

strategy day 2024

opening & group strategy update

Frans Muller



cautionary notice

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

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

Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause the actual results of Koninklijke Ahold Delhaize N.V. (the “Company”) to differ materially from future results expressed or implied by such forward-looking statements. Such factors include, but are not limited to, risks relating to the Company’s inability to successfully implement its strategy, manage the growth of its business or realize the anticipated benefits of acquisitions; risks relating to competition and pressure on profit margins in the food retail industry; the impact of economic conditions, including high levels of inflation, on consumer spending; changes in consumer expectations and preferences; turbulence in the global capital markets; political developments, natural disasters and pandemics; wars and geopolitical conflicts; climate change; energy supply issues; raw material scarcity and human rights developments in the supply chain; disruption of operations and other factors negatively affecting the Company’s suppliers; the unsuccessful operation of the Company’s franchised and affiliated stores; changes in supplier terms and the inability to pass on cost increases to prices; risks related to environmental, social and governance matters (including performance) and sustainable retailing; food safety issues resulting in product liability claims and adverse publicity; environmental liabilities associated with the

properties that the Company owns or leases; competitive labor markets, changes in labor conditions and labor disruptions; increases in costs associated with the Company’s defined benefit pension plans; ransomware and other cybersecurity issues relating to the failure or breach of security of IT systems; the Company’s inability to successfully complete divestitures and the effect of contingent liabilities arising from completed divestitures; antitrust and similar legislation; unexpected outcomes in the Company’s legal proceedings; additional expenses or capital expenditures associated with compliance with federal, regional, state and local laws and regulations; unexpected outcomes with respect to tax audits; the impact of the Company’s outstanding financial debt; the Company’s ability to generate positive cash flows; fluctuation in interest rates; the change in reference interest rate; the impact of downgrades of the Company’s credit ratings and the associated increase in the Company’s cost of borrowing; exchange rate fluctuations; inherent limitations in the Company’s control systems; changes in accounting standards; inability to obtain effective levels of insurance coverage; adverse results arising from the Company’s claims against its self-insurance program; the Company’s inability to locate appropriate real estate or enter into real estate leases on commercially acceptable terms; and other factors discussed in the Company’s public filings and other disclosures.

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

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



welcome to our

2024 strategy day



Frans Muller

President and Chief Executive Officer



Jolanda Poots-Bijl

Chief Financial Officer



JJ Fleeman

Chief Executive Officer
Ahold Delhaize USA



Wouter Kolk

Chief Executive Officer
Europe and Indonesia



Ben Wishart

Chief Technology Officer



Natalia Wallenberg

Chief Human Resources Officer



Linn Evans

Chief Legal Officer



Alex Holt

Incoming Chief Sustainability Officer

welcome to our

2024 strategy day

01

**Opening
& Group
Strategy**

02

**U.S.
Regional
Strategy**

03

**EU&I
Regional
Strategy**

04

**Deep
Dives**

- People & Communities
- Own Brand
- Technology & AI

05

**Financial
Ambitions**

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





63M weekly customers



16 great local brands



>7,700 stores



9 countries, 3 continents



>400,000 associates



triple A MSCI rating



relentless innovation



omnichannel offerings



deeply rooted in communities





our vision

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



our purpose

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



bringing our purpose to life in **our local communities**

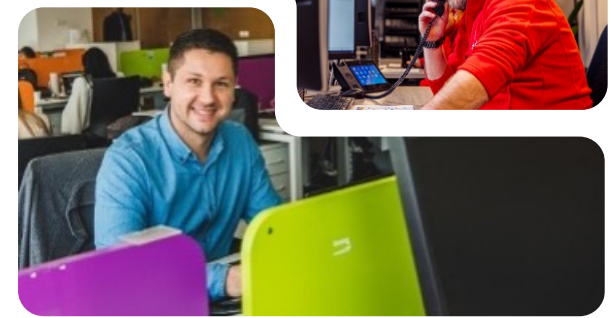
**The Global
FoodBanking
Network**
sponsorship

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



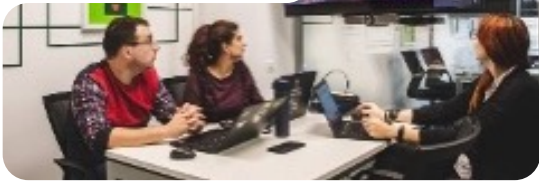
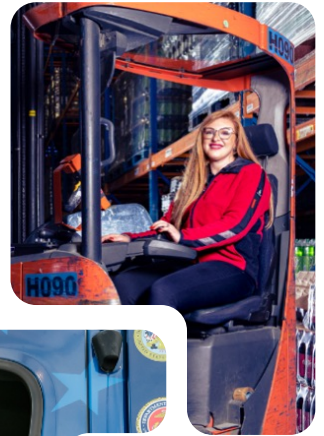
Note: (1) Total donation amount includes charitable, cash equivalent of product and food donations





our ambitions are realized by our people

thriving people



our values

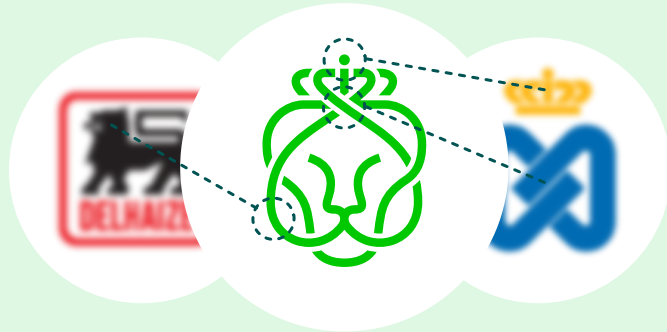
teamwork
care
humor

integrity
courage



our foundation has positioned us well for future success

2016 - 2018
**better
together**



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

2019 - 2023
**leading
together**



unlocked value by further leveraging
transatlantic and regional scale

2024+
**growing
together**



refreshed purpose, vision, strategic priorities

built
a strong foundation

accelerating
what makes a difference



our strategy has driven a series of big wins

selected examples (2019-2023)



people win



evolved foundational capabilities



built award-winning loyalty programs



achieved triple A rating by MSCI



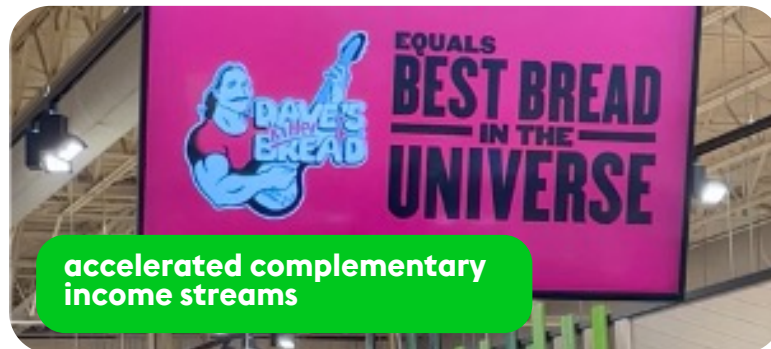
strengthened leading positions in e-commerce



transformed our business model for profitable growth



supported our communities especially through Covid-19



accelerated complementary income streams



unlocked additional growth through acquisition

we have demonstrated strong performance
across all key metrics

incremental sales of

>€22bn

since 2019

growing net consumer
online sales

27% CAGR

since 2019

consistent industry
leading margins

>4%

**sales
& profit**

free cash flow

>€8bn

2020-2023

growing underlying EPS

10% CAGR

since 2019

increasing
dividend per share

10% CAGR

since 2019

**cash flow
& capital structure**

healthy sales

54.8%

of total (+6.9pp vs 2019)

food waste reduction

37%

vs 2016 baseline

absolute carbon emission
reduction scope 1&2

35%

vs 2018 baseline

**health
& sustainability**

**our growing
together strategy**

**our
purpose**

**our
vision**

**our
values**

**our
strategic
priorities**

**our
growth
model**

**our
ambitions**

our growth model



our growth model



our strategic priorities

trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

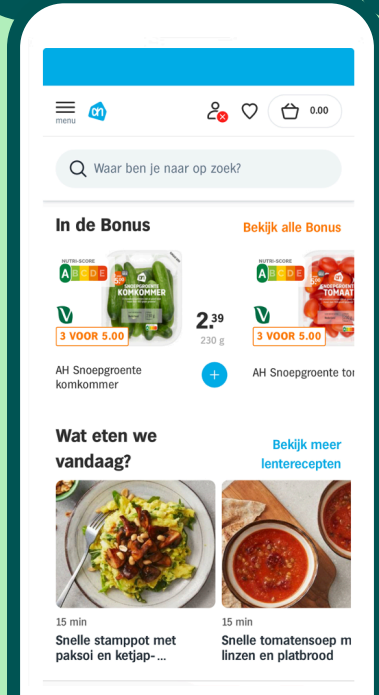
thriving people

80%

~45%



own brand food share



omnichannel loyalty sales

invest in our winning CVP
deliver trusted products, vibrant customer experiences and support healthy communities & planet



