary self-identification; associates with a missing racial/ethnic category are not included in the figures above. Each U.S. brand has adopted its own DE&I strategy to reflect our DE&I ambitions, and these figures represent an aggregation of the data of each brand. See also [Equal treatment and opportunities for all](#).



Data collection and considerations

Associate turnover

Assessing associate turnover provides a helpful indicator of associate sentiment regarding work and workplace conditions. High turnover is common in the retail industry, when compared with other industries.

We report on an additional metric: associate turnover with more than 30 contract hours.

This metric is considered to give a better view of turnover, as it excludes associates, such as students, who work at our brands as a side job.

Reflective of markets

Reflective of markets information is based upon voluntary self-identification; associates also have the option to change their self-identification at any time. For this reason, changes might not always be the result of changes in the workforce.



Sustainability notes continued

Social indicators continued

Diversity, equity and inclusion

Associates by gender (head count)

Performance indicator description ¹	2024	2023
Number of associates (thousands) – Total Ahold Delhaize	388	402
Number of associates (thousands) – Male	186	189
Number of associates (thousands) – Female	200	211
Number of associates (thousands) – Other/Unknown	2	2
Number of full-time associates (thousands) – Total Ahold Delhaize	133	139
% of full-time associates – Total Ahold Delhaize	34%	35%
- of which % is male	52%	52%
- of which % is female	48%	48%
- of which % is other/unknown	0.3%	0.2%
Number of part-time associates (thousands) – Total Ahold Delhaize	254	263
% of part-time associates – Total Ahold Delhaize	66%	65%
- of which % is male	46%	44%
- of which % is female	54%	55%
- of which % is other/unknown	1%	1%

Associates by region (head count)

Performance indicator description	2024	2023
Number of associates (thousands) – Total Ahold Delhaize	388	402
Number of associates – United States	226	229
Number of associates – the Netherlands	97	99
Number of associates – Europe excl. the Netherlands	64	73
% of full-time associates – Total Ahold Delhaize	34%	35%
- of which % is from the United States	61%	60%
- of which % is from the Netherlands	9%	9%
- of which % is from Europe excl. the Netherlands	30%	32%
% of part-time associates – Total Ahold Delhaize	66%	65%
- of which % is from the United States	57%	56%
- of which % is from the Netherlands	33%	33%
- of which % is from Europe excl. the Netherlands	10%	11%

Associates by contract type and gender (headcount)

Performance indicator description	2024	2023
Number of permanent associates (thousands) – Total	312	
Number of permanent associates (thousands) – Male	151	Not reported ¹
Number of permanent associates (thousands) – Female	159	
Number of permanent associates (thousands) – Other/unknown	2	
Number of temporary associates (thousands) – Total	74	
Number of temporary associates (thousands) – Male	34	Not reported ¹
Number of temporary associates (thousands) – Female	40	
Number of temporary associates (thousands) – Other/unknown	0.2	
Number of non-guaranteed hours associates (thousands) – Total	1	
Number of non-guaranteed hours associates (thousands) – Male	0.5	Not reported ¹
Number of non-guaranteed hours associates (thousands) – Female	1	
Number of non-guaranteed hours associates (thousands) – Other/unknown	0	
Number of full-time associates (thousands) – Total	133	139
Number of full-time associates (thousands) – Male	70	72
Number of full-time associates (thousands) – Female	63	67
Number of full-time associates (thousands) – Other/unknown	0.4	0.3
Number of part-time associates (thousands) – Total	254	263
Number of part-time associates (thousands) – Male	116	117
Number of part-time associates (thousands) – Female	136	144
Number of part-time associates (thousands) – Other/unknown	2	1

1. The comparative figures of permanent, temporary and non-guaranteed hours associates are not available, as these were new metrics added in 2024.

Methodology

We have a process in place that enables us to map all data to automatically calculate the metrics above, which are based on the monthly personnel submissions by the brands or our global HR system. The outcomes are provided at an aggregate level.

Diversity

Gender diversity is reported based on voluntary disclosure by associates. When associates have not indicated a gender in the source systems or do not associate with either the male or female gender, they are reported under the category Other/Unknown.



Sustainability notes continued

Social indicators continued

The allocation between part time and full time is based on contract hours / standard weekly working hours, which can differ per brand. Associates who work less than full time (< one full time equivalent (FTE)) are considered part time. A part-time associate works less than what is considered as the standard (full-time) hours in a brand.

The reporting per region is based upon where the contract of the associate is and, therefore, does not correspond identically to the segments as reported in the consolidated financial statements. Ahold Delhaize Group's associates are split between the regions based upon the location of their contracts.

Data collection and considerations

Diversity information is based upon voluntary self-identification; associates also have the option to change their self-identification at any time. For this reason, changes might not always be the result of changes in the workforce.

Social dialogue

Performance indicator description ¹	2024	2023
% associates covered by collective bargaining – Total	57%	59%
% associates covered by collective bargaining – the Netherlands	97%	97%

1. We do not report percentage of associates covered by collective bargaining for non-EEA countries in the first year of ESRS implementation.

Methodology

Collective bargaining

The percentage of associates covered by collective bargaining agreements within the EEA has to be disclosed for countries with at least 10% of a company's total employees, which, for Ahold Delhaize, is the Netherlands. For non-EEA countries, we omit reporting for the first year. For those associates not covered by collective bargaining agreements, our local brands determine their own agreements. Ahold Delhaize has an agreement with its associates for representation by a European Works Council.

Data collection and considerations

The global percentage of associates covered by workers representatives is not a data element we track in HR systems. Ahold Delhaize and each of its brands appreciate and seek participation and feedback and encourage open dialogue between associates and management, whether it comes through direct communication with associates, through the AES, through works councils, or through their union representatives. See [Own workforce](#) and [2024 Human Rights Report](#) for more information about social dialogue.

Health and safety (own workforce)

Performance indicator description	2024	2023 restated
Workplace injury rate (per one million hours worked)	17.88	18.97
Number of work-related accidents	7,783	8,481
Rate of recordable work-related accidents	3.6	3.8
Number of fatalities as a result of work-related injuries	2	2
Workplace injury absenteeism rate (number of injuries that result in lost days per 200,000 hours worked)	1.81	1.85
Serious injuries and fatalities rate (per one million hours worked)	0.39	0.45

Methodology

The workplace injury rate is calculated by dividing the total number of work injuries by the total number of worked hours and multiplying by one million.

The workplace injury absenteeism rate is calculated by dividing the total number of work injuries by lost working days and multiplying it by 200,000. Work injuries with lost working days refers to any work-related injury occurring in the course and scope of employment that results in at least one day away from work as a result of the medical condition and requiring medical treatment.

The number of serious injuries and the fatalities rate are calculated by dividing the number of serious injuries and fatalities by the total worked hours and multiplying by one million.

Data collection and considerations

Associate injury data is collected on a quarterly basis through information systems at each brand. There are manual steps to the injury reporting process in each country, such as relying on facility managers to produce detailed and timely reports. All U.S. brands use a consistent process to report injury events, and all data resides in the same system. Each European brand has protocols to report injury events and maintains its data in local systems.

Restatement of prior year figures

Note 1: We have made minor corrections to the reported rate of workplace injury, workplace injury absenteeism, and serious injuries and fatalities. The restatements were mainly due to adjustments in number of work injuries, number of injuries with lost days, number of serious injuries and the number of worked hours in some of our brands.



Sustainability notes continued

Social indicators continued

Performance indicator description	2023 per Annual Report 2023	Note 1	2023 restated
Restatement of workplace injury rate (per one million hours worked)	17.24	1.73	18.97
Restatement of workplace injury absenteeism rate (number of injuries that result in lost days per 200,000 hours worked)	1.89	(0.04)	1.85
Restatement of serious injuries and fatalities rate (per one million hours worked)	0.47	(0.02)	0.45

Own workforce – Equal treatment and opportunities for all

Pay difference and total remuneration

Performance indicator description	2024	2023
Gender pay difference ¹ – unadjusted average total Company population	14.13%	
Gender pay difference – unadjusted median total Company population	4.50%	Not reported ³
Gender pay difference – adjusted average total Company population	1.36 %	
Annual total remuneration ratio ²	98	112

1. Difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees.
2. Highest paid individual to the average annual total remuneration for all employees (excluding the highest-paid individual). Also see *Remuneration* section.
3. The comparative figures of gender pay difference are not available, as these were new metrics added in 2024.

Methodology

Gender pay difference is defined as the difference between the average pay levels for female and male employees, expressed as a percentage of average pay level for male employees. The unadjusted average pay difference for the total aggregated Company population is a straightforward assessment of the average hourly rate for all males compared with all females, without considering other influencing factors. The unadjusted median gender pay difference shows the difference of the median hourly base rate for all males compared with the median hourly base rate for all females.

For the adjusted pay difference, the Blinder-Oaxaca decomposition method is used to break down the total difference in average earnings for female and male employees into two parts: the explained portion, which accounts for measurable factors, and the unexplained portion, which accounts for factors that are not easily measurable.

The annual total remuneration ratio is the pay ratio of the CEO compared to the average remuneration of associates in our stores, warehouses and support offices worldwide. The average remuneration of all associates is calculated as the total (IFRS-based) labor costs divided by the number of associates on an FTE basis. In accordance with the guidance provided by the

Monitoring Committee Dutch Corporate Governance Code, contracted personnel are taken into account in this calculation.

Data collection and considerations

The unadjusted gender pay difference for the total Company population is reported in accordance with the reporting requirements of ESRS. This is calculated for all male and female associates within our organization, regardless of the nature of their work or country they operate in.

Measures against violence and harassment in the workplace

Performance indicator description	2024	2023
The total number of incidents of discrimination, including harassment	409	
The number of complaints filed (including grievance mechanisms)	561	Not reported ¹
The number of severe human rights incidents	0	

1. The comparative figures on measures against violence and harassment in the workplace are not available, as these are new metrics added in 2024.

In 2024, Ahold Delhaize brands investigated all complaints of reported harassment and discrimination and, when appropriate, took remedial action to address the wrongful conduct. In some cases, remedial action included the payment of compensation to individuals who were the victims of the harassment and discrimination. Additionally, in some cases, associates brought legal claims, which were resolved by the Company through the payment of compensation. The total amount of compensation related to allegations of harassment and discrimination was less than €1 million.

Methodology

For the measures against violence and harassment in the workplace KPIs, the scope is all associates. Employees working for franchisees/affiliates or joint ventures are not included. Ahold Delhaize and its brands provide various options for associates to report misconduct, including through the use of Speak Up lines.

For the purposes of this reporting, we define discrimination and harassment as:

Discrimination

Discrimination occurs when an individual is treated less favorably by comparison to how others, who are in a similar situation, have been or would be treated, and the reason for this is a particular characteristic they hold, which falls under a “protected ground.”

Harassment

Harassment occurs when unwanted conduct related to a protected ground of discrimination (for example, gender, religion or belief, disability, age or sexual orientation) occurs with the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment.



Sustainability notes continued

Social indicators continued



Data collection and considerations

Ahold Delhaize and its brands provide options for associates to report misconduct, including through the Speak Up lines. Ahold Delhaize and its brands track instances of alleged discrimination and harassment in the Speak Up management system, which contains both reports from associates and allegations entered through the case management system. Employees working for franchisees/affiliates or joint ventures are not included.

We disclose the number of severe human rights incidents (e.g., forced labor, human trafficking or child labor) in the reporting period. Information regarding such incidents is maintained in the Speak Up line case management system.

Workers in the value chain

Performance indicator description	2024	2023
% of production sites of own-brand products in high-risk countries audited against an acceptable standard with a valid audit report or certificate and no non-compliance on deal-breakers ¹	77%	78%
% of production sites of own-brand products in high-risk countries audited against a stepping-stone standard with a valid audit report or certificate and no non-compliance on deal-breakers ¹	17%	18%
% of production sites of own-brand products in high-risk countries audited against an acceptable or a stepping-stone standard with a valid audit report or certificate and no non-compliance on deal-breakers ¹	93%	96%
Total number of own-brand production units identified with a deal-breaker during the reporting period	6	Not reported ²
Total number of own-brand production units identified with a deal-breaker that was resolved during the reporting period	3	

1. The 2023 figures exclude FreshDirect.

2. The comparative figures on deal-breakers and resolved deal-breakers are not available, as these are new metrics added in 2024.



Methodology

Production sites in high-risk countries (as defined based on the amfori BSCI Country Risk Classification) must comply with amfori BSCI or equivalent audit or certification standards. The amfori BSCI is a non-profit organization that supports more than 1,000 international companies in the process of monitoring and improving working conditions in the global supply chain through its own auditing program.

To determine the production sites to be included in the scope of this definition, the LSOP is used. For social compliance, that means that we look beyond the first-tier suppliers and focus our requirements on the stage that involves labor to produce or process the final product. For unprocessed fruit and vegetables, the LSOP is at the farm and packing station levels. The LSOP excludes (re-)packing in a non-high-risk country. For all processed own-brand products, the LSOP is at a manufacturing level.

Our European brands in the Netherlands, Belgium, Luxembourg, Czech Republic and Greece apply the definitions, as explained above.

For local production in high-risk countries (Serbia and Romania), we have a tailored approach, in which the brands operate in close cooperation with suppliers, resulting in a better understanding of potential local issues. Therefore, the minimum social compliance requirements for these domestic suppliers are set at the stepping-stone level and are not included in the percentage of production sites at the level of an acceptable standard reported above. If we include stepping-stone standards, we are approaching 93% (2023: 96%) of production locations audited or certified on social compliance.

amfori

For Ahold Delhaize, utilizing the amfori BSCI standard is a strategic choice for managing human rights impacts in the supply chain. amfori BSCI is a non-profit organization that supports more than 1,000 international companies in monitoring and improving working conditions in the global supply chain through its auditing program, which provides a recognized methodology for identifying and remediating risks in global supply chains. Its Code of Conduct is a commitment document for amfori members and their business partners (i.e., suppliers) to exercise human rights due diligence and environmental protection in their global supply chains, in line with internationally recognized principles.

Deal-breakers

If a social compliance audit identifies a serious compliance issue at one of our first tier suppliers, such as child labor, forced or bonded labor, or life-threatening health and safety situations, our brands will initially suspend orders from that supplier and work with the supplier to get the violation or adverse impact remediated. In practice, most of the deal-breaker cases involve occupational health and safety situations.

It is important to note that deal-breakers are monitored for all social audits we accept, regardless of whether the assurance is an audit report (e.g., amfori BSCI) or a certificate. In the case of an audit report, we receive the report, including deal-breakers that may have been identified. The certification standards we accept have a set of minimum requirements that cover the deal-breakers, which means that a supplier could not be certified if deal breakers were identified. Regardless of whether a supplier is audited or certified, if a serious allegation of a deal-breaker is raised at a first tier supplier (or elsewhere in our supply chain), Ahold Delhaize conducts a thorough investigation.



Sustainability notes continued

Social indicators continued

Data collection and considerations

All production units active at the end of the reporting period are in scope for reporting. Information on product social compliance is collected from suppliers and reviewed by internal teams to ensure all audits and certifications are valid and up to date.

As part of our project to improve ESG data collection and reporting, we determined that our U.S. brands are currently not applying the LSOP definition in full, as they do not consider the farm level as LSOP for unprocessed fruit and vegetables, but take the packaging facility/location of the local trading partner as LSOP. We have analyzed gaps due to the different interpretations of the definition, and now we are working toward closing them in 2025 and aligning with the definitions used by the European brands.

Customers' health and nutrition and access to healthy, affordable products

Performance indicator description	2024	2023
% of healthy own-brand food sales as a proportion of total own-brand food sales	52.4%	54.8%
Number of brands with customer-facing nutritional guidance systems in place	7	8

Methodology

We are using the *Guiding Stars* ratings for U.S. brands and the Nutri-Score criteria for European brands as our healthy sales standards.

For *Guiding Stars*, product scores are calculated using patented algorithms designed by independent nutrition experts using evidence-based science and recommendations from the USDA Dietary Guidelines for Americans. Data is derived from product nutrition labels, ingredient lists and the USDA's National Nutrient Database. Products with a net positive balance of dietary attributes and ingredients earn one, two or three *Guiding Stars*, indicating good, better and best nutritional quality. Products not meeting the standard earn zero stars. The program was introduced by Hannaford Supermarkets in 2006. For more information, visit the *Guiding Stars* website.

Nutri-Score uses an algorithm to identify how healthy a product is, taking into account product ingredients and nutritional values, derived from product nutrition labels. It translates the outcome into a score ranging from A to E. If a product earns an A or a B score, it is marked as a healthy product in our calculation of the performance indicator.

All of our European brands use the Nutri-Score criteria for measuring the healthy own-brand food sales performance indicator. The number of brands with customer-facing nutritional guidance systems in place excludes our brands in the CSE countries, because they do not have Nutri-Score in place as a customer-facing nutritional guidance system. For more information, see *Customers' health and nutrition* in the sustainability statements.

In 2022, the Nutri-Score algorithm was revised by Nutri-Score's scientific committee, and these changes had to be implemented by all our European brands. Overall, the revised algorithm (Nutri-Score 2.0) changed the points allocation so that products considered less healthy earn a lower score. This impacted the current A/B products (moving some products to lower scores, so they are now considered to be unhealthy) but also made it more challenging to reformulate products to earn an A or B score.

Nutri-Score 2.0 offers improved nutritional guidance, aligning better with public health goals such as improved differentiation between products, stricter criteria for sugar, salt, and fats, and better recognition of healthier oils. Furthermore, Nutri-Score 2.0 includes specific refinements for certain product categories to improve fairness and accuracy and focuses on promoting whole and minimally processed foods.

Our Dutch and Belgian brands transitioned to the Nutri-Score 2.0 algorithm at the beginning of 2024 with the remaining European brands to follow in 2025.

Data collection and considerations

Healthier eating data is collected on a quarterly basis through product and sales information system platforms at each brand.

Since there are some manual steps to the process, to monitor accuracy, our U.S. brands have additional controls in place and our European brands perform a verification on processed products each quarter.

Product safety: including health and safety and protection of vulnerable groups

Performance indicator description ¹	2024	2023
% of production sites of own-brand food products that are certified in compliance with an Ahold Delhaize-approved standard or comply with an acceptable level of assurance	99%	98%
% of high-risk non-food own-brand products that are produced in production units audited by an independent third party against an Ahold Delhaize-accepted standard, tested or where stepping-stone audits were used as an alternative ²	97%	97%

1. The 2023 figures exclude FreshDirect.

2. Note that this metric is different from the non-food metric reported in the Annual Report 2023, as this metric also includes stepping-stone audits in line with the ambition on non-food product safety. See also *Product safety* under *Social information*.



Sustainability notes continued

Social indicators continued

Methodology

All own-brand food production units must achieve certification by an Ahold Delhaize-approved standard. The small percentage of production units that cannot receive an Ahold Delhaize-approved standard must comply with Accepted Food Safety Assurance standards, the list of which is maintained by our Product Safety team.

For non-food safety, we report on products rather than production units, and the risk profile of the individual product is leading. Low-, moderate- and high-risk non-food products are defined as such based on a risk assessment. As the certification and testing requirements are only applicable for high-risk products and product testing can be used as an alternative for certification, we report on products instead of production locations. All production sites where high-risk products are produced must comply with audit standards or be adequately tested. A list of audit standards is maintained by the Ahold Delhaize Product Safety team.

To determine the production sites to be included in the scope of these reported food and non-food indicators, we use the LSOP, the entity that performs the LSOP or processing in the supply chain where food or non-food safety is impacted, as follows:

- For food safety: The location where the final consumer product (including packing in its primary packaging) is handled. Note that this is always a production site, and cannot be a DC, as it is about products sourced.
 - For unprocessed produce: Both the farm level and the packing station are considered an LSOP for food safety.
- For non-food safety: The location where the final consumer product (excluding packing) is produced or assembled.

Our European brands apply the definition of LSOP as explained above.

As part of our project to improve ESG data collection and reporting, we determined that our U.S. brands are currently not applying the LSOP definition in full, as they do not consider the farm level as LSOP for unprocessed fruit and vegetables, but take the packing facility/location of the local trading partner as LSOP. We aim to work toward closing this gap and aligning with the definition used by the European brands.

In addition, we have identified that the data source used by our U.S. brands to identify own-brand food products is focused on private label products rather than the full own brand-portfolio. This results in a gap in the data used for this KPI. In 2025, we will continue working toward closing the gap.

Data collection and considerations

Audits are performed by third-party verification bodies. Information on this is collected from suppliers and reviewed by internal teams to ensure all certifications are valid and up to date.

In addition to the indicators reported on in these statements, we also work to ensure that all products our brands sell are safe to consume and use, and we do this through our policies, control framework and standard operating procedures. We take responsibility for maintaining the highest levels of product safety for our own-brand products. We work to ensure they are safe; produced in clean, efficient facilities; and clearly and accurately labeled. Product safety for national-brand products is the responsibility of the national-brand suppliers.

To drive global food safety, we take an active role in various standards committees and working groups. We support the CGF's GFSI standards to advance the safety of food products. As an active contributor to organizations such as BRCGS and GLOBALG.A.P., we help develop and maintain the highest standards.

In addition, we have clear policies and procedures in place to ensure the products in our DCs and stores are safe to use or consume. Before products enter our brands' facilities, temperature and expiration dates are verified and daily quality checks are done in both DCs and stores. Our brands also provide training to associates on a regular basis.

If a product is found to be materially unsafe to consume or use, we take corrective action and immediately remove it from the stores and recall it from the market. This process can be performed in a very short timeframe and associates are trained on it as a part of Ahold Delhaize's food safety management system.

See our website at www.aholddelhaize.com for more information on the product safety standards we adhere to.