

REMUNERATION REPORT 2021

This Remuneration Report is derived from the Ahold Delhaize Annual Report 2021 as follows:

Letter from the Remuneration Committee Chair	2	See Annual Report page 156
Executive remuneration principles and procedures	4	See Annual Report page 158
Management Board remuneration	6	See Annual Report page 160
Remuneration policy for the Management Board	6	See Annual Report page 160
Management Board remuneration at a glance	9	See Annual Report page 163
2021 Management Board remuneration	10	See Annual Report page 164
Management Board share-based compensation	19	See Annual Report page 173
Supervisory Board remuneration	22	See Annual Report page 176
Remuneration policy for the Supervisory Board	22	See Annual Report page 176
2021 Supervisory Board remuneration	23	See Annual Report page 177

LETTER FROM THE REMUNERATION COMMITTEE CHAIR

Dear shareholder,

I am pleased to introduce our 2021 Remuneration report. In the sections below, I reflect on another eventful year, during which Ahold Delhaize made good progress on its Leading Together strategy, and look forward to how the Company can accelerate on these ambitions in 2022, supported by the new Remuneration Policies that will be proposed for adoption at our annual General Meeting of Shareholders in April.



“We are extremely proud of how our brands’ associates served customers and communities in the face of significant challenges.”

Looking back on 2021

As discussed throughout this Annual Report, the COVID-19 pandemic continued to pose extraordinary challenges to our brands’ customers, operations, associates and communities in 2021. Our brands and their markets were also confronted with rising inflation, labor issues and shortages, supply chain upheaval and natural disasters. We are extremely proud of how, in the face of these difficulties, our brands were able to safely meet customer needs while protecting associates and supporting communities with purpose, passion and perseverance.

2021 PAY INCREASES

At the outset of the year, the Remuneration Committee conducted its regular review of the Management Board’s remuneration. We considered external and internal salary movements, Company and individual performance, and the determination and assessment of internal pay ratios. The base salaries for Frans Muller, Kevin Holt and Wouter Kolk were increased by 2.5%, in line with market cost-of-living increases for the U.S., the Netherlands and Belgium. The Committee concluded that a more significant increase was required to bring Natalie Knight closer to our policy’s positioning of “at or near the median” of our labor market peer group. Consequently, Natalie’s base salary was increased by 7.5%.

CEO AND MANAGEMENT BOARD PERFORMANCE

Throughout the year, the Management Board oversaw the implementation of Ahold Delhaize’s Leading Together strategy while supporting the local brands in safeguarding and taking care of customers, associates and communities, ensuring access to food, managing the surge in online sales growth, adding extra stores and dealing with high absenteeism rates and mental health concerns related to the pandemic. In addition to managing the business in extraordinarily

challenging times, the Management Board introduced a refreshed long-term strategy and key commitments during our Investor Day, announced plans to explore a subsidiary IPO for bol.com, and set out a bold ESG ambition and plans to work towards a net-zero scenario by 2050.

Due to the rapidly changing COVID-19 situation, travel to the U.S. was significantly restricted for most of the year. In consideration of our significant business presence in the U.S., Frans Muller was granted a U.S. National Interest Exception on several occasions, allowing him to travel to the country and regularly engage with regional and brand leadership teams, supporting ongoing operations and long-term strategic initiatives, such as the integration of FreshDirect and Ahold Delhaize USA’s supply chain transformation program.

As in previous years, CEO and Management Board performance were monitored and evaluated according to a rigorous process. Driven by the strategic plan, performance objectives and targets were established and thoroughly reviewed at the outset of the year by the respective Supervisory Board Committees before full Supervisory Board approval. They were structured around shared objectives on key financial, ESG, NPS and associate engagement targets, individual goals in each of the four strategic growth drivers, and development goals aimed at continuously improving leadership, both individually and as a team.

As the year came to a close, the Governance and Nomination Committee conducted a formal Management Board evaluation process. CEO performance was managed in close collaboration with the Supervisory Board Chair and included broader Supervisory Board participation and input. Each member’s individual review included a self-assessment against the defined objectives and metrics, CEO assessment and performance rating, and formal review by the Committee.

Remuneration Report 2021

LETTER FROM THE REMUNERATION COMMITTEE CHAIR

The outcomes of this process were taken into account in the determination of Management Board remuneration for 2022. Management remuneration determinations are neither led by, nor do they target, a precise position based on benchmarking data. Benchmarking only provides a substantive reference point that informs the determination of fixed and variable compensation to ensure that we remain in line with competitive market pay levels. We continue to position Management Board members' total remuneration "at or near the median" of our peer group.

2021 ANNUAL CASH INCENTIVE AND SHARE GRANTS VESTING IN 2022

Following the exceptional 2020 results that resulted in a maximum annual cash incentive payout, the Committee undertook to set challenging performance conditions for the 2021 annual cash incentive that gave consideration to the enduring economic uncertainty associated with the COVID-19 pandemic. By establishing wider performance intervals, we aimed to reduce the potential and/or likelihood of windfall gains or extraordinary shortfalls.

While we anticipated normalization during 2021, the pandemic effects persisted, with surges in cases during the winter and in early fall and relatively lower infection levels in between. Consequently, the impact of the pandemic on business performance proved much greater than we had anticipated and predicted in our full-year target-setting process.

As the year unfolded, it became clear that the results for the 2021 annual cash incentive would finish well ahead of plan, with payout at the maximum level, as in 2020. After careful consideration, the Committee decided to exercise prudent and appropriate discretion by adjusting the overall payout downward to 125% of target. The Committee believes this adjusted payout level more accurately reflects actual Management Board performance and mitigates more substantial windfall gains that we determined

should be attributed to the effects of the pandemic.

The 2019 GRO share grant will vest on the day after the 2022 annual General Meeting of Shareholders (AGM). Heightened earnings per share growth exceeded the maximum performance threshold, while return on capital and the share of healthy food sales also exceeded target. Results for total shareholder return fell just short of plan. The overall vesting outcome for the 2019 GRO share grant is 126% of target.

Looking forward

NEW REMUNERATION POLICIES FOR THE MANAGEMENT AND SUPERVISORY BOARDS

Over the course of 2021, the Committee undertook an end-to-end assessment of the current Management Board and Supervisory Board Remuneration policies. We determined that a comprehensive review was an opportunity to progressively update our policies to be consistent with, and support, the Company's newly refreshed Leading Together strategy.

The current Remuneration Policy for the Management Board was adopted by the 2019 AGM and was intended to run for four years up to the 2023 AGM. However, in consideration of the Company's updated strategic direction, stakeholder feedback and the need for the Company to remain attractive to top leaders, the Committee and full Supervisory Board believe several enhancements are necessary. Accordingly, a new Remuneration Policy will be proposed for adoption at the 2022 AGM.

We believe the new Remuneration Policy is structured to further increase long-term focus and place greater emphasis on ESG factors, which are an important part of how Ahold Delhaize measures success. This is in line with the next chapter of the Company's Leading Together strategy, announced at the Investor Day in November 2021, and a deepened focus on health

and sustainability. It also further aligns the interest of the Management Board with those of the Company's shareholders and features increased disclosures on short- and long-term performance. Having consulted with stakeholders, shareholders, and proxy advisers before finalizing the new Remuneration Policy, we believe it will earn support from the majority of our shareholders. The new policy and a detailed report on our stakeholder consultations are outlined in the 2022 AGM agenda and explanatory notes.

We will also propose a new Remuneration Policy for the Supervisory Board for adoption at the 2022 AGM. The current Supervisory Board remuneration levels have not been updated since the merger between Royal Ahold and Delhaize Group in 2016 (except for a reduction of the base fees for the Chair and Vice Chair positions in 2019) and we seek to bring them in line with the expanding responsibilities of the Supervisory Board members and the increased demands on their time. Based on our consultations with shareholders and major proxy advisers, we believe this new policy will earn broad support. The new policy for the Supervisory Board is also outlined in the 2022 AGM agenda and explanatory notes.

PERFORMANCE CONDITIONS FOR 2022

The COVID-19 pandemic is expected to continue well into 2022 and its effect on business performance remains unpredictable. For 2022, we have set ambitious targets with wider performance intervals that again aim to reduce the potential for and likelihood of windfall gains and/or extraordinary shortfalls. The years 2020 and 2021 produced highly irregular performance challenges, conditions and outcomes. For 2022, we believe we have established robust performance targets with clear, specific and auditable metrics. However, the Supervisory Board also recognizes that the ongoing market volatility is likely to persist and we will continue to

monitor business performance and internal and external conditions throughout the year and take appropriate action where, when and as we deem prudent and appropriate.

INCREASED LEVEL OF TRANSPARENCY AND DISCLOSURE

Ahold Delhaize has historically not disclosed the performance conditions for our short-term and long-term incentive plans, because we have always considered this information to be commercially sensitive. However, in our ongoing dialogue with major shareholders and proxy advisers, many expressed their dissatisfaction with this perceived lack of transparency and called on us to disclose targets and intervals. We believe this sentiment was reflected in the disappointing vote (80.38% of votes in favor) for the 2020 Remuneration report at the 2021 AGM.