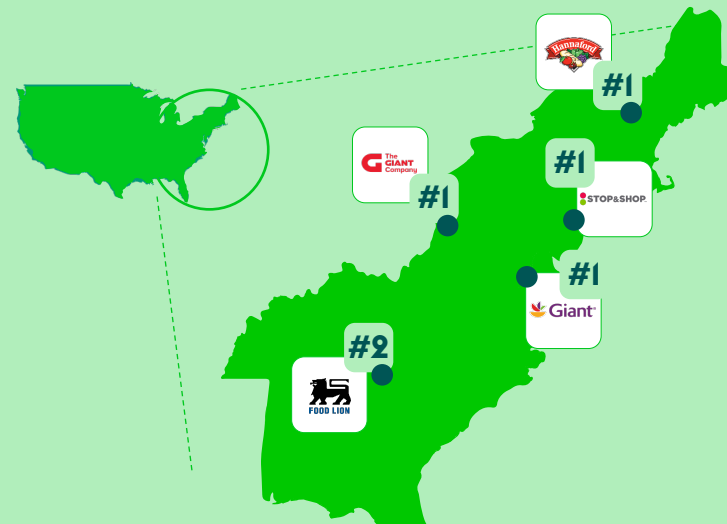
€55bn

net total sales

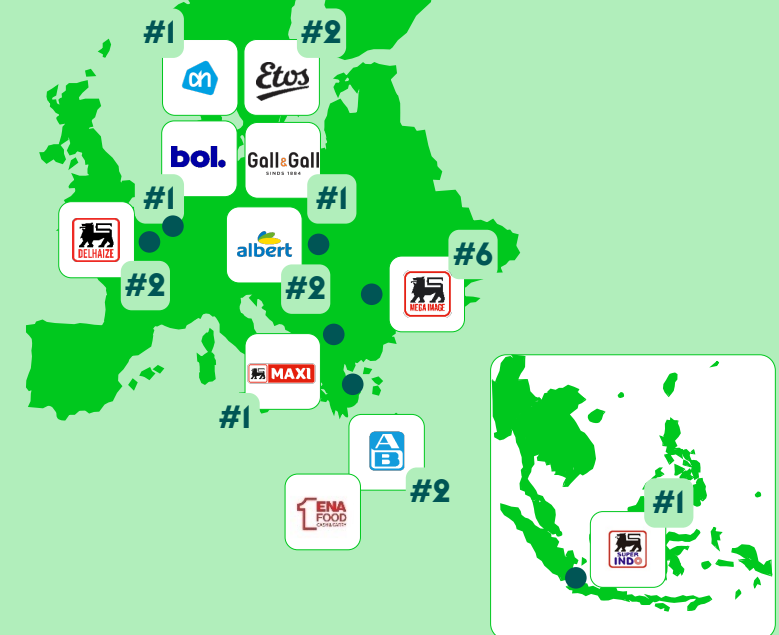
€34bn

net total sales

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



AD USA



AD EU&I

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

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

FOOD LION



densify & expand markets



STOP&SHOP

timely interventions when and where required



BILO

Jan Linders

actively pursue bolt-on acquisitions and partnerships

innovate for growth
and efficiency

drive growth
through
innovation
and new
business

unlock deeper
data analytics
& AI
capabilities



test, learn,
scale
mechanization
and
automation



accelerate
retail media



seize circular
business model
opportunities



explore new
capability and
business model
innovation
throughout the
ecosystem



deliver for
**our healthy
communities
& planet**

net zero

scope 1 & 2 by 2040
scope 3 by 2050

food waste

50%

reduction by 2030³

scope 1 & 2

50%

reduction by 2030¹



healthy sales

material growth

across the full store

scope 3

30% / 42%

FLAG / non-FLAG reduction by 2030²

virgin plastic

5%

reduction across own brands
by 2025 vs 2021 baseline



Note: ¹ vs 2018 baseline and short term target of 38% reduction by 2025; ² vs 2020 baseline; ³ vs 2016 baseline



**save for
our customers**

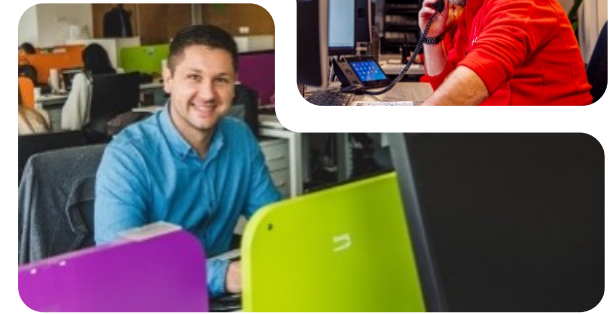
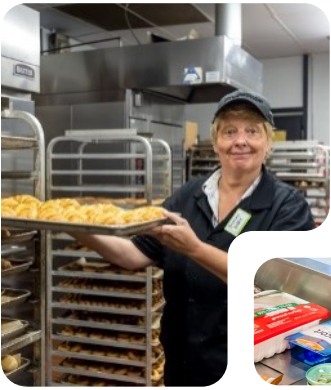
**sourcing
alignments**

**supply
chain**

**store
operations**

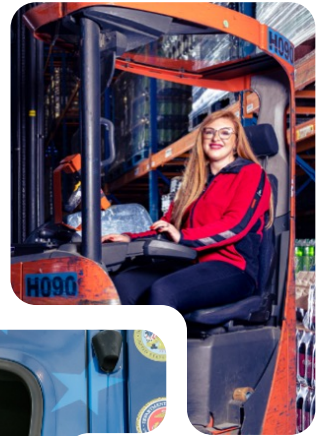
**winning
with
tech & AI**

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



our ambitions are realized by our people

thriving people



4% growth

CAGR net sales

4% UOM

on average

high-single-digit

EPS growth

(diluted underlying EPS)

€3bn

**complementary
income streams**

€5bn savings

save for our customers

intention for

€1bn

annual share buy-back¹

~3%

gross cash capex

as % of sales

€9bn

free cash flow

(post-tax)

**increasing
dividend¹**

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

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

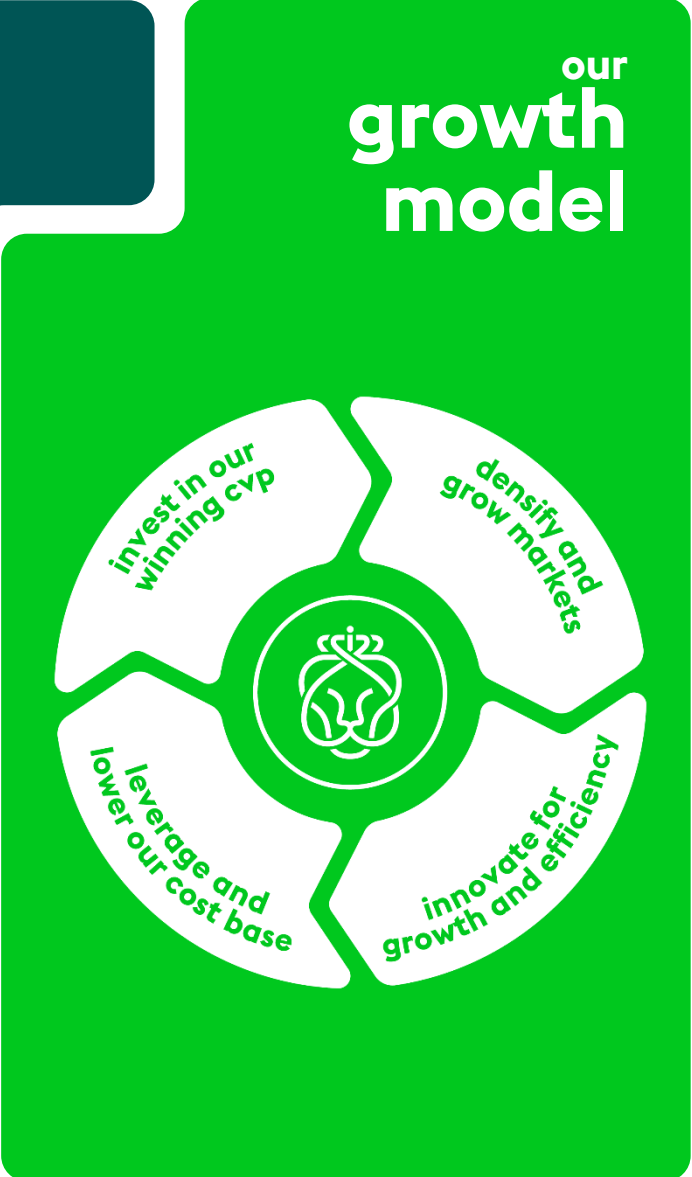
¹: Management remains committed to our share buyback and dividend programs, but, given the uncertainty caused by the wider macro-economic consequences due to increased geopolitical unrest, management will continue to monitor macro-economic developments. The program is also subject to changes resulting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

our growing together strategy

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

our vision
together, we are your trusted local food retailer

our values
integrity care
courage humor
teamwork



our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions
2025-2028

strategy day 2024

ahold
delhaize USA

JJ Fleeman



welcome to our

2024 strategy day

01

**Opening
& Group
Strategy**

02

**U.S.
Regional
Strategy**

03

**EU&I
Regional
Strategy**

04

**Deep
Dives**

- People & Communities
- Own Brand
- Technology & AI

05

**Financial
Ambitions**

FOOD LION

 **Giant**[®]

 **The GIANT Company**



 **STOP&SHOP**[®]

the local brands of ADUSA comprise
the largest grocery retail group on the East Coast

consistent

UOM
performance



24m

customer trips
per week

>100
years
of heritage

>2040

stores across
19 states



1bn

meals
donated
since 2020



digitally engaged
customers since 2019

2x

5

great local
brands

\$59bn

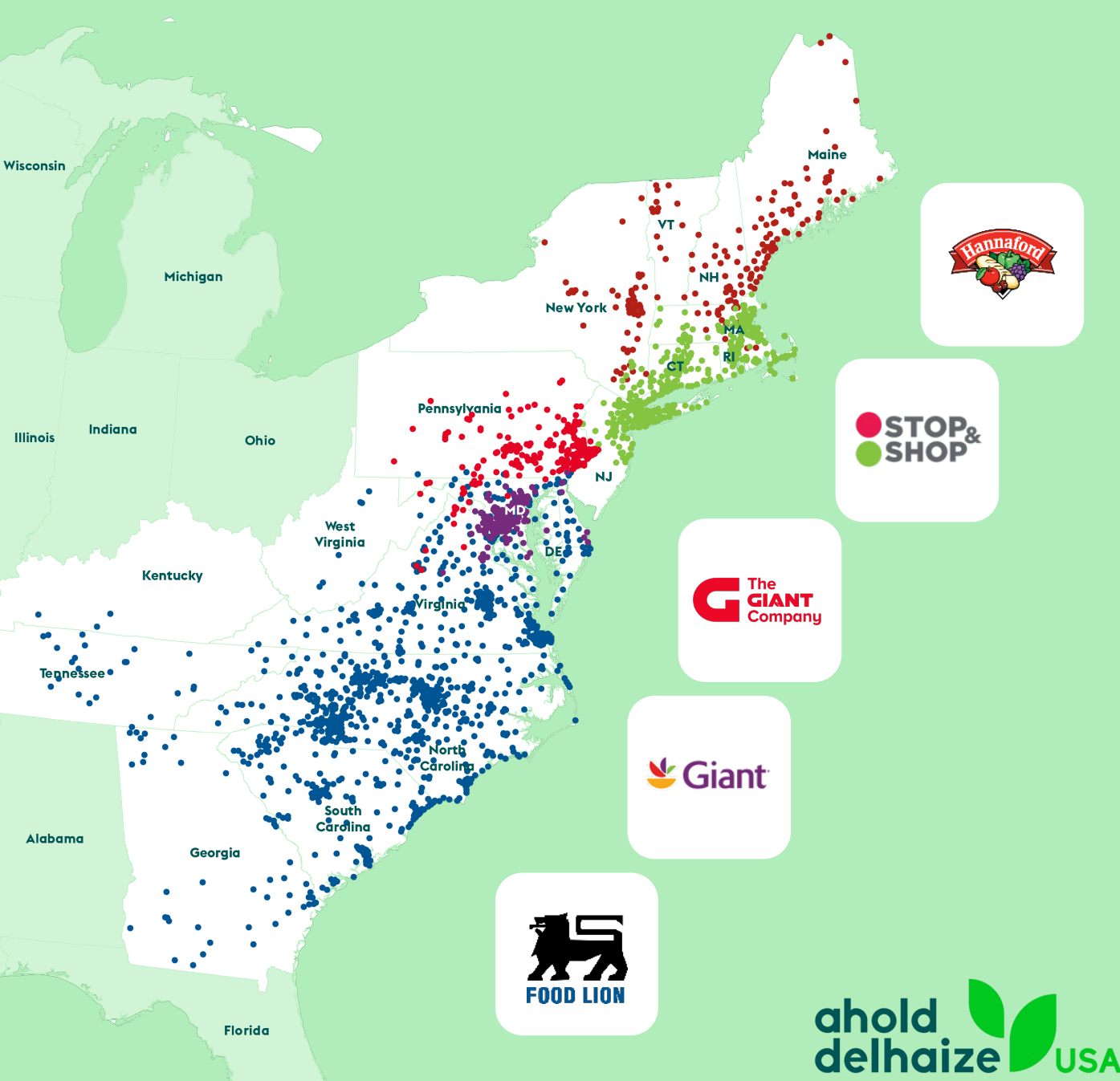
U.S. sales
in 2023



key
community
partners

>225k

associates across
all companies



deep local connections & significant scale is a winning combination

driving relative market share and brand strength

>7%
sales CAGR '19 – '23

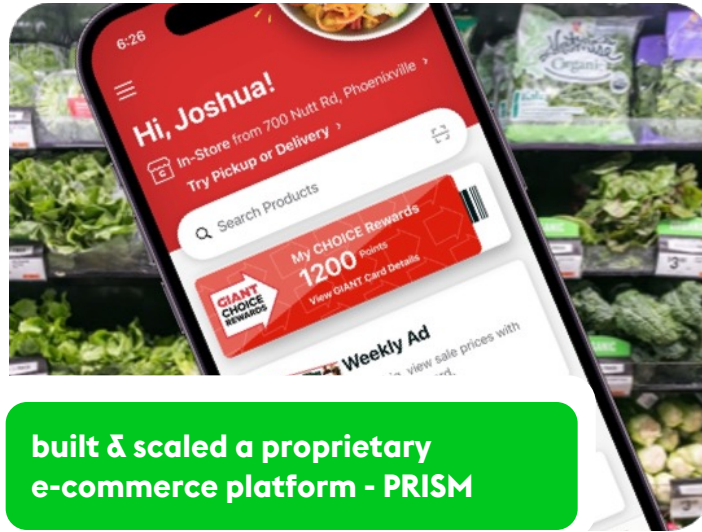
>43%
e-commerce sales CAGR '19 – '23

>85%
DMAs¹ with positive share growth since '19



Note 1: DMA = designated market area

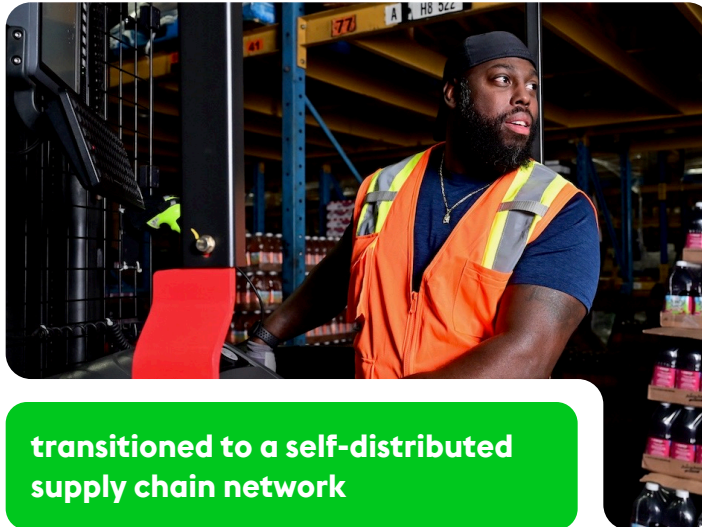
bold steps taken to strengthen the U.S. business are delivering results



built & scaled a proprietary e-commerce platform - PRISM



developed the click & collect and delivery infrastructure



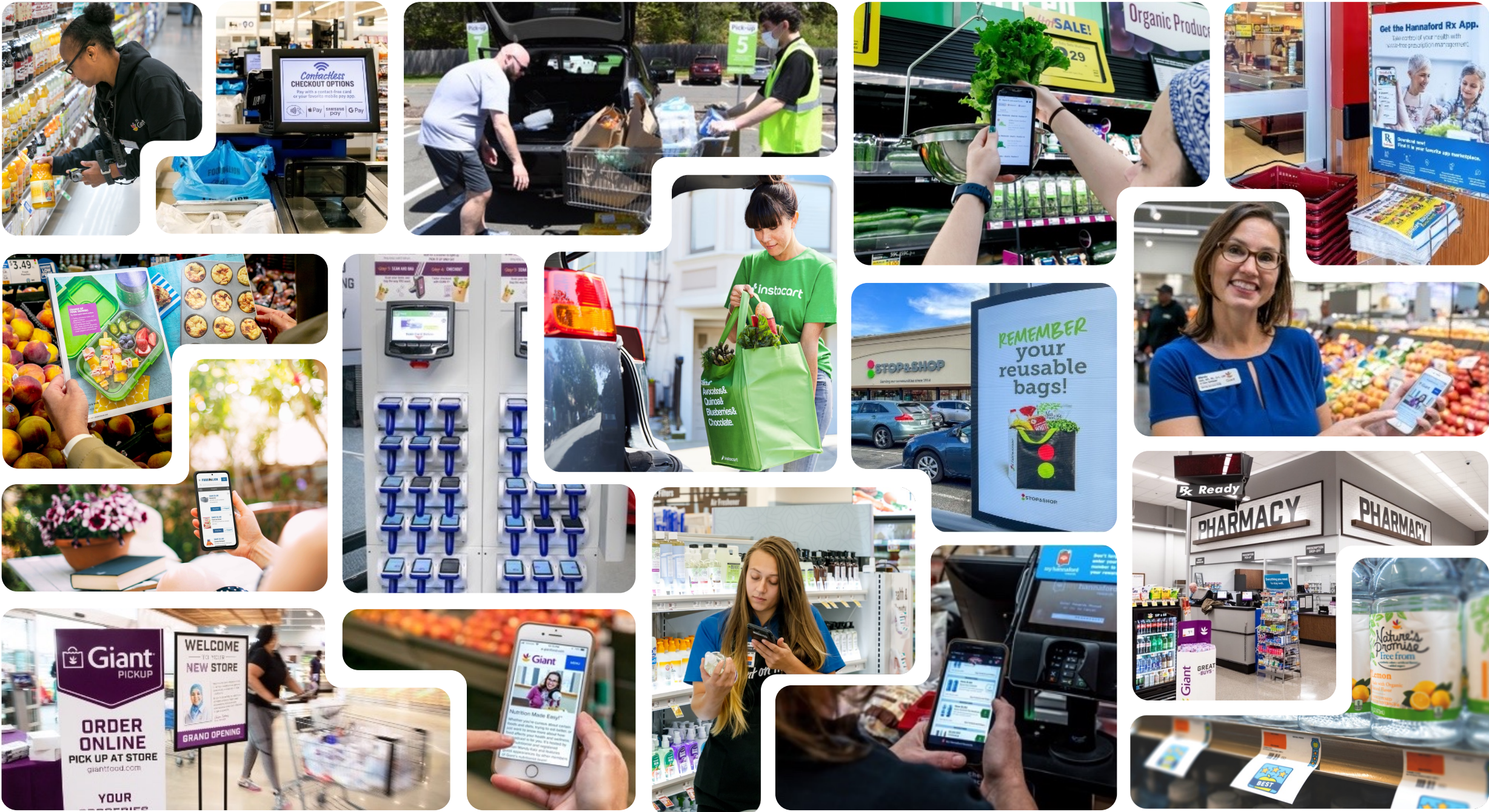
transitioned to a self-distributed supply chain network



executed operational programs and actions to drive efficiencies

85%
supply chain volume self distributed

>99%
customers with access to pick-up or delivery



our growth model



our strategic priorities

trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

thriving people

densify and grow markets

we have a focused portfolio approach to expand our winning positions and optimize high quality growth over the next 4 years



~1000

new stores & remodels to expand our reach

leading

with own brands to further drive our winning CVP

>\$1bn

price investments to further accelerate value proposition

growing

complementary income streams to reach more customers

>50%

digital engagement to create loyalty & connection

reducing

operating costs through robust efficiency programs

FOOD LION

solutions for you.







Garden

So many stone fruit

White Peaches
Creamy pale yellow flesh—less tart with extra sweet flavor.

Willow Peaches
Deep yellow inside with a balance of sweet and tart flavors.

Nectarines
Firm texture and a sweet-tart flavor similar to a peach.

Plums
Sweet juicy fruit with a smooth, firm skin that turns red and to purple inside.

Apricots
Golden-orange fruit with a smooth, firm texture and a sweet-tart flavor with a hint of almond.

High standards.
Low prices.

Cut by hand every day

4/5
TROPICAL MANGOES







densify and grow markets
across the mid-
Atlantic region,
The GIANT
Company is
focused on...

Connecting
families
for a
better future



The
GIANT
Company

fresh, modern,
and sustainable
remodels

strategic price
investments

new stores
and formats

differentiating
with kindness

freshness

delivering
savings &
rewards

densify and grow markets

we've made investments to improve the Stop & Shop brand and have launched customer-centric offerings



remodeled stores with expanded services

strengthened the value proposition

e-commerce efficiency



densify and grow markets

Stop & Shop is focusing on its next phase



improving the cost structure

optimizing the footprint

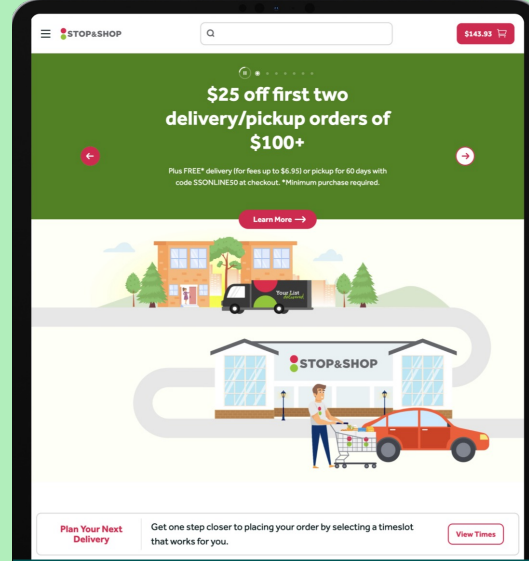
delighting the customer through CVP differentiation



**fresh and unique
assortment
available in every
shop**



**personalized
value every day,
every way**



**one-of-a-kind
omnichannel
experiences and
solutions**

**invest in our winning CVP
the delivery of
our customer
experience will
grow trips &
baskets**



fresh

local

healthy & sustainable

invest in our winning CVP
we differentiate on quality with fresh, local, healthy & sustainable trusted products

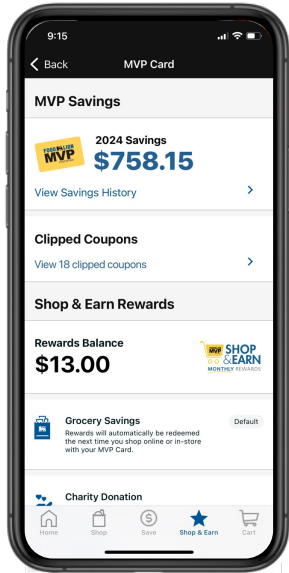
95%

baskets with own brand products

own brands of ADUSA



everyday value



personalized loyalty rewards & coupons



invest in our winning CVP
**personalized
everyday value**

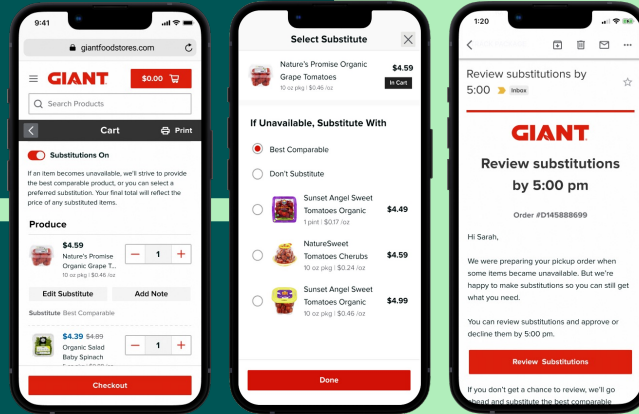
delivering everyday low
prices and value through
award-winning loyalty
programs

>\$1bn

investments in
price by 2028

personalized

proprietary algorithms to create a one-of-a-kind shopping experience



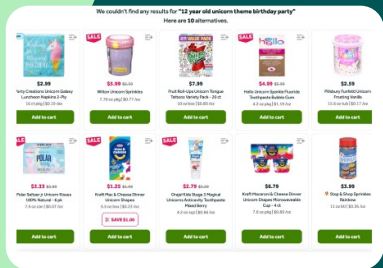
flexible

leveraging GenAI to anticipate customer's preferences to grow baskets while improving the experience



delightful

inspiring customers across physical and digital channels with shoppable recipes



convenient

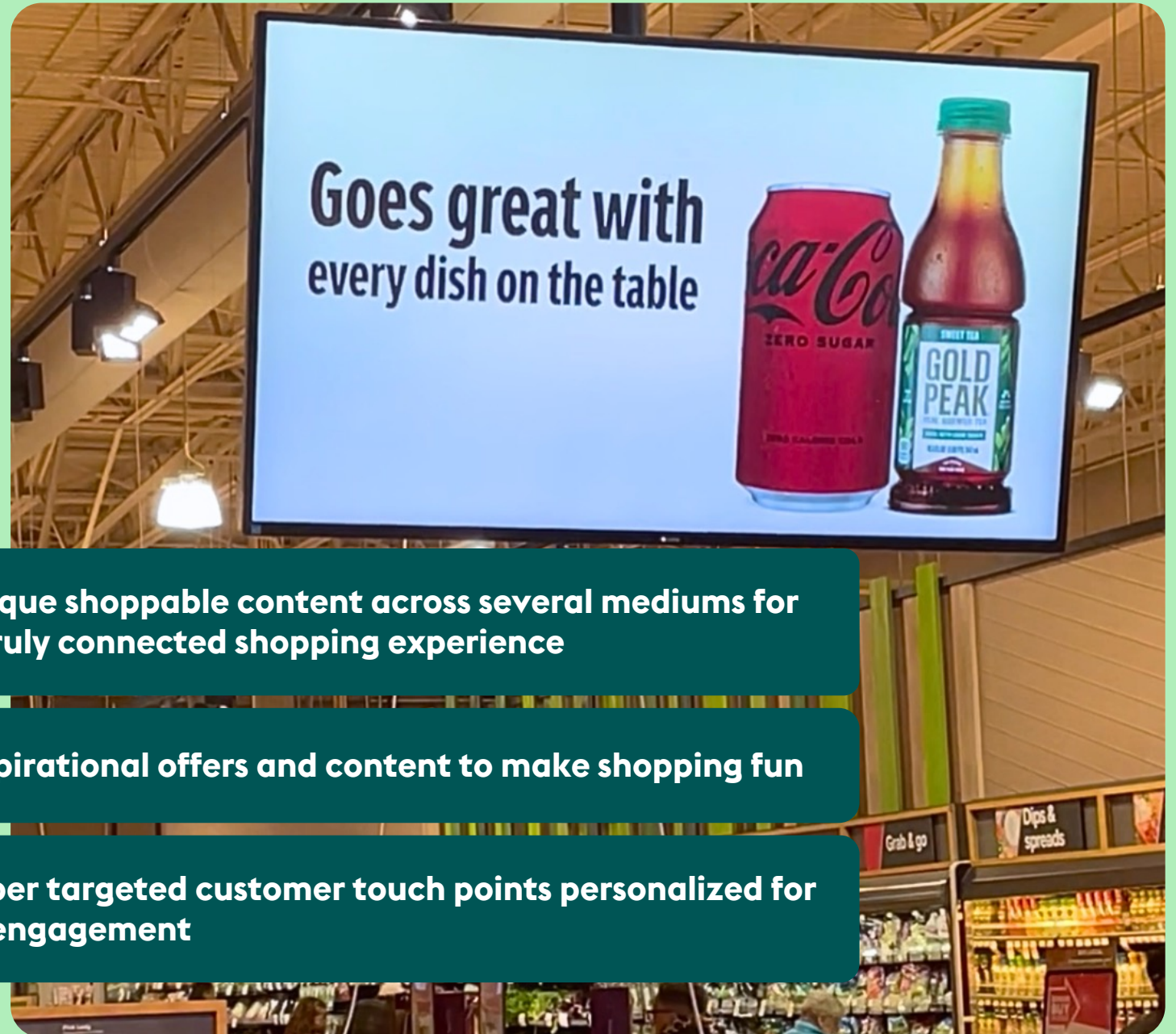
creating frictionless touchpoints, eliminating clicks and driving conversion rates by enabling shopability across the customer journey

invest in our winning CVP
we're leading with digital and omnichannel capabilities to create a modern, tech-enabled experience

innovate for growth
and efficiency

**we've built a strong
media business and
we're accelerating it**

complementary income streams
make the shopping experience
better for the customer...



**unique shoppable content across several mediums for
a truly connected shopping experience**

inspirational offers and content to make shopping fun

**hyper targeted customer touch points personalized for
1:1 engagement**



**simplified
U.S. operating
model**



**supply chain
& e-commerce
efficiencies**



**leverage
tech & AI**



**save for our
customer**

**leverage and lower
our cost base**

**we're focused
on operating
efficiently,
generating fuel
to fund our
growth strategy**

we're committed to
**supporting our
healthy communities
& the planet**

healthy
communities

lbn

meals donated
since 2020

healthy
people



GUIDING STARS[®]
NUTRITIOUS CHOICES MADE SIMPLE

*Nature's
Promise*

healthy
planet

net zero

scope 1 & 2 by 2040
scope 3 by 2050

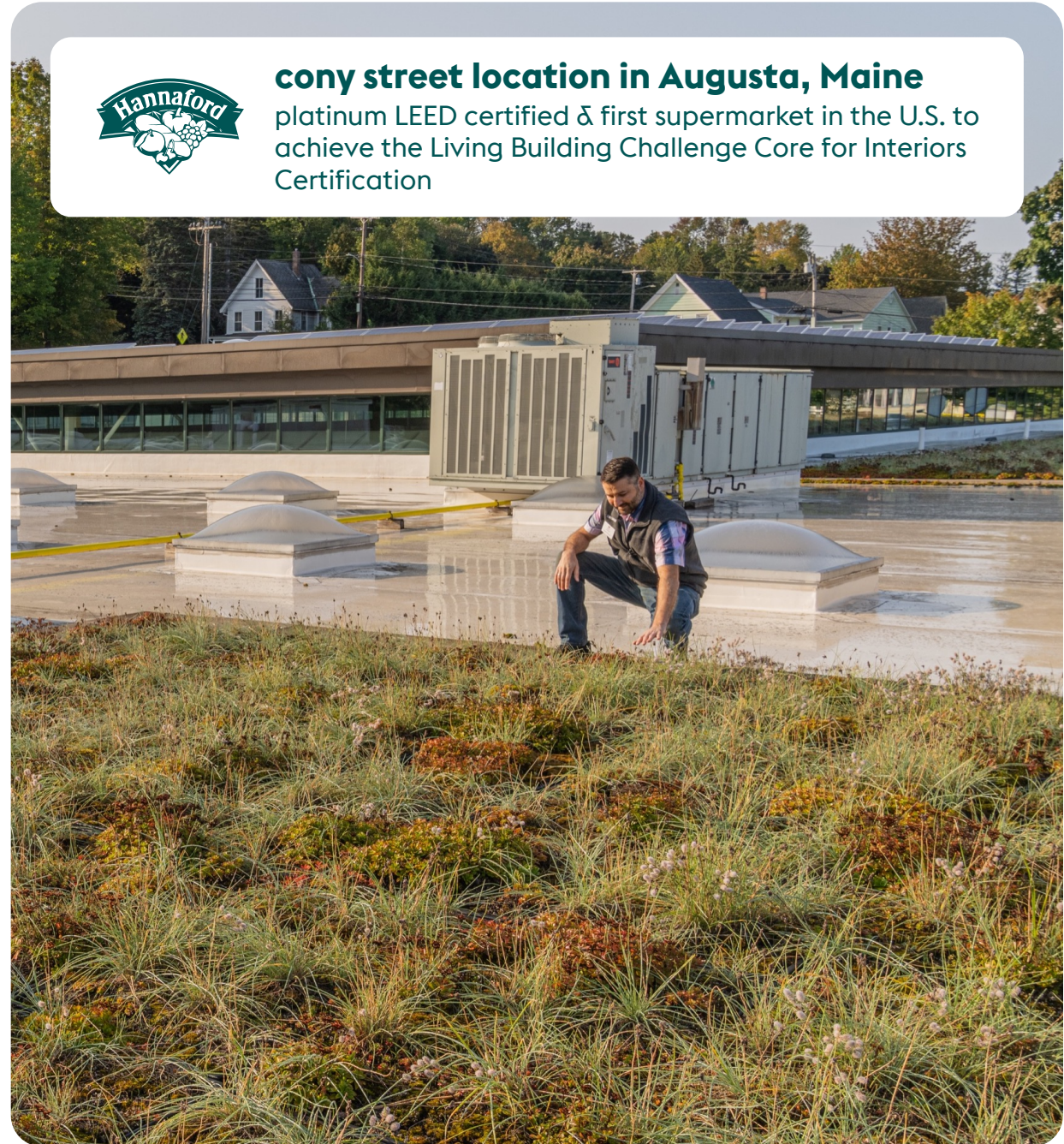
-50%

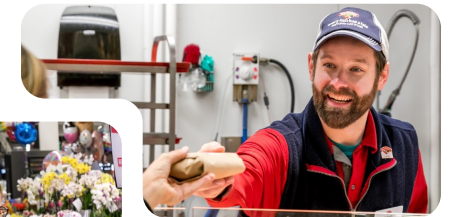
food waste
by 2030



cony street location in Augusta, Maine

platinum LEED certified & first supermarket in the U.S. to
achieve the Living Building Challenge Core for Interiors
Certification

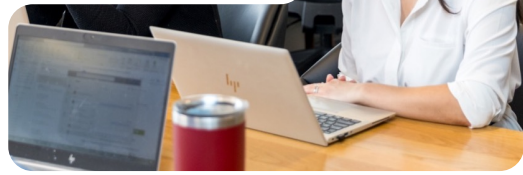




passionate people
are at the center of
everything we do



thriving
people



uniquely local, trusted retailers

unlocked by scale & leading capabilities

deeply rooted in communities

>50%

digital engagement by 2028

reduce
operating costs

lead with

own brands

>\$1bn

investments
in price by 2028

ahold
delhaize  USA



grow

complementary
income streams

 Giant



 The
GIANT
Company

FOOD  LION

 STOP & SHOP

~1000

new stores &
remodels

our growing together strategy

our purpose

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

our vision

together, we are your trusted local food retailer

our values

integrity care
courage humor
teamwork

our growth model



trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

thriving people

our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions

2025-2028

strategy day 2024

EU & I regional strategy update

Wouter Kolk



welcome to our

2024 strategy day

01

**Opening
& Group
Strategy**

02

**U.S.
Regional
Strategy**

03

**EU&I
Regional
Strategy**

04

**Deep
Dives**

- People & Communities
- Own Brand
- Technology & AI

05

**Financial
Ambitions**

AD EU&I is a front-running retail organization

Etos



>150
years
of heritage

>5600
stores across
Europe



ENA FOOD
CASH & CARRY

bol.



Gall & Gall
SINDS 1884

11
great local
brands

albert



Βασιλόπουλος
...και του πουλιού το γάλα!

~175k
associates

we have continued to drive growth across our markets

€34bn

net total sales
(2023)

7%

sales
growth
CAGR
(’19 – ’23)

3%

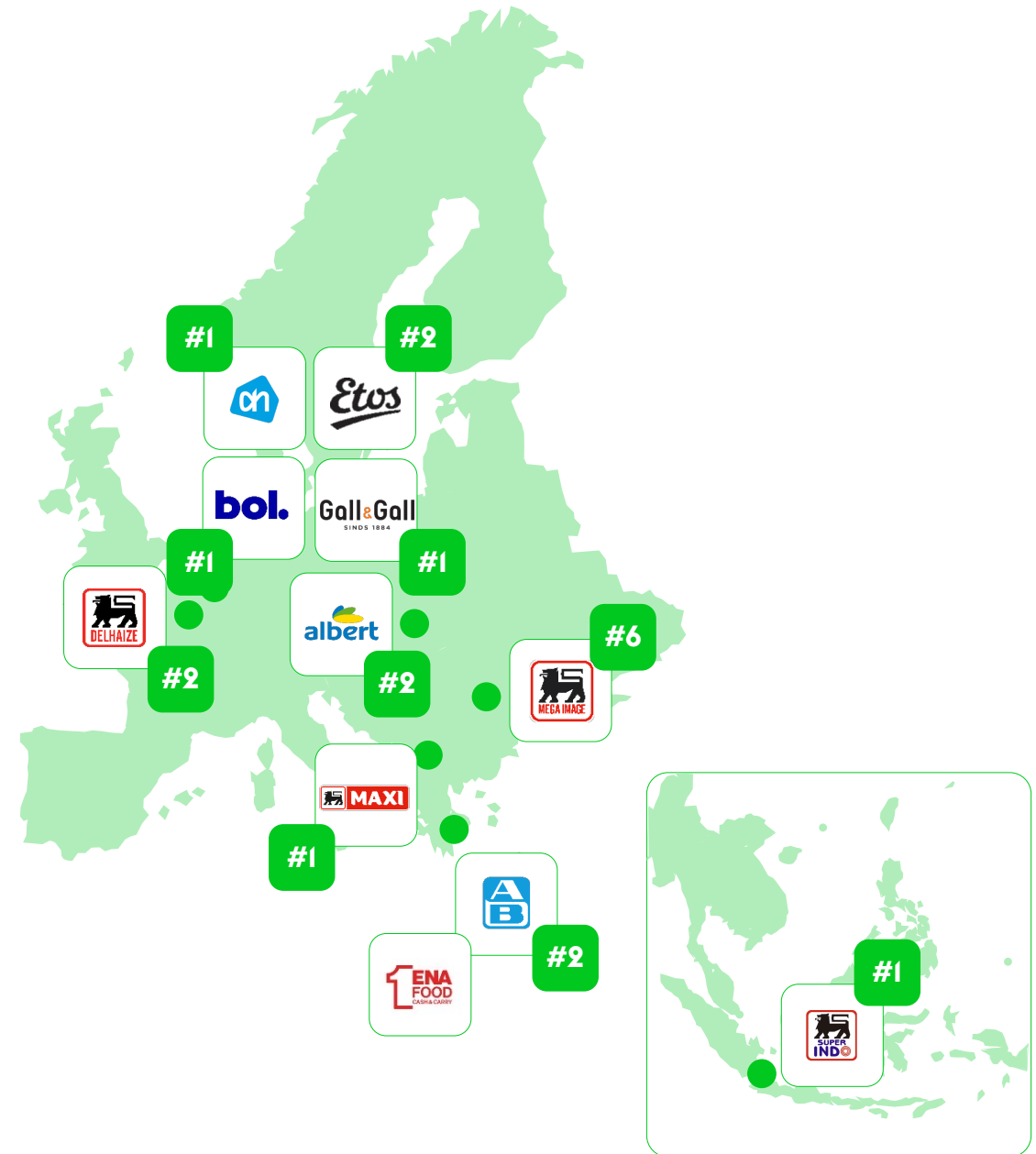
store growth CAGR
(’19 – ’23)

14%

e-commerce penetration
(including bol, 2023)

#1 or #2

leadership position
across almost all of
our markets



our past strategy has driven a series of big wins

7000

price favorites
scaled across
europe



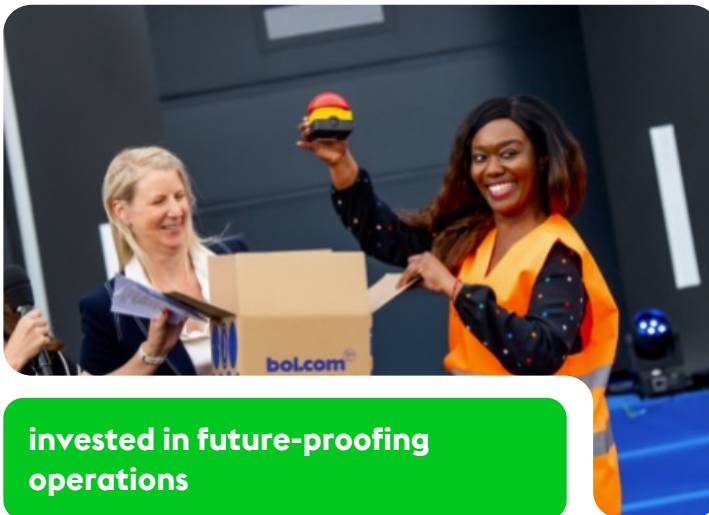
scaled own brands from NL to
other parts of Europe



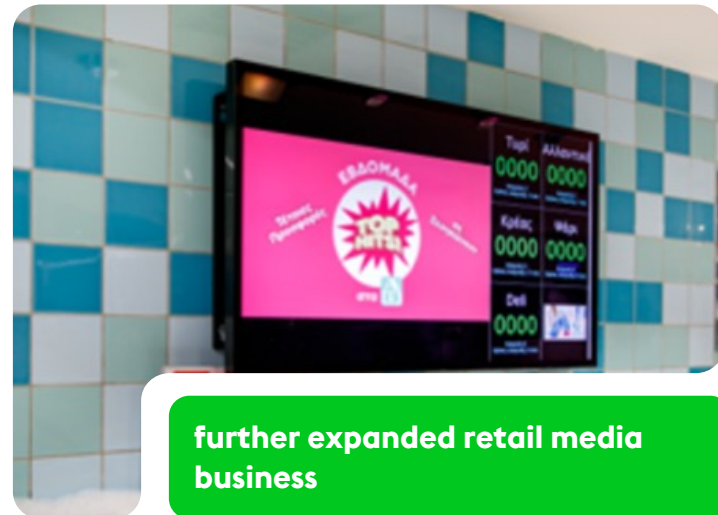
increased omnichannel
engagement with customers

1.5x

e-commerce
penetration
(since 2019)



invested in future-proofing
operations



further expanded retail media
business

54%

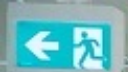
omnichannel loyalty
sales
(in 2023)

2x

save for our
customers
(since 2019)

5x

complementary
income streams
(2021-2023)



Wie wil er een ijsje?

Advertisement for 'Ruimte IJSJES' featuring various ice cream flavors like 'PERZIN IJSJES' and 'CHOCO'S'.

Wanneer kiezen echt te moeilijk is...

Geschikt voor oven en airfryer

Stel je eigen bittergarnituur samen.

Small cup €250 | Medium cup €350 | Large cup €500



re €10
slozegel.



our growing together strategy

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

our vision
together, we are your trusted local food retailer

our values
integrity care
courage humor
teamwork



our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions
2025-2028

what makes us stand out from others is
our purpose, local leadership and regional reach

**purpose
driven**

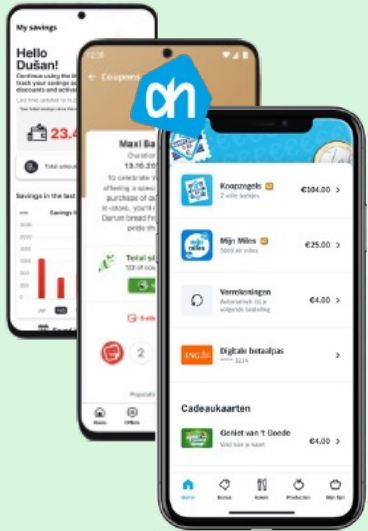


**deliver differentiated
experiences locally**

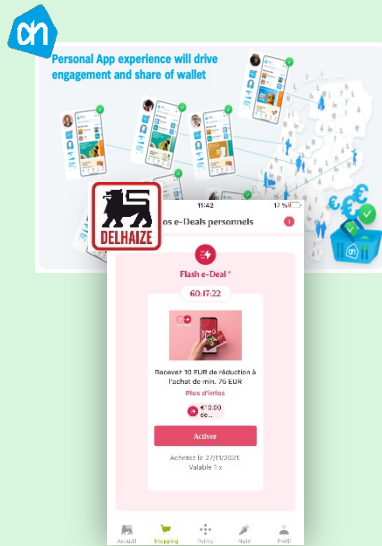


**scale capabilities
regionally**

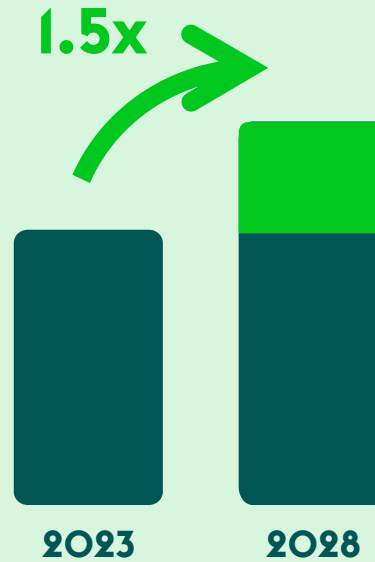
additional features for deeper engagement



a unique experience for every user



+~10% spend by app users



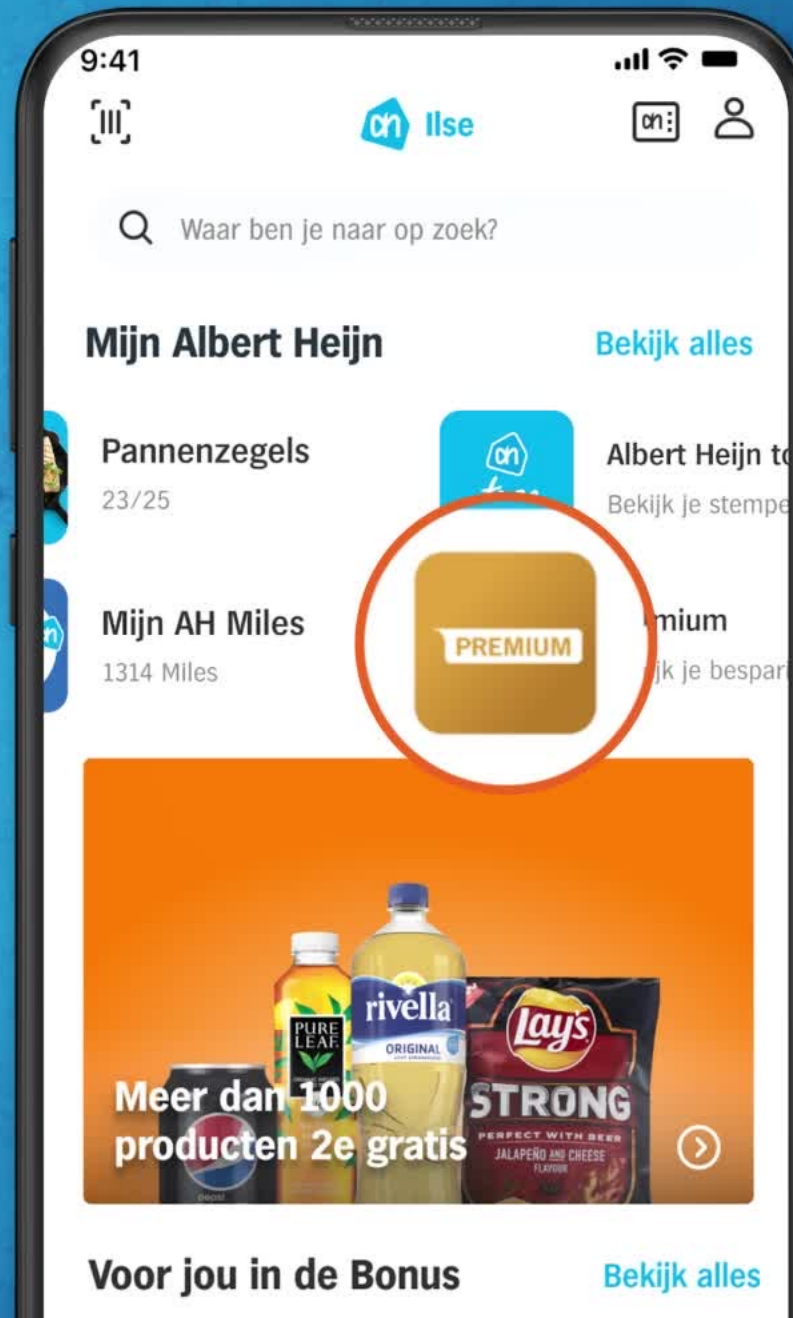
invest in our winning CVP engaging with our customers deeper than ever before

app first digital engagement

personalization & relevance

monthly active app users

Activeer Albert Heijn Premium.





ΠΡΟΣΟΧΗ:
Ο καθαρισμός της
επιφάνειας γίνεται
ΜΟΝΟ
με πανί και νερό.
ΝΑ ΜΗΝ
χρησιμοποιηθεί
κανένα καθαριστικό.





Mijn Tegoed





differentiation

be more innovative: local assortment that meets customers changing needs



healthier choices

support healthier choices: fruit & vegetable assortment, easily available in our convenience section



price favorites



more value

serve more customers: affordable & accessible products

joint development

across EU to maximize own brand capabilities

invest in our winning CVP
trusted products are a key part of our CVP

>98%

of baskets at Albert Heijn contain an own brand product









customer engagement

supporting customers to make healthier choices



Benieuwd naar de CO₂ uitstoot van dit product?

Dit staat vanaf nu steeds meer op eigen merk verpakkingen.

CO₂e
3,8 kg

low-carbon footprint products

informing customers on the impact of their choices



supplier & farmer engagement

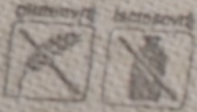
working closely with our extensive supply chain to reduce CO₂ emissions

invest in our winning CVP
we lead the way to a healthy & sustainable food system

SCHARRELEIEREN
EITSKLASSE A, GEWICHTSKLASSE S/M

10 stuks

Allergie-informatie:
bevat ei.



op te bewaren tot en met: zie bovenzijde
gekoeld bewaren (max. 7°C).

Voedingswaarde per 100 g: energie 544 kJ / 131 kcal,
vetten 9,1 g, waarvan verzadigde vetzuren 3,0 g,
waarvan onverzadigde vetzuren 4,5 g,
koolhydraten 0,2 g, waarvan suikers 0,2 g,
vezels 0 g, eiwitten 12 g, zout 0,38 g.

Dit is de uitstoot per kg
product in de gehele productieketen
t/m de winkel. Meer info op
ah.nl/klimaat

CO₂e
2,7 kg

Albert Heijn B.V.
Provincialeweg 11
1506 MA ZAANDAM
Nederland
ah.nl/ah.be

Eieren van verschillend
formaat. Minimum netto
gewicht 430 gram.



78402240



8 710



Benelux

the advanced growth model

densify and grow markets
we are leaders
in the Benelux
and are well
positioned
for continued
growth



>1m

members in the paid
loyalty program, premium



strongest

retail brand in Benelux
(9x in a row)



100%

of Delhaize stores sold
to local entrepreneurs







€5.8bn

GMV CAGR of 19%
(2019 – 2023)



strongest
local retail brand &
B-Corp status

7%
active
customers
growth CAGR
(2019-2023)

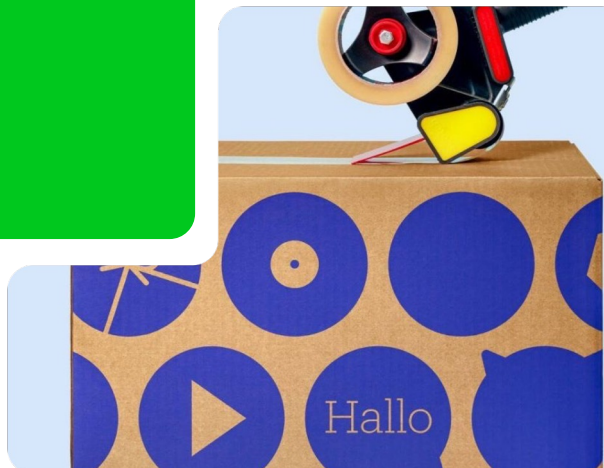
45%
advertising via bol CAGR
(2019-2023)



UOP
12.1% growth CAGR
(2019-2023)

>50K

partners
up 30K since 2019



50%
logistics via bol CAGR
(2019-2023)

~38m
products

densify and grow markets

we built a portfolio of brands that create impact for our customers & communities



harmonized organization
to drive efficiencies



top employer
in most CSE markets



multiple
sustainability awards

CSE

the growth opportunity

densify and grow markets
we combine
highly local
propositions
with regional
scale to
unlock value

regional strengths



stronger
product
portfolio



source
at scale



enhanced
customer
experience

densify and grow markets
our future plans
are being
supported by
deep local
engagement
and the scale of
our regional
portfolio

Benelux

the advanced growth model



grow through leading omnichannel model including personalization & complementary income streams



complete operating model turnaround & pursue dual brand expansion

CSE

the growth opportunity



integrate Profi & grow regional presence

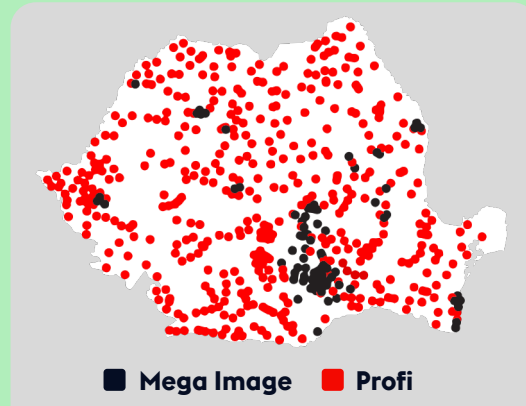


densify and grow markets

our planned acquisition of Profi is a great proof point of how we will grow regional presence

Profi

grow regional presence



densify

existing markets with geographical complementarity



strong format fit

and complementary customer propositions to Mega Image



strengthens

our relevance in the CSE region



innovate for growth
and efficiency

capture growth
through
innovation

retail media & insights monetization

retail media
growth

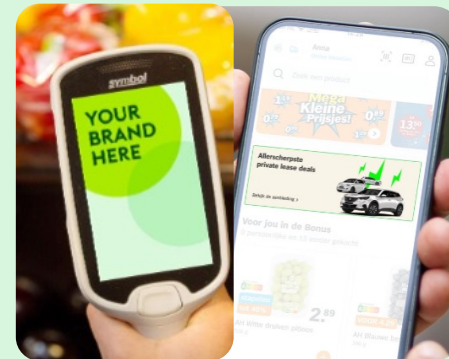
>2x



2023



2028



exploring new growth



refurbished at bol



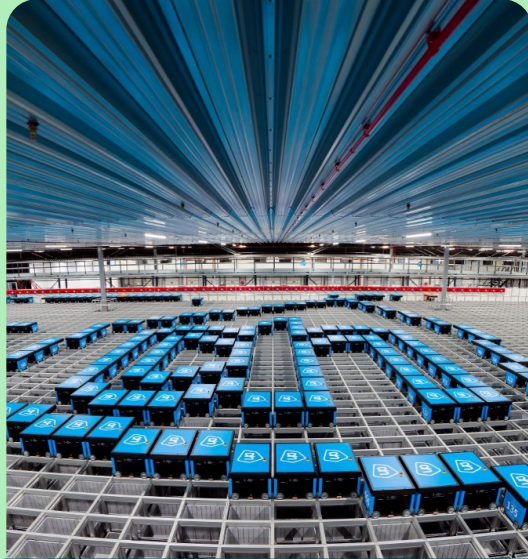
waste-to-value at Albert Heijn





**immediate
efficiency gains**

**joint
sourcing**



**future proof
operations**

**automation
& AI**



**scale partner models
to maximize efficiency**

**affiliate
model**

leverage and lower
our cost base

**unlock
a new level of
operational
excellence
and efficiency**

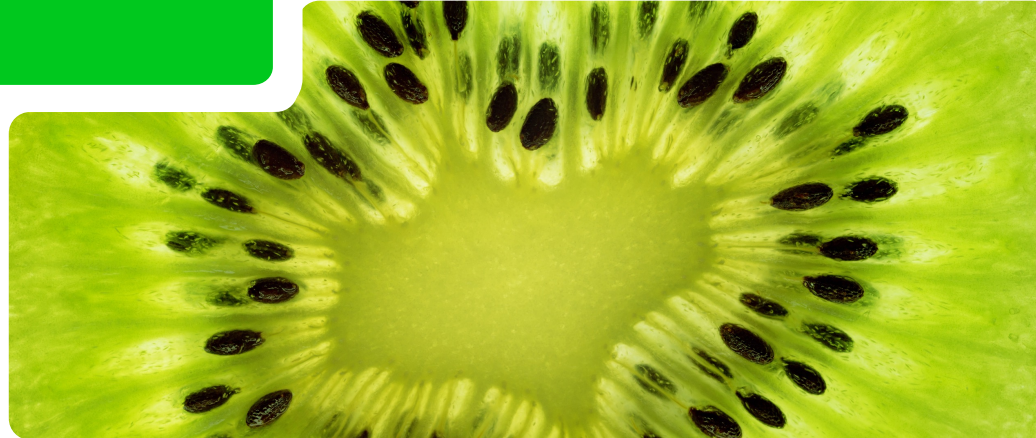
return to

**historical
profit levels**

be the #1 in every market for our
**customers
& employees**

15%

square meter expansion
in our footprint



leverage existing
infrastructure for
**new revenue
opportunities**

unlock efficiencies

from scaled sourcing, automation & AI

50%

growth in monthly
active app users

>2x

growth in retail media

our growing together strategy

our purpose

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

our vision

together, we are your trusted local food retailer

our values

integrity care
courage humor
teamwork

our growth model



trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

thriving people

our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions

2025-2028

strategy day 2024

growing together

Jolanda Poots-Bijl



welcome to our

2024 strategy day

01

**Opening
& Group
Strategy**

02

**U.S.
Regional
Strategy**

03

**EU&I
Regional
Strategy**

04

**Deep
Dives**

- People & Communities
- Own Brand
- Technology & AI

05

**Financial
Ambitions**

our growing together strategy

our purpose

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

our vision

together, we are your trusted local food retailer

our values

integrity care
courage humor
teamwork

our growth model



trusted product

vibrant customer experiences

healthy communities & planet

driving customer innovation

portfolio & operational excellence

thriving people

our strategic priorities

profitable growth...

industry leading margins

strong free cash flow

growing shareholder returns

...and delivering on our purpose

our ambitions

2025-2028

2021 investor day promises

financial guidance

+€10bn sales vs. 2022

€4bn S4OC savings from 2022-2025

CAPEX at 3.0% of sales between 2022-2025 (adjusted in 2022 from 3.5%)

UOM of ≥4%

high-single-digit CAGR underlying EPS growth 2023-2025

€7.5bn free cash flow 2022-2025 (adjusted in 2022 from 6bn)

e-commerce

2x net consumer online sales by 2025

profitable fully allocated e-commerce by 2025

€1bn complementary revenue by 2025

sustainability

52.3% own-brand healthy sales by 2025 (adjusted in 2023 from >55%)

50% food waste reduction between 2016-2030

net zero carbon emissions on scope 1 & 2 by 2040

4% growth

CAGR net sales

4% UOM

on average

high-single-digit

EPS growth

(diluted underlying EPS)

€3bn

complementary
income streams

€5bn savings

save for our customers

intention for

€1bn

annual share buy-back¹

~3%

gross cash capex

as % of sales

€9bn

free cash flow

(post-tax)

**increasing
dividend¹**

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

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

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

our
**growth
model**





grow own brand



grow healthy sales



enhance price position

~45%

own brand food share

invest in our winning CVP

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

densify and grow markets

grow customer reach and market density with portfolio excellence

FOOD  LION



densify & expand markets

DEEN

• SUPERMARKTEN •



BI  LO

Jan Linders

actively pursue bolt-on acquisitions and partnerships



 STOP&SHOP™

timely interventions when and where required

80%

omnichannel loyalty sales

~30m

monthly active users

innovate for growth
and efficiency

drive growth
through
innovation
and new
business

unlock
deeper data
analytics & AI
capabilities



kickstart AI

test, learn,
scale
mechanization
and
automation



accelerate
retail media

adhese
Epsilon
Retail Media

seize circular
business
model
opportunities

bol.

capture new
capability
and business
model
innovation
across the
ecosystem

///23

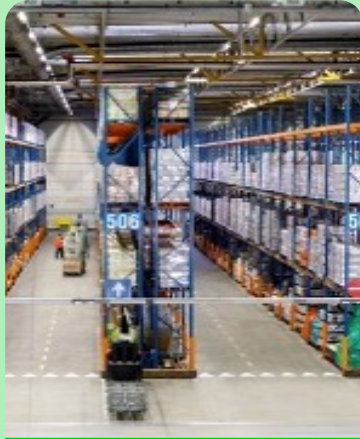
€3bn

complementary
income streams

x2



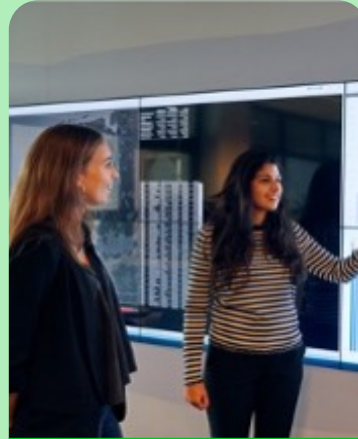
cost of goods sold



logistics & distribution



store operations



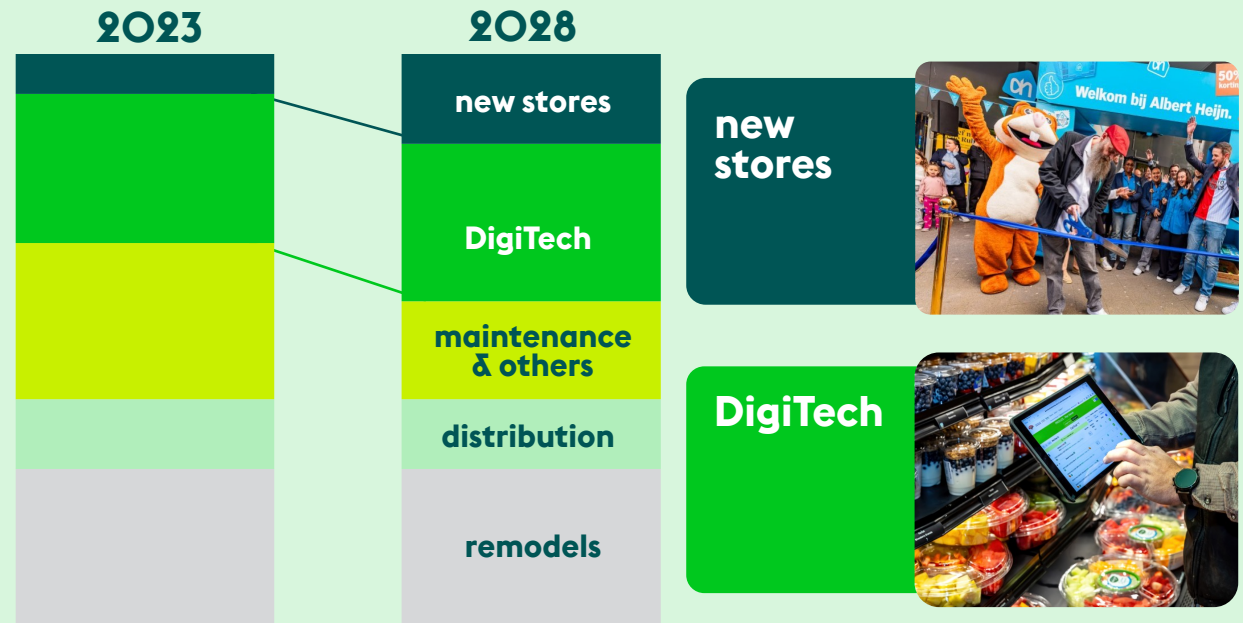
general and administrative

leverage and lower our cost base

**lower our cost
and unlock
funding to fuel
growth**

€5bn

**save for
our customer**



fueling growth through capital expenditure

~3%
gross cash capex

our purpose

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



material growth in healthy sales %

across the full store

50% reduction in food waste by 2030

versus 2016 baseline

5% reduction in virgin plastic by 2025

across own brand versus 2021 baseline

50% reduction in scope 1&2 by 2030

versus 2018 baseline

30% FLAG and 42% non-FLAG reduction

on scope 3 by 2030 versus 2020 baseline

net zero across the value chain

scope 1 & 2 by 2040 and scope 3 by 2050

100/100/100
gender balanced, reflective of our communities, inclusive

#1-2 employer of choice

be the cornerstone of our communities

4% growth

CAGR net sales

4% UOM

on average

high-single-digit

EPS growth

(diluted underlying EPS)

€3bn

**complementary
income streams**

€5bn savings

save for our customers

intention for

€1bn

annual share buy-back¹

~3%

gross cash capex

as % of sales

€9bn

free cash flow

(post-tax)

**increasing
dividend¹**

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

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

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

**raising the bar
on free cash
flow delivery**

>€8bn



2017-2020

>€8bn



2021-2024

€9bn



2025-2028

cumulative free cash flow delivery

4% growth

CAGR net sales

4% UOM

on average

high-single-digit

EPS growth

(diluted underlying EPS)

€3bn

**complementary
income streams**

€5bn savings

save for our customers

intention for

€1bn

annual share buy-back¹

~3%

gross cash capex

as % of sales

€9bn

free cash flow

(post-tax)

**increasing
dividend¹**

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

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

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

strong financial position

2.0
net debt/
underlying EBITDA

13.3%
return on capital (2023)

healthy financial
ratios

BBB+
S&P

Baa1
Moody's

investment grade
rating

**current
incentives
aligned with
our ambitions**

short term incentives

sales
growth
30%

UOM
25%

cash flow
20%

strategic
imperatives
25%

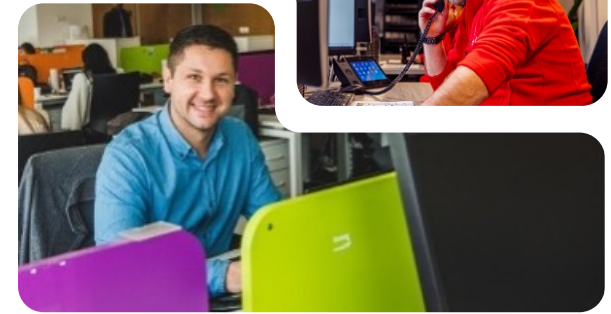
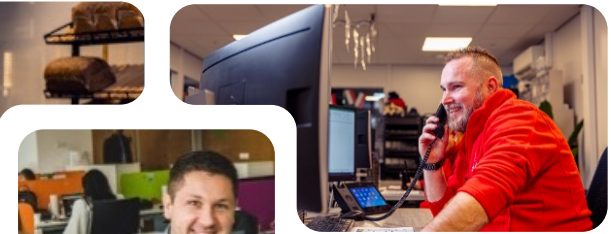
long term incentives

ROC
35%

carbon
emissions
25%

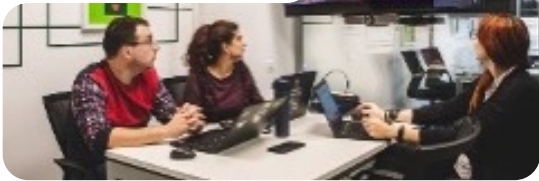
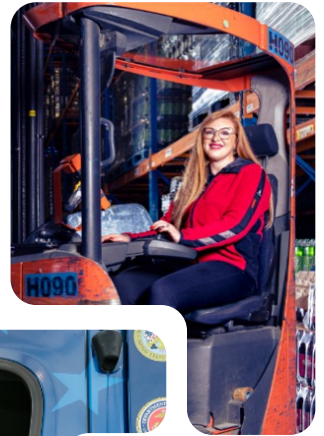
EPS
25%

TSR
15%



our ambitions are realized by our people

thriving people



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