We have carefully considered this feedback and, having addressed internal concerns, have now committed to full, ex-post disclosure of all targets and performance intervals for all metrics in both the short-term and long-term incentive plans, starting with next year's Annual Report. The 2022 Annual Report will be the first to report on the new Remuneration Policies, which we believe provides the optimal starting point for our enhanced disclosures.

I look forward to presenting this Remuneration report and our new Remuneration Policies at the annual General Meeting of Shareholders on April 13, 2022.

On behalf of the Remuneration Committee and the Supervisory Board, I thank you for your continued support of Ahold Delhaize.

Bill McEwan

EXECUTIVE REMUNERATION PRINCIPLES AND PROCEDURES

The Executive Remuneration Principles and Procedures were adopted by the General Meeting of Shareholders on April 8, 2020, (94.64% of votes in favor) and became an integral part of the Remuneration Policy for the Management Board and the Remuneration Policy for the Supervisory Board retroactively as of January 1, 2020.

The objective of the Company's Remuneration Policies is to attract, reward and retain the highly skilled and qualified senior management that Ahold Delhaize needs to achieve its strategic and operational objectives. Our Remuneration Policies balance the needs of our internal and external stakeholders and our commitment to making a sustainable contribution to society. The structure of the Remuneration Policies aligns the focus of the Company and its senior management with the interests of Ahold Delhaize's stakeholders and society at large. Compensation and awards are tied to and dependent on the Company's delivery of its Leading Together strategy in a socially responsible and sustainable manner. In designing the Remuneration Policies, we take into consideration societal and market trends.

OUR PRINCIPLES

Our Remuneration Policies are designed to be simple, effective and transparent. Their design is based on the guiding principles outlined below. Since the Company does not provide any variable remuneration to members of the Supervisory Board, some of these principles may apply to a lesser extent, or not apply at all, to the Supervisory Board's remuneration.

Alignment with the Company strategy

Compensation for the Management Board is structured with variable short- and long-term incentives tied to the realization of financial and non-financial performance criteria. These performance criteria should reflect the cornerstone elements of the Company's Leading Together strategy.

Pay for performance

Our Management Board Remuneration Policy supports a pay-for-performance culture while discouraging the Management Board from taking inappropriate risks. The short-term and long-term incentives incorporate claw-back provisions that allow the Supervisory Board to cancel or recover remuneration. Separation payments are limited to a one-year base salary.

Competitive pay

Ahold Delhaize competes for talent in an increasingly competitive global market. The competitiveness of our Remuneration Policies is benchmarked regularly against a relevant labor market peer group that reflects the Company's geographic operating areas and the markets most relevant to the recruitment and retention of top management. The target total remuneration level is typically at or near the median, while consideration is given to the size of Ahold Delhaize relative to the peer group.

Consistency

The structure of our Management Board remuneration is generally consistent with the remuneration structure for associates in senior management positions to ensure internal alignment and support a shared purpose.

Transparency

In our Annual Report and on our Company website, we provide an extensive disclosure of how the Remuneration Policies were implemented, including:

- Full disclosure of the peer group used for benchmarking purposes
- Transparency on the term, as well as the performance measures and weights used in the short-term and long-term incentive
- The realized performance per metric for the short-term and long-term incentive
- Extensive and detailed pay ratio disclosure – both internal and relative to our peers

Alignment with stakeholder interests

Our Remuneration Policies align the focus of the Company and its senior management with the interests of Ahold Delhaize's stakeholders and society at large. As a global company, we have a large variety of stakeholders. We strive to make a difference for the main stakeholders Ahold Delhaize impacts through the Company's purpose to help customers, associates and communities eat well, save time and live better. We also commit to transparency and high integrity with a broad list of stakeholders who have a strong interest in our Company, including shareholders, global and local suppliers, governments, and NGOs.

Our stakeholders help us to get better every day by challenging us, sharing insights into their concerns, offering feedback on how we are doing, and collaborating with us to solve problems. We engage with them in both formal and informal ways throughout the year on a wide range of topics (including societal, economic, and environmental impacts) and reflect on the feedback they provide.

Each year, we engage with our stakeholders, gathering input from associates, customers, investors and other external stakeholders, to assess our biggest impacts on society. Our materiality assessment helps us to ensure that our strategy and reporting are in line with our most significant impacts and stakeholder expectations. For more information on how we engage with our stakeholders see [Engaging with our stakeholders](#) and [Introduction to ESG](#).

By setting robust five-year shareholding requirements and share ownership guidelines, the Remuneration Policies further support us in aligning the interests of members of the Management Board to the long-term interests of the Company's stakeholders.

Remuneration Report 2021

EXECUTIVE REMUNERATION PRINCIPLES AND PROCEDURES

OUR PROCEDURES

Setting, revision and execution

The Remuneration Committee of the Supervisory Board is responsible for advising the Supervisory Board in relation to setting, revising and executing the Remuneration Policies for the Management Board and Supervisory Board. The Remuneration Committee actively monitors internal and external developments to determine whether the Remuneration Policies are still aligned to and supportive of the Company's strategic and operational objectives. If the Committee believes circumstances require, it may submit a proposal for the amendment of (one of) the Remuneration Policies to the Supervisory Board. If supported by the Supervisory Board, any and all proposals for amendment of (one of) the Remuneration Policies will subsequently be put to a vote by the General Meeting of Shareholders.

Discretion and derogation

Within the Remuneration Policy for the Management Board, the Supervisory Board may exercise discretion in the execution of the policy and the related incentive plans, including but not limited to:

- The adjustment of the base salaries of the members of the Management Board
- The substitution of companies in the labor market peer group and TSR peer group in case of delistings, mergers or other extraordinary circumstances
- The adjustment, positive or negative, of the performance of the incentive plans in case of unforeseen or unusual circumstances occurring during the performance period
- The determination of the underlying metrics of the Strategic imperatives performance measure in the short-term incentive and the sustainability performance measures in the long-term incentive.

In exceptional circumstances, in accordance with the principles of reasonableness and fairness, the Supervisory Board may, upon the recommendation of the Remuneration Committee, deviate from the Remuneration Policy for the Management Board. Any and all deviations must be carefully considered in alignment with the objectives and principles set out above and applied in a consistent manner. The remit of the Supervisory Board to deviate from the Remuneration Policy for the Management Board is limited to (a) one-off cash bonuses or equity awards in a recruiting context, and (b) offering alternative benefits such as pensions or insurances with an equivalent value in an international context. All other deviations from the policies must always be presented for approval by shareholders.

Risk assessment

We conduct a comprehensive analysis contemplating the various risks and scenarios associated with variable compensation elements on a regular basis. This includes the calculation of remuneration under different scenarios, considering different performance assumptions.

Compliance

The design and implementation of our Remuneration Policies are compliant with applicable laws and corporate governance requirements. Decisions related to remuneration are made in the context of the Company's Code of Ethics.

Remuneration Report 2021

REMUNERATION POLICY FOR THE MANAGEMENT BOARD

The Remuneration Policy for the Management Board was adopted by the General Meeting of Shareholders on April 10, 2019, (92.09% of votes in favor) and became effective retroactively as of January 1, 2019.

BENCHMARK PEER GROUP

As an international company, Ahold Delhaize must remain attractive for top leaders from the industry and beyond to continue to have a strong and diverse Management Board. The Management Board remuneration levels are benchmarked annually. The benchmark peer group consists of a total of 18 peer companies in Europe and the United States, as well as AEX- and BEL20-listed companies. This labor market peer group reflects the Company's geographic operating areas and the markets most relevant in relation to the recruitment and retention of top management. As a Dutch-headquartered company and considering the Company's Dutch and Belgian footprint, the AEX market practice in the Netherlands and BEL20 market practice in Belgium are included.

European peers	U.S. peers	AEX and BEL20
Tesco	Kroger	Unilever
Carrefour	Costco	Philips
Metro Cash & Carry	Target	Heineken
Casino Guichard-Perrachon	Walgreens Boots Alliance	Randstad
J Sainsbury	Best Buy	Akzo Nobel
W M Morrison	Lowe's Companies	AB InBev

To accommodate potential changes in the labor market peer group due to delistings, mergers, or other extraordinary circumstances, the Supervisory Board may exercise discretion to substitute comparable companies. In general, geographical composition leads in replacement determination. For example, if a U.S.-based company is dropped, it is generally replaced by another U.S.-based company.

We consider the composition (risk profile) of the Total Direct Compensation levels when benchmarking base salary levels. The target Total Direct Compensation level is typically at or near the median, while consideration is given to the size of Ahold Delhaize relative to the peer group, with a fixed-to-variable pay ratio that supports the pay-for-performance culture and a long-term strategic focus.

An individual exception to the Management Board Remuneration Policy is applied for the CEO Ahold Delhaize USA (Kevin Holt). The Supervisory Board has and will determine the remuneration for the CEO Ahold Delhaize USA on the basis of a local reference market, the U.S. retail labor market reference group.

TOTAL DIRECT COMPENSATION

The basic elements of the Total Direct Compensation provided to Management Board members are (1) a base salary, (2) an annual cash incentive, and (3) a long-term share-based program. In addition to the Total Direct Compensation, members of the Management Board are offered pensions and additional arrangements in line with local practices.

Base salary

The level of the base salary of the members of the Management Board is derived, as one component, from the benchmarking of Total Direct Compensation. Adjustment of individual base salaries is at the discretion of the Supervisory Board.

Annual cash incentive plan: Executive Committee Incentive Plan

The Management Board members participate in the cash-based Executive Committee Incentive Plan ("EIP").

The Company's priority and goal are to expand market share while focusing on margins to increase profitability and prudently managing capital spending and expenses to secure strong and sustainable cash flow. Consequently, the EIP employs three financial measures that reflect the fundamental key financial metrics of a retail organization: sales growth (30%), underlying operating margin (30%) and operating cash flow (20%). In addition, key strategic imperatives (20%) are included. In support of the pay-for-performance culture and in recognition of the Company's focus on margins, the underlying operating margin measure serves as a threshold.

The at-target pay-out as a percentage of base salary is 100%, contingent on the full achievement of the objectives, with a cap at 150% of the at-target value in the event of above-target performance.

Long-term share-based incentive plan: Global Reward Opportunity

The Management Board members participate in the Company's long-term share-based incentive plan: Global Reward Opportunity (GRO).

Under the GRO program, performance shares are granted as a three-year program. The vesting of these performance shares is subject to performance over three years. As of 2019, the GRO program employs three financial measures: return on capital (RoC) (35%), underlying earnings per share (EPS) growth (35%), and total shareholder return (TSR) (15%). In addition, a non-financial performance measure (15%) related to sustainability targets is included.

In line with market practice, the target value of long-term incentives granted varies per role. For the CEO, the target value is 235% of base salary; for the CEO Ahold Delhaize USA, the target value is 200% of base salary; for the CFO, the target value is 175% of base salary; and for the CEO Ahold Delhaize Europe and Indonesia, the target value is 150% of base salary.

An individual exception to the Management Board Remuneration Policy is applied for the CEO Ahold Delhaize USA (Kevin Holt). The target value of the long-term incentive for Kevin is 235% of base salary.

Remuneration Report 2021

REMUNERATION POLICY FOR THE MANAGEMENT BOARD

LINK TO RETURN ON CAPITAL

Of the total GRO award, 35% is linked to a three-year RoC target. As determined by performance, the number of performance shares that vest may range between zero and a maximum of 150% of the number of performance shares granted.

LINK TO EARNINGS PER SHARE GROWTH

Another 35% of the total GRO award is linked to a three-year earnings per share growth target. As determined by performance, the number of performance shares that vest may range between zero and a maximum of 150% of the number of performance shares granted.

LINK TO TOTAL SHAREHOLDER RETURN

Of the total GRO award, 15% is determined based on total shareholder return (share price growth and dividends paid over the performance period) benchmarked against a TSR performance peer group. The number of performance shares that vest is determined based on the Company's relative ranking within the peer group. An independent external advisor determines the ranking based on TSR performance. No performance shares will vest to Management Board members if the Company ranks below the sixth position in the performance peer group. The table below indicates the percentage of performance shares that may vest based on the Company's ranking.

TSR position	Payout
1	150%
2	125%
3	110%
4	100%
5	75%
6	50%
7-12	0%

All GRO performance shares will be measured against the established peer group.

TSR performance peer group

Tesco	Kroger
Carrefour	Costco
Metro Cash & Carry	Target
Casino Guichard Perrachon	Walgreens Boots Alliance
J Sainsbury	Walmart
W M Morrison	

To accommodate potential changes in the performance peer group due to delisting, mergers or other extraordinary circumstances, the Supervisory Board may exercise discretion to substitute comparable companies.

LINK TO SUSTAINABILITY

The final 15% of the total GRO award is determined based on the achievement of sustainability targets related to the Company's social responsibility and sustainability ambitions. Depending on performance, the number of performance shares that vest may range between zero and a maximum of 150% of the number of performance shares granted.

SHAREHOLDING REQUIREMENTS AND SHARE OWNERSHIP GUIDELINES

Management Board members must retain the shares awarded under the GRO program for a minimum of five years from the grant date. The sale of a portion of the shares is permissible to finance tax due at the date of vesting. The CEO is required to acquire and hold shares in the Company with a value at least equal to 300% of his or her annual base salary. All other members of the Management Board are required to hold shares in the Company with a value at least equal to 200% of their respective base salaries. The holding may be built up by retaining all after-tax shares from the GRO program and does not require personal share purchases.

CLAWBACK

A clawback provision is in place and may be applied to the Management Board members' annual cash incentive plan (EIP) as well as the long-term share-based incentive program (GRO).

PENSIONS AND OTHER CONTRACT TERMS

Pension

All existing pension arrangements in the Netherlands are in line with the applicable fiscal pension regulations. The pension plan for Management Board members is calculated in line with plans for all other associates of the Company in the Netherlands and is referred to as a defined benefit plan, based on career average salary. The current legal retirement age is between 68 and 71 (depending on year of birth), with the option for early retirement from age 55. The pensionable salary is capped at the legal maximum (2021: €112,189). Each Management Board member working under a Dutch contract pays a pension premium contribution identical to that of all other associates of the Company in the Netherlands. In addition, Management Board members receive a gross (age-dependent) pension allowance and can choose to participate in a Net Pension Arrangement by investing the net (after-tax) amount of the pension allowance. The Net Pension Arrangement is identical to that of all other associates of the Company in the Netherlands whose pensionable salary exceeds the cap. Participation in this Net Pension Arrangement is voluntary.

Members of the Management Board working under a non-Dutch contract are offered pensions in line with local practices.

Remuneration Report 2021

REMUNERATION POLICY FOR THE MANAGEMENT BOARD

Loans

The Company does not provide loans to members of the Management Board, nor does the Company issue guarantees to the benefit of members of the Management Board.

Additional arrangements

In addition to the remuneration of the Management Board members, a number of additional arrangements apply. These include expense allowances, insurance, use of company cars and, where applicable, expatriate allowances, which apply to other senior associates and are in line with market practice. In addition, third-party tax services are provided to ensure compliance with the relevant legislative requirements.

(Service) Agreements

The term of appointment for all Management Board members is four years. If the Company terminates the (service) agreement of any member of the Management Board, the severance payment is limited to one year's base salary. The agreement may be terminated by the Company with a notice period of 12 months and by the Management Board member with a notice period of six months.

Remuneration Report 2021

MANAGEMENT BOARD REMUNERATION AT A GLANCE

2021 posed extraordinary challenges to our brands' customers, operations, associates and communities. We are extremely proud of how our brands continued to provide safe places to shop and work and support communities under these difficult circumstances.

Financially, 2021 was a good year, which was reflected in the outcomes of the short-term and long-term incentives. After careful consideration, the Supervisory Board adjusted the overall payout of the short-term incentive downward to 125%. Overall, total remuneration for the members of the Management Board was slightly below the levels of the previous year.

Frans Muller, Chief Executive Officer



Natalie Knight, Chief Financial Officer

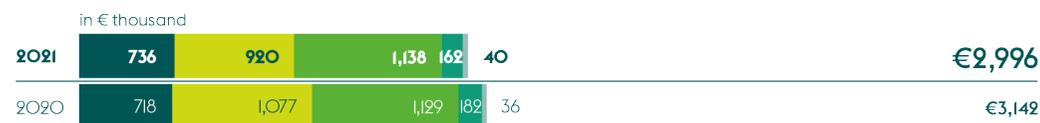


¹ Reflects the remuneration received for the period from Natalie's appointment to the Management Board on April 8, 2020, to the end of the year.

Kevin Holt, CEO Ahold Delhaize USA



Wouter Kolk, CEO Ahold Delhaize Europe and Indonesia

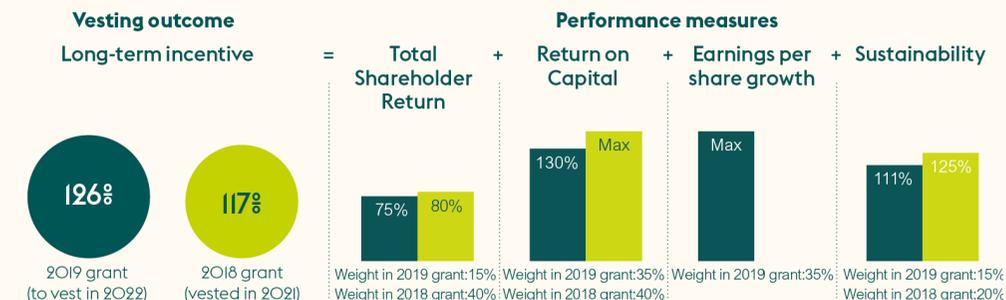


● Base salary (fixed) ● Annual cash incentive (variable) ● Long term incentive (variable) ● Other ● Pension

Annual cash incentive ExCo Incentive Plan



Long-term equity-based incentive Global Reward Opportunity



Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

The remuneration paid to the members of the Management Board in 2021 was in accordance with the Remuneration Policy for the Management Board. The individual exceptions for Kevin Holt as adopted by the General Meeting of Shareholders on April 12, 2017, and April 8, 2020, remained in force in 2021.

BASE SALARY

The annual base salaries of the members of the Management Board were reviewed by the Remuneration Committee in early 2021. The Committee considered external and internal salary movement, Company and individual performance, and the determination and assessment of internal pay ratios. It also sought the input of the individual Management Board members.

Based on their review, the Committee decided to increase the base salaries of Frans Muller, Kevin Holt and Wouter Kolk by 2.5%. The base salary of Natalie Knight was increased by 7.5%. These base salary increases became effective retroactively as of January 1, 2021.

Base salaries per Management Board member

€ thousand	2021	2020
Frans Muller Chief Executive Officer	1,130	1,102
Natalie Knight¹ Chief Financial Officer	709	477
Kevin Holt² CEO Ahold Delhaize USA	943	954
Wouter Kolk CEO Ahold Delhaize Europe and Indonesia	736	718

1 Natalie Knight started at Ahold Delhaize as Executive Vice President Finance and Member of the Executive Committee on March 1, 2020, and was appointed as member of the Management Board effective April 8, 2020. Her 2020 base salary reported as member of the Management Board reflects a partial year as of the date of her appointment as member of the Management Board.

2 The 2021 and 2020 salaries have been converted from U.S. dollars into euros; for 2021, using the 2021 year-to-date average dollar-euro exchange rate of 0.8461; for 2020, using the 2020 year-to-date average dollar-euro exchange rate of 0.8770.

ANNUAL CASH INCENTIVE: EIP

The members of the Management Board participated in the annual cash-based Executive Committee Incentive Plan. Three performance measures were used to track the Company's financial performance during the year: sales growth (weight: 30%), underlying operating margin (weight: 30%), and operating cash flow (weight: 20%). In addition, healthy products, food waste and carbon emissions were included as strategic imperatives (combined weight: 20%) in support of the Company's Healthy and Sustainable ambitions.

Performance targets were set in the context of the Company's mid-term strategic and operational objectives. In light of the enduring uncertainty as a result of the COVID-19 pandemic, targets were set to be challenging yet realistic and intervals were widened to reduce the likelihood of windfall gains.

Ahold Delhaize does not currently disclose the actual targets per performance measure, as these qualify as commercially sensitive information.

The at-target payout as a percentage of base salary was 100%, contingent on the full achievement of the objectives. In the event of above-target performance, payout is limited to 150% of the target value.

The 2021 EIP finished well ahead of plan. After careful consideration, the Supervisory Board decided to adjust the overall payout downward to 125% of target. A further explanation of this decision is presented in the *letter from the Remuneration Committee Chair*.

Performance realized

Performance measure	Weight	Performance multiplier	
		2021	2020
Sales growth (ex. gasoline)	30%	Exceeded maximum	Exceeded maximum
Underlying operating margin	30%	144%	Exceeded maximum
Operating cash flow	20%	Exceeded maximum	Exceeded maximum
Strategic imperatives	20%	Exceeded maximum	Exceeded maximum
Total (%)	100%	125%	150%

The total performance multiplier for 2020 was capped at 150% in accordance with the Remuneration Policy for the Management Board.

Actual EIP payout

€ thousand	Base salary	Target bonus	Performance multiplier	2021	2020
				Actual bonus ¹	Actual bonus ²
Frans Muller Chief Executive Officer	1,130	100% of base salary: 1,130	125%	1,412	1,653
Natalie Knight Chief Financial Officer	709	100% of base salary: 709	125%	887	716
Kevin Holt³ CEO Ahold Delhaize USA	943	100% of base salary: 943	125%	1,179	1,431
Wouter Kolk CEO Ahold Delhaize Europe and Indonesia	736	100% of base salary: 736	125%	920	1,077

1 The 2021 EIP represents accrued annual cash incentives to be paid in 2022, subject to shareholder approval of the financial statements.

2 The 2020 EIP represents the actual amount paid in 2021.

3 The 2021 and 2020 figures have been converted from U.S. dollars into euros; for 2021, using the 2021 year-to-date average dollar-euro exchange rate of 0.8461 and for 2020, using the 2020 year-to-date average dollar-euro exchange rate of 0.8770.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

Definitions of EIP performance measures

Performance measure	Definition	Relevance to our strategy
Sales growth (ex. gasoline)	Sales growth (ex. gasoline) quantifies how much sales grew year-over-year, excluding gasoline sales, expressed as a percentage of last year's sales excluding gasoline.	Our goal is to expand market share, while at the same time focusing on margins to increase profitability, and manage capital spending and expenses prudently to secure a strong and sustainable cash flow that allows us to cover financial obligations, make investments in the business and remunerate existing shareholders.
Underlying operating margin	Underlying operating margin is the result of dividing underlying operating profit (excluding gasoline operating profit) by third-party sales (excluding gasoline sales).	
Operating cash flow	Operating cash flow is defined as the cash flows generated by the core operations of the Company, adjusted for net lease payments, and after tax.	
Strategic imperatives	<p>Strategic imperatives are one or more variable performance measures that are defined annually by the Supervisory Board to highlight specific strategic and key business priorities of the Company.</p> <p>Taking into account feedback from our stakeholders about the importance they attach to ESG factors, three performance measures were selected for 2021 that reflect the Company's commitment to a healthy and sustainable future:</p> <ul style="list-style-type: none"> Healthy products: the percentage of healthy own-brand food sales as a proportion of total own-brand food sales. Food waste: tonnes of food waste per €1 million food sales. Carbon emissions: reduction of absolute scope 1 (direct) and 2 (indirect) CO₂ emissions. <p>In 2020, net consumer online sales growth was the single strategic imperative.</p>	<p>2021: Our businesses flourish when our communities are healthy and resilient. We aim to make it easy and fun for customers and associates to eat healthier, while at the same time reducing our global footprint.</p> <ul style="list-style-type: none"> Healthy products: we employ this measure to drive performance in pursuit of our objective to facilitate healthier eating. Food waste: we employ this measure to drive performance against our objective of reducing food waste. Carbon emissions: we employ this measure to drive performance against our objective to reduce carbon emissions. <p>In 2020, net consumer online sales growth reflected our focus on omnichannel growth.</p>

For incentive purposes, sales growth performance is calculated using constant rates to ensure individuals are not rewarded nor penalized for foreign exchange rate developments, but only for true business performance.

For incentive purposes, we look at operating cash flow to reflect the true business performance of our operations.

In case of unforeseen or unusual circumstances occurring during the performance period that have an impact on the performance of the incentive plan as assessed at the end of the performance period, the Supervisory Board can consider an adjustment, in accordance with the principles of reasonableness and fairness.

LONG-TERM SHARE-BASED INCENTIVE: GRO

The members of the Management Board participated in Ahold Delhaize's long-term share-based incentive plan, the Global Reward Opportunity (GRO). Under the GRO plan, performance shares were granted with a three-year vesting period. The vesting of these shares is subject to Company performance over these three years.

Performance targets are determined for the three-year performance period based on the Company's strategy and long-term planning. Ahold Delhaize does not currently disclose the actual targets per performance measure, as these qualify as commercially sensitive information.

Award of new grants

The 2021 GRO share grant was made on April 15, 2021, the day after the 2021 annual General Meeting of Shareholders. The vesting of the 2021 GRO performance shares in 2024 will be subject to performance on three financial measures: RoC (weight: 35%), EPS (weight: 35%) and TSR (weight: 15%). In addition, non-financial performance measures (combined weight: 15%) are included in support of the Company's Healthy and Sustainable ambitions. For the 2021 share grant, Healthy and Sustainable is measured based on three equally weighted performance measures: healthy products, food waste and carbon emissions (see the table on page 14 for definitions).

2021 GRO SHARE GRANT AND MAXIMUM VESTING

	Performance shares					Total maximum vesting
	RoC (35%)	EPS (35%)	TSR (15%)	Sustainability (15%)	Total at-target grant	
Frans Muller Chief Executive Officer	82%	82%	35%	35%	235%	353%
Natalie Knight Chief Financial Officer	61%	61%	26%	26%	175%	263%
Kevin Holt¹ CEO Ahold Delhaize USA	82%	82%	35%	35%	235%	353%
Wouter Kolk CEO Ahold Delhaize Europe and Indonesia	53%	53%	23%	23%	150%	225%

All percentages represent a percentage of base salary.

¹ An individual exception that increases Kevin's total at-target grant to 235% of his annual base salary was adopted by the General Meeting of Shareholders on April 8, 2020.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

2021 GRO SHARE GRANT CALCULATION – EXAMPLE: FRANS MULLER, CHIEF EXECUTIVE OFFICER

	At-target share grant (% of base salary)	Grant value (base salary at-target grant %)	Number of performance shares granted (grant value divided by six-month average share price)
RoC performance shares	82%	€929,148	39,013
EPS performance shares	82%	€929,148	39,013
TSR performance shares	35%	€398,206	16,720
Sustainability performance shares	35%	€398,206	16,720
Total	235%	€2,654,708	111,466

Table assumes a base salary of €1,129,663 and a six-month average share price of €23.82.

2021 GRO SHARE GRANT CALCULATION – EXAMPLE: NATALIE KNIGHT, CHIEF FINANCIAL OFFICER

	At-target share grant (% of base salary)	Grant value (base salary at-target grant %)	Number of performance shares granted (grant value divided by six-month average share price)
RoC performance shares	61%	€434,569	18,247
EPS performance shares	61%	€434,569	18,247
TSR performance shares	26%	€186,244	7,820
Sustainability performance shares	26%	€186,244	7,820
Total	175%	€1,241,626	52,134

Table assumes a base salary of €709,500 and a six-month average share price of €23.82.

Vesting of previous grants

The vesting of the 2018 and 2019 GRO grants was subject to performance on three financial performance measures: RoC (weight in 2018 grant: 40%; weight in 2019 grant: 35%), EPS (not included in 2018 grant; weight in 2019 grant: 35%), and TSR (weight in 2018 grant: 40%; weight in 2019 grant: 15%). Also taken into account was the Company's performance against sustainability targets (combined weight in 2018 grant: 20%; combined weight in 2019 grant: 15%). For the 2018 share grant, sustainability was measured on the basis of an equally weighted external and internal target: the Dow Jones Sustainability Index (the external target) measured how the Company performed on sustainability against peers in the sector, whereas the percentage of healthy own-brand food sales (the internal target) was the measure we used to drive performance in pursuit of the Company's objective to facilitate healthier eating. For the 2019 share grant, sustainability is measured on the basis of the percentage of healthy own-brand product sales.

PERFORMANCE REALIZED

Performance measure	2019 grant (to vest in 2022)		2018 grant (vested in 2021)	
	Weight	Performance multiplier	Weight	Performance multiplier
Return on capital	35%	130%	40%	Exceeded maximum
Underlying earnings per share growth	35%	Exceeded maximum	—%	—%
Total shareholder return	15%	75%	40%	80%
Sustainability ¹	15%	111%	20%	125%
Total (%)	100%	126%	100%	117%

¹ For the 2018 grant, the overall sustainability performance multiplier is based on a 110% achievement against our Dow Jones Sustainability Index target, and a 140% achievement against our own-brand food sales from healthy products target.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

2019 GRO SHARE GRANT (TO VEST IN 2022)¹

	Total number of performance shares granted in 2019	Multiplier	Total number of performance shares to vest in 2022	Share price ²	Estimated value in € thousand ²
Frans Muller Chief Executive Officer					
2019 TSR grant	17,304	75%	12,978		
2019 RoC grant	40,374	130%	52,486		
2019 EPS grant	40,374	150%	60,561		
2019 Sustainability grant	17,304	111%	19,207		
Total vesting April 14, 2022	115,356		145,232	€30.14	4,377
Natalie Knight³ Chief Financial Officer					
2019 TSR grant	3,999	75%	2,999		
2019 RoC grant	9,331	130%	12,130		
2019 EPS grant	9,331	150%	13,996		
2019 Sustainability grant	3,999	111%	4,438		
Total vesting April 14, 2022	26,660		33,563	€30.14	1,012
Kevin Holt CEO Ahold Delhaize USA					
2019 TSR grant	12,766	75%	9,574		
2019 RoC grant	29,787	130%	38,723		
2019 EPS grant	29,787	150%	44,680		
2019 Sustainability grant	12,766	111%	14,170		
Total vesting April 14, 2022	85,106		107,147	€30.14	3,229
Wouter Kolk CEO Ahold Delhaize Europe and Indonesia					
2019 TSR grant	6,607	75%	4,955		
2019 RoC grant	15,416	130%	20,040		
2019 EPS grant	15,416	150%	23,124		
2019 Sustainability grant	6,607	111%	7,333		
Total vesting April 14, 2022	44,046		55,452	€30.14	1,671

1 The 2019 GRO grant was awarded on April 11, 2019.

2 The estimated value is based on the closing share price on the last trading day of the financial year (December 31, 2021) of €30.14. The actual value will be determined at vesting on April 14, 2022.

3 In recognition of Natalie's long-term incentive that was outstanding and forfeited at the time of her resignation at Arla Foods, Natalie received a one-off share grant in 2020 subject to the terms and conditions of the 2019 GRO grant.

2018 GRO SHARE GRANT (VESTED IN 2021)¹

	Total number of performance shares granted in 2018	Multiplier	Total number of performance shares vested in 2021	Share price	Total value in € thousands ²
Frans Muller Chief Executive Officer					
2018 TSR grant	51,408	80%	41,126		
2018 RoC grant	51,408	150%	77,112		
2018 Sustainability grant	25,704	125%	32,130		
Total vesting April 15, 2021	128,520		150,368	€23.02	3,461
Natalie Knight³ Chief Financial Officer					
2018 TSR grant	10,663	80%	8,530		
2018 RoC grant	10,663	150%	15,994		
2018 Sustainability grant	5,332	125%	6,665		
Total vesting April 15, 2021	26,658		31,189	€23.02	718
Kevin Holt CEO Ahold Delhaize USA					
2018 TSR grant	38,066	80%	30,452		
2018 RoC grant	38,066	150%	57,099		
2018 Sustainability grant	19,033	125%	23,791		
Total vesting April 15, 2021	95,165		111,342	€23.02	2,563
Wouter Kolk CEO Ahold Delhaize Europe and Indonesia					
2018 TSR grant	21,433	80%	17,146		
2018 RoC grant	21,433	150%	32,149		
2018 Sustainability grant	10,717	125%	13,396		
Total vesting April 15, 2021	53,583		62,691	€23.02	1,443

1 The 2018 GRO grant was awarded on April 12, 2018.

2 The total value is based on the share price on the April 15, 2021, vesting date of €23.02. The estimated value of each grant as previously disclosed in the Annual Report 2020 was based on the closing share price on the last trading day of the financial year 2020 (December 31, 2020) of €23.11.

3 In recognition of Natalie's long-term incentive that was outstanding and forfeited at the time of her resignation at Arla Foods, Natalie received a one-off share grant in 2020 subject to the terms and conditions of the 2018 GRO grant.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

Definitions of GRO performance measures

Performance measure	Definition	Relevance to our strategy
Total shareholder return (TSR)	TSR is share price growth plus dividends paid during the performance period.	TSR is used to compare the performance of different companies and stocks over time. The relative TSR position reflects the market perception of the overall performance of the Company relative to a reference group.
Underlying earnings per share growth (EPS)	Underlying EPS is the underlying income from continuing operations of the Company, divided by the weighted average number of shares for the year. The growth is measured by dividing the EPS at the end of the performance period by the EPS at the start of the performance period.	EPS reflects our focus on growth, measured through revenue growth.
Return on capital (RoC)	Return on capital (RoC) is calculated as underlying operating income before depreciation and amortization divided by the annual rolling average of the sum of company-owned property, plant and equipment at purchase price, intangible assets (excluding goodwill) at purchase price, operating working capital components and repayment of lease liabilities, divided by 8%.	RoC is used as a measure of how effective we are at turning our investments into profit.
Healthy and Sustainable	<p>Healthy and Sustainable comprises different performance measures that reflect our long-standing commitment to sustainability. For the 2020 and 2021 GRO grant, Healthy and Sustainable (previously referred to as Sustainable Retailing) is measured based on healthy products, food waste reduction and carbon emissions reductions.</p> <ul style="list-style-type: none"> • Healthy products: the percentage of healthy own-brand food sales as a proportion of total own-brand food sales. • Food waste: tonnes of food waste per €1 million food sales. • CO₂ emissions: percentage reduction of absolute scope 1 (direct) and 2 (indirect) CO₂ emissions. 	<p>Our businesses flourish when our communities are healthy and resilient. We aim to make it easy and fun for customers and associates to eat healthier, while at the same time reducing our global footprint.</p> <ul style="list-style-type: none"> • Healthy products: we employ this measure to drive performance in pursuit of our objective to facilitate healthier eating. • Food waste: we employ this measure to drive performance against our objective of reducing food waste. • CO₂ emissions: we employ this measure to drive performance against our objective to reduce CO₂ plus equivalent emissions.

For incentive purposes, EPS performance is calculated using constant rates to ensure individuals are not rewarded nor penalized for foreign exchange rate developments, but only for true business performance.

In case of unforeseen or unusual circumstances occurring during the performance period that have an impact on the performance of the incentive plan as assessed at the end of the performance period, the Supervisory Board may consider an adjustment, in accordance with the principles of reasonableness and fairness.

With respect to EPS growth specifically, planned or anticipated corporate events occurring during the performance period, including share buybacks, transactions, and M&A activity, that may, positively or negatively, affect EPS performance, are always factored into the performance targets. In case of a significant unplanned share buyback that was not taken into the budget, an adjustment will be made to ensure that EPS performance for incentive purposes is not positively affected.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

(SERVICE) AGREEMENTS, PENSION AND OTHER INDIVIDUAL ELEMENTS

Ahold Delhaize does not provide loans or advances to members of the Management Board. No loans or advances are outstanding. Ahold Delhaize does not issue guarantees to the benefit of members of the Management Board. No such guarantees are outstanding.

Frans Muller

Frans' service agreement will end by operation of law without notice being required on the day of the annual General Meeting of Shareholders in April 2023, or earlier if he is otherwise terminated. If the Company terminates his service agreement for reasons other than cause, Frans is entitled to a severance payment equal to one year's base salary or retirement treatment on his unvested performance shares in case of termination in 2019 through 2023. His service agreement may be terminated by the Company with a notice period of 12 months and by Frans with a notice period of six months. Frans participates in the Company's Dutch pension plan.

Natalie Knight

Natalie's service agreement will end by operation of law without notice being required on the day of the annual General Meeting of Shareholders in April 2024, or earlier if she is otherwise terminated. If the Company terminates her service agreement for reasons other than cause, Natalie is entitled to a severance payment equal to one year's base salary. Her service agreement may be terminated by the Company with a notice period of 12 months and by Natalie with a notice period of six months. Natalie receives reimbursement of school fees and a temporary housing allowance of €7,000 net per month. She participates in the Company's Dutch pension plan.

In recognition of the long-term incentive that was outstanding and forfeited at the time of Natalie's resignation at her former employer, two performance share awards were granted in 2020 with a grant value of €600 thousand each, one of which vested on April 15, 2021, and one of which will vest the day after the annual General Meeting of Shareholders in April 2022. Both grants will further be subject to the terms and conditions of the long-term incentive plan (including performance targets), as well as the five-year holding period from the date of grant as applicable to members of the Management Board.

Kevin Holt

Kevin was reappointed as a member of the Management Board for a term ending on the day of the annual General Meeting of Shareholders in April 2024. If the Company terminates his employment agreement for reasons other than cause, Kevin is entitled to a severance payment equal to one year's base salary, unless he is eligible for retirement. His employment agreement may be terminated by the Company with a notice period of 12 months and by Kevin with a notice period of six months.

At the General Meeting of Shareholders on April 14, 2020, Kevin was reappointed to the Management Board in view of several long-term strategic and operational initiatives that are ongoing at Ahold Delhaize USA. If his role in these initiatives was concluded before the end of the four-year term, Kevin and the Company had the option to end Kevin's assignment as per the annual General Meeting of Shareholders in April 2022. As executive leadership transition and continuity is critical, Kevin would then subsequently remain attached to the Company as an advisor to the Management Board until December 31, 2022, after which he would retire. In view of the current state of the above initiatives, both parties have agreed to extend the option by one year, up to and including the annual General Meeting of Shareholders to be held in 2023.

Kevin receives a housing allowance of up to \$7,500 net per month. He participates in the Company's U.S. pension plan.

Wouter Kolk

Wouter's current service agreement runs until the annual General Meeting of Shareholders in April 2022, at which Wouter will be nominated for another term of four years. If the Company terminates his service agreement for reasons other than cause, Wouter is entitled to a severance payment equal to one year's base salary. His service agreement may be terminated by the Company with a notice period of 12 months and by Wouter with a notice period of six months. Wouter participates in the Company's Dutch pension plan.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

TOTAL REMUNERATION

The following table provides an overview of the remuneration costs expended in 2021 and 2020 per Management Board member. The costs reported here are not in all cases equal to the amounts that were received by the individual Management Board members. Share-based compensation expense represents the non-cash cost for Ahold Delhaize of performance shares awarded to members of the Management Board. These costs are recognized over the three-year vesting period of the performance shares in accordance with IFRS 2, "Share-based Payment." The actual value of the 2018 GRO share grant, as received after vesting in 2021 by each Management Board member, is detailed in the table *2018 GRO share grant (vested in 2021)*. The actual value of the 2019 GRO share grant that will vest in 2022 is contingent on the share price at the vesting date of April 14, 2022. The number of performance shares that are expected to vest is detailed in the table *2019 GRO share grant (to vest in 2022)*.

Total remuneration in 2021 and 2020 per Management Board member

€ thousand	Direct remuneration						Deferred remuneration				Total remuneration		Fixed vs. variable remuneration ⁵		
	Base salary		Annual cash incentive: EIP ¹		Other ²		Long-term share-based incentive: GRO ³		Pension ⁴		2021	2020	2021	2020	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
Frans Muller															
Costs (IFRS)							2,846	2,935		62	77	5,718	6,024	21%–79%	19%–81%
Entitlement ⁶	1,130	1,102	1,412	1,653	268	257	4,377	3,475	62	77	7,249	6,564	16%–84%	18%–82%	
Natalie Knight⁷															
Costs (IFRS)							1,103	817		107	(1)	3,097	2,269	26%–74%	24%–76%
Entitlement ⁶	709	477	887	716	291	260	1,012	721	107	(1)	3,006	2,173	27%–73%	25%–75%	
Kevin Holt															
Costs (IFRS)							2,242	2,259		257	220	4,868	5,270	22%–78%	21%–79%
Entitlement ⁶	943	954	1,179	1,431	247	406	3,229	2,573	257	220	5,855	5,584	18%–82%	19%–81%	
Wouter Kolk															
Costs (IFRS)							1,138	1,129		40	36	2,996	3,142	26%–74%	25%–75%
Entitlement ⁶	736	718	920	1,077	162	182	1,671	1,449	40	36	3,529	3,462	22%–78%	22%–78%	

1 The 2021 EIP represents accrued annual cash incentives to be paid in 2022 subject to shareholder approval of the financial statements.

2 "Other" mainly includes gross allowances for net pension, tax compensation (tax equalization charges or refunds for expatriates), allowances for housing expenses, relocation costs, international school fees, employer's contributions to social security plans, benefits in kind such as company cars, tax advice, medical expenses and the associated tax gross-up.

3 The fair value of each year's grant is determined on the grant date and expensed on a straight-line basis over the vesting period. The expense for 2021 reflects this year's portion of the share grants over the previous four years (plans 2018 to 2021).

4 Pension costs are the total net periodic pension costs of the applicable pension plans.

5 Fixed pay comprises the base salary. Variable pay comprises the annual cash incentive plan and the long-term share-based plan.

6 The 2021 entitlement value for the long-term share-based plan is the estimated value based on the closing share price as of the last trading day of the financial year (December 31, 2021) of €30.14 as presented in the table 2019 GRO share grant (to vest in 2022).

The actual value will be determined at vesting on April 14, 2022. The 2020 entitlement value for the long-term share-based program is the value of the 2018 grant which vested in 2021.

7 Natalie Knight started at Ahold Delhaize as Executive Vice President Finance and Member of the Executive Committee on March 1, 2020, and was appointed as member of the Management Board effective April 8, 2020. Her 2020 remuneration reported as member of the Management Board reflects a partial year as of the date of her appointment as member of the Management Board. She received two additional performance share awards with a grant value of €600 thousand each, one of which has vested on April 15, 2021, and one of which will vest the day after the annual General Meeting of Shareholders of Ahold Delhaize in 2022, subject to the terms and conditions of the long-term plan (including performance targets). The related expenses in the amount of €582 thousand were included in "Share-based compensation."

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

MANAGEMENT BOARD REMUNERATION IN CONTEXT

This section places the remuneration of the members of the Management Board and its development over time in the broader context of the remuneration of our associates, the Company's performance, and (for the Chief Executive Officer) external peers.

Internal context

Associates are at the center of our brands' relationships with customers and communities. In establishing the employment conditions of their associates, our brands set compensation and benefits levels in line with job level and local market practices and regularly review remuneration practices, considering societal and market dynamics as well as economic conditions. For the majority 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. We consistently apply this approach to our Management Board, whereby we determine remuneration by establishing a relevant reference market, determining the target level within that reference market, and setting a variable-to-fixed ratio that is reflective of our performance culture.

As a large part of the remuneration of the Management Board is linked to the business performance, the ratio between the total remuneration of the respective members of the Management Board and the average remuneration of all associates across the group will be strongly influenced by the overall business performance of our company. Therefore, in years of strong performance, the ratio within the Company is likely to be higher than in years of below-target performance.

The following table sets out the total remuneration for the members of the Management Board, the average remuneration of all associates across the group, and the overall annual performance multiplier and long-term incentive vesting outcomes for 2017 through 2021. To ensure consistency with our standing disclosure practice and to allow for external comparison, the Management Board remuneration detailed below reflects the remuneration costs expensed per Management Board member for the respective year. Likewise, 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 is taken into account in this calculation.

Management Board remuneration and Company performance

€ thousand	2021	% change	2020	% change	2019	% change	2018	% change	2017
Management Board remuneration									
Chief Executive Officer ¹	5,718	(5)%	6,024	38%	4,356	(13)%	4,989	9%	4,577
Chief Financial Officer ²	3,097	(16)%	3,679	6%	3,463	21%	2,857	1%	2,841
CEO Ahold Delhaize USA	4,868	(8)%	5,270	42%	3,714	3%	3,598	20%	2,994
CEO Ahold Delhaize Europe and Indonesia ³	2,996	(5)%	3,142	72%	1,827				
Average associate remuneration									
Average FTE remuneration ⁴	43	(14)%	50	19%	42	5%	40	—%	40
Company performance									
Annual cash incentive plan (EIP) overall performance multiplier ⁵	125%	(17)%	150%	69%	89%	(20)%	111%	19%	93%
Long-term share-based program (GRO) overall performance multiplier ⁶	126%	8%	117%	72%	68%	(16)%	81%	(25)%	108%

- For 2018 through 2021, CEO refers to Frans Muller. To reflect a full-year remuneration, the 2018 remuneration comprises the remuneration up to July 1, 2018, received in his capacity as Deputy CEO, and from July 1, 2018, received in his capacity as CEO. For 2017, CEO refers to Dick Boer.
- For 2021, CFO refers to Natalie Knight. For 2020, CFO refers to Jeff Carr for the period up to April 8, 2020, and to Natalie Knight for the period from April 8, 2020, onwards. For 2017 through 2019, CFO refers to Jeff Carr.
- Since the position of CEO Ahold Delhaize Europe and Indonesia was created on April 11, 2018, (full-year) numbers for 2017 and 2018 are not available.
- In 2020, Ahold Delhaize recorded a \$1.7 billion (€1.4 billion) expense for incremental pension liabilities due to withdrawal and settlement agreements of several U.S. multi-employer plans. This expense increased the average associate remuneration to 50 thousand per FTE. If this expense was excluded, the average FTE remuneration would be 44 thousand.
- After careful consideration, the Supervisory Board decided to adjust the 2021 EIP multiplier downward to 125%.
- The GRO overall performance multiplier reflects the total performance in the three-year performance period.

Remuneration Report 2021

2021 MANAGEMENT BOARD REMUNERATION

The following table details the pay ratio of the CEO, CFO, CEO Ahold Delhaize USA and CEO Ahold Delhaize Europe and Indonesia compared to the average remuneration of associates in our stores, warehouses and support offices worldwide.

Pay ratio	2021	2020 ¹	2019	2018	2017
Chief Executive Officer ²	132	122	137	105	114
Chief Financial Officer ³	72	74	84	83	71
CEO Ahold Delhaize USA	113	106	120	89	74
CEO Ahold Delhaize Europe and Indonesia ⁴	69	63	72	44	—

- In 2020, Ahold Delhaize recorded a \$1.7 billion (€1.4 billion) expense for incremental pension liabilities due to withdrawal and settlement agreements of several U.S. multi-employer plans. These incremental labor costs increased the average associate remuneration per FTE, impacting the ratio between the total remuneration of the members of the Management Board and the average remuneration of all associates across the group. To facilitate multi-year comparison, the table shows the 2020 pay ratio including this expense as well as excluding this expense.
- For 2018 through 2021, CEO refers to Frans Muller. To reflect a full-year remuneration, the 2018 remuneration comprises the remuneration up to July 1, 2018, received in his capacity as Deputy CEO, and from July 1, 2018, received in his capacity as CEO. For 2017, CEO refers to Dick Boer.
- For 2020, CFO refers to Jeff Carr for the period up to April 8, 2020, and to Natalie Knight for the period from April 8, 2020, onwards. For 2017 through 2019, CFO refers to Jeff Carr.
- Since the position of CEO Ahold Delhaize Europe and Indonesia was created on April 11, 2018, (full-year) numbers for 2017 and 2018 are not available.

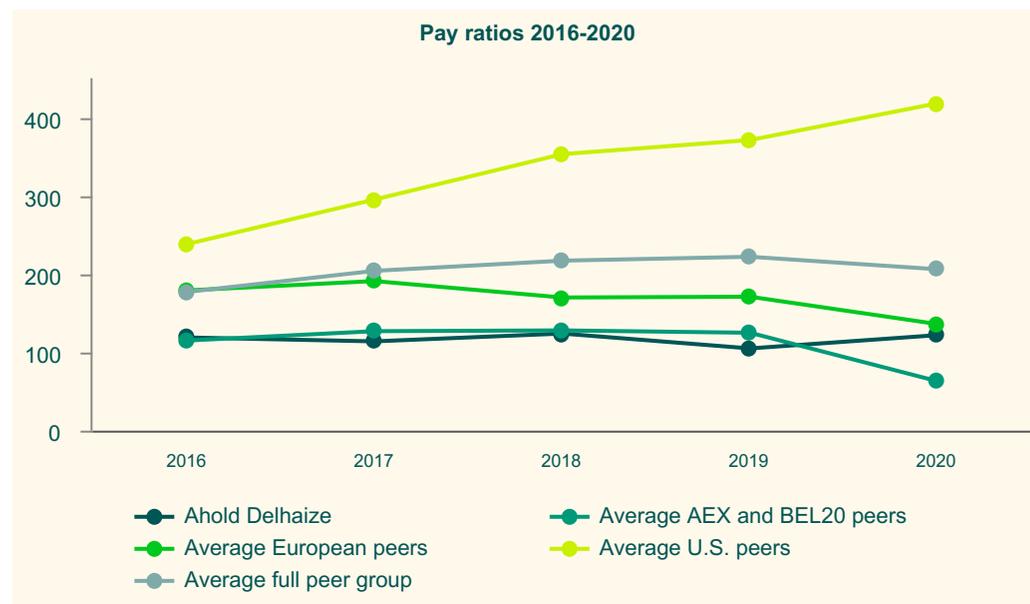
EXTERNAL CONTEXT

To put Ahold Delhaize's pay ratio into perspective, the following table and chart illustrate how Ahold Delhaize's CEO pay ratio compares to the CEO pay ratio of the companies in the benchmark peer group. All numbers are based on the publicly disclosed 2020 annual reports of the respective companies. For comparison purposes, the ratios have been calculated using the same methodology as is used to determine Ahold Delhaize's pay ratio.

Following the Company's exceptional performance and subsequent bonus payout in 2020, Ahold Delhaize's 2020 pay ratio was higher than in the previous years. The 2020 average pay ratios of our AEX, BEL20 and European peers were significantly lower than in 2019, primarily as a result of base salary reductions and bonus cuts for executives in light of the COVID-19 pandemic. The average pay ratio of our U.S. peers continued its upward trend.

Pay ratio	2020	2019	2018	2017	2016
Ahold Delhaize	122	105	124	114	119
Average AEX and BEL20 peers	63	125	128	127	115
Average European peers	136	171	170	191	179
Average U.S. peers	418	371	353	295	238
Average full peer group	206	222	217	204	177

It is important to note that pay ratios can vary greatly from one industry to another and that, even within the same industry, comparing pay ratios is challenging due to differences in market conditions (e.g., the mix of high- and low-paying countries).



In determining the compensation of the Management Board, the Supervisory Board will continue to monitor the development of pay ratios in the Company and in comparison to the benchmark peer group.

Remuneration Report 2021

MANAGEMENT BOARD SHARE-BASED COMPENSATION

SHARE OWNERSHIP

As of January 2, 2022, Management Board members (excluding the former Management Board members) held the following shares and other interests in Ahold Delhaize:

Number of shares	Common shares subject to additional holding requirement ¹	Other common shares	Total common shares
Frans Muller ²	116,768	207,781	324,549
Natalie Knight	21,551	0	21,551
Kevin Holt	93,338	30,644	123,982
Wouter Kolk	33,225	41,416	74,641
Total	264,882	279,841	544,723

¹ In line with best practice 3.1.2 VI of the Dutch Corporate Governance Code 2016 and the Management Board remuneration policy, shares granted and vested under the GRO program to Management Board members should be retained for a period of at least five years after grant, except to finance tax payable at the vesting date, or at least until the date of resignation from the Management Board, if this period is shorter.

² Additionally, 9,579 shares are held by Frans Muller in the form of American Depository Receipts.

PERFORMANCE SHARES

The following table summarizes the status of the GRO program during 2021 for the individual Management Board members.

	Grant date	Vesting date	End of retention period	Outstanding at the beginning of 2021	Granted	Performance adjustment ¹	Vested ²	Forfeited	Outstanding at the end of 2021	Maximum number of shares ³	Fair value per share at the grant date (€)
Frans Muller											
2018 TSR grant				51,408	—	(10,282)	41,126	—	—	N/A	16.58
2018 RoC grant	April 12, 2018	April 15, 2021	April 12, 2023	51,408	—	25,704	77,112	—	—	N/A	17.89
2018 Sustainability grant				25,704	—	6,426	32,130	—	—	N/A	17.89
2019 TSR grant				17,304	—	—	—	—	17,304	25,956	14.47
2019 RoC grant	April 11, 2019	April 14, 2022	April 11, 2024	40,374	—	—	—	—	40,374	60,561	20.01
2019 EPS grant				40,374	—	—	—	—	40,374	60,561	20.01
2019 Sustainability grant				17,304	—	—	—	—	17,304	25,956	20.01
2020 TSR grant				17,261	—	—	—	—	17,261	25,891	14.51
2020 RoC grant	April 9, 2020	2023 AGM + 1 day	April 9, 2025	40,274	—	—	—	—	40,274	60,411	19.98
2020 EPS grant				40,274	—	—	—	—	40,274	60,411	19.98
2020 Sustainability grant				17,261	—	—	—	—	17,261	25,891	19.98
2021 TSR grant				—	16,720	—	—	—	16,720	25,080	7.41
2021 RoC grant	April 15, 2021	2024 AGM + 1 day	April 15, 2026	—	39,013	—	—	—	39,013	58,519	20.25
2021 EPS grant				—	39,013	—	—	—	39,013	58,519	20.25
2021 Sustainability grant				—	16,720	—	—	—	16,720	25,080	20.25

Remuneration Report 2021

MANAGEMENT BOARD SHARE-BASED COMPENSATION

	Grant date	Vesting date	End of retention period	Outstanding at the beginning of 2021	Granted	Performance adjustment ¹	Vested ²	Forfeited	Outstanding at the end of 2021	Maximum number of shares ³	Fair value per share at the grant date (€)
Natalie Knight⁴											
2018 TSR grant				10,663	—	(2,133)	8,530	—	—	N/A	17.10
2018 RoC grant	April 9, 2020	April 15, 2021	April 9, 2025	10,663	—	5,331	15,994	—	—	N/A	18.45
2018 Sustainability grant				5,332	—	1,333	6,665	—	—	N/A	18.45
2019 TSR grant				3,999	—	—	—	—	3,999	5,998	13.40
2019 RoC grant	April 9, 2020	April 14, 2022	April 9, 2025	9,331	—	—	—	—	9,331	13,996	18.52
2019 EPS grant				9,331	—	—	—	—	9,331	13,996	18.52
2019 Sustainability grant				3,999	—	—	—	—	3,999	5,998	18.52
2020 TSR grant				7,698	—	—	—	—	7,698	11,547	14.51
2020 RoC grant	April 9, 2020	2023 AGM + 1 day	April 9, 2025	17,961	—	—	—	—	17,961	26,941	19.98
2020 EPS grant				17,961	—	—	—	—	17,961	26,941	19.98
2020 Sustainability grant				7,698	—	—	—	—	7,698	11,547	19.98
2021 TSR grant				—	7,820	—	—	—	7,820	11,730	7.41
2021 RoC grant	April 15, 2021	2024 AGM + 1 day	April 15, 2026	—	18,247	—	—	—	18,247	27,370	20.25
2021 EPS grant				—	18,247	—	—	—	18,247	27,370	20.25
2021 Sustainability grant				—	7,820	—	—	—	7,820	11,730	20.25
Kevin Holt											
2018 TSR grant				38,066	—	(7,614)	30,452	—	—	N/A	16.58
2018 RoC grant	April 12, 2018	April 15, 2021	April 12, 2023	38,066	—	19,033	57,099	—	—	N/A	17.89
2018 Sustainability grant				19,033	—	4,758	23,791	—	—	N/A	17.89
2019 TSR grant				12,766	—	—	—	—	12,766	19,149	14.47
2019 RoC grant	April 11, 2019	April 14, 2022	April 11, 2024	29,787	—	—	—	—	29,787	44,680	20.01
2019 EPS grant				29,787	—	—	—	—	29,787	44,680	20.01
2019 Sustainability grant				12,766	—	—	—	—	12,766	19,149	20.01
2020 TSR grant				15,412	—	—	—	—	15,412	23,118	14.51
2020 RoC grant	April 9, 2020	2023 AGM + 1 day	April 9, 2025	35,962	—	—	—	—	35,962	53,943	19.98
2020 EPS grant				35,962	—	—	—	—	35,962	53,943	19.98
2020 Sustainability grant				15,412	—	—	—	—	15,412	23,118	19.98
2021 TSR grant				—	13,760	—	—	—	13,760	20,640	7.41
2021 RoC grant	April 15, 2021	2024 AGM + 1 day	April 15, 2026	—	32,107	—	—	—	32,107	48,160	20.25
2021 EPS grant				—	32,107	—	—	—	32,107	48,160	20.25
2021 Sustainability grant				—	13,760	—	—	—	13,760	20,640	20.25

Remuneration Report 2021

MANAGEMENT BOARD SHARE-BASED COMPENSATION

	Grant date	Vesting date	End of retention period	Outstanding at the beginning of 2021	Granted	Performance adjustment ¹	Vested ²	Forfeited	Outstanding at the end of 2021	Maximum number of shares ³	Fair value per share at the grant date (€)
Wouter Kolk⁵											
2018 TSR grant				21,433	—	(4,287)	17,146	—	—	N/A	16.58
2018 RoC grant	April 12, 2018	April 15, 2021	April 12, 2023	21,433	—	10,716	32,149	—	—	N/A	17.89
2018 Sustainability grant				10,717	—	2,679	13,396	—	—	N/A	17.89
2019 TSR grant				6,607	—	—	—	—	6,607	9,910	14.47
2019 RoC grant	April 11, 2019	April 14, 2022	April 11, 2024	15,416	—	—	—	—	15,416	23,124	20.01
2019 EPS grant				15,416	—	—	—	—	15,416	23,124	20.01
2019 Sustainability grant				6,607	—	—	—	—	6,607	9,910	20.01
2020 TSR grant				7,175	—	—	—	—	7,175	10,762	14.51
2020 RoC grant	April 9, 2020	2023 AGM + 1 day	April 9, 2025	16,740	—	—	—	—	16,740	25,110	19.98
2020 EPS grant				16,740	—	—	—	—	16,740	25,110	19.98
2020 Sustainability grant				7,175	—	—	—	—	7,175	10,762	19.98
2021 TSR grant				—	6,950	—	—	—	6,950	10,425	7.41
2021 RoC grant	April 15, 2021	2024 AGM + 1 day	April 15, 2026	—	16,216	—	—	—	16,216	24,324	20.25
2021 EPS grant				—	16,216	—	—	—	16,216	24,324	20.25
2021 Sustainability grant				—	6,950	—	—	—	6,950	10,425	20.25
Subtotal Management Board members				892,060	301,666	51,664	355,590	—	889,800	1,334,690	

1 Represents the adjustment to the number of performance shares granted resulting from the TSR, RoC and Sustainability performance.

2 The vesting date of the 2018 grant was April 15, 2021. The share price was €23.02 on April 15, 2021.

3 For the TSR performance grants, the maximum number of performance shares that could potentially vest equals 175% of outstanding performance shares, for the award granted in 2018, if Ahold Delhaize's ranking is one. For the TSR performance grants awarded in 2019, 2020 and 2021, the maximum number of performance shares that could potentially vest equals 150% of the outstanding performance shares if the Company's ranking is one. For the RoC performance grants, the EPS performance grants and the Sustainability performance grants the maximum number of performance shares that could potentially vest equals 150% of outstanding performance shares (as explained in the sections [Main characteristics of performance shares granted in 2019 through 2021](#) and [Main characteristics of performance shares granted in 2018](#) from [Note 32](#)). The minimum number of performance shares that could potentially vest would be nil (as explained in the sections [Main characteristics of performance shares granted in 2019 through 2021](#) and [Main characteristics of performance shares granted in 2018](#) from [Note 32](#)).

4 Natalie Knight started at Ahold Delhaize as Executive Vice President Finance and Member of the Executive Committee on March 1, 2020, and was appointed as member of the Management Board effective April 8, 2020. She received two additional performance share awards with a grant value of €600 thousand each, one of which has vested on April 15, 2021, and one of which will vest the day after the annual General Meeting of Shareholders of Ahold Delhaize in 2022, subject to the terms and conditions of the long-term plan (including performance targets).

5 Wouter Kolk, Chief Executive Officer Ahold Delhaize Europe and Indonesia has been a member of the Management Board since April 11, 2018.

Remuneration Report 2021

REMUNERATION POLICY FOR THE SUPERVISORY BOARD

The Remuneration Policy for the Supervisory Board was adopted by the General Meeting of Shareholders on April 8, 2020, (98.76% of votes in favor) and became effective retroactively as of January 1, 2020.

BENCHMARK PEER GROUP

As an international company, Ahold Delhaize must remain attractive for top leaders from our industry and beyond to continue to have a strong and diverse Supervisory Board. The competitiveness of the Supervisory Board remuneration levels is benchmarked every three years. In extraordinary circumstances, an intermediate adjustment might be considered.

The benchmark peer group is the same as determined for the Management Board and consists of a total of 18 peer companies in Europe and the United States, as well as AEX- and BEL20-listed companies. This labor market peer group reflects the Company's geographic operating areas and the markets most relevant in relation to the recruitment and retention of top management.

European peers	U.S. peers	AEX and BEL20
Tesco	Kroger	Unilever
Carrefour	Costco	Philips
Metro Cash & Carry	Target	Heineken
Casino Guichard-Perrachon	Walgreens Boots Alliance	Randstad
J Sainsbury	Best Buy	Akzo Nobel
W M Morrison	Lowe's Companies	AB InBev

To accommodate potential changes in the labor market peer group due to delistings, mergers or other extraordinary circumstances, the Supervisory Board may exercise discretion to substitute comparable companies. In general, geographical composition is leading in replacement determination. For example, if a U.S.-based company is dropped, it is generally replaced by another U.S.-based company.

The target remuneration level is typically at or near the median, while consideration is given to the size of Ahold Delhaize relative to the peer group.

REMUNERATION

Given the nature of the responsibilities of the Supervisory Board as an independent body, remuneration is not tied to the performance of the Company and therefore only comprises fixed remuneration, delivered in cash. In addition to a base fee, members of the Supervisory Board are offered committee fees and travel time compensation contingent upon their activities and responsibilities. All remuneration is denominated and delivered in euros. Currency conversion risks are not covered by the company.

Annual base fees

The base fees offered to members of the Supervisory Board reflect the Company's size and complexity, as well as the responsibilities of the members and the time spent on their roles.

Chair Supervisory Board	€200,000
Vice Chair	€125,000
Member Supervisory Board	€90,000

Annual committee fees

The chair and members of the Supervisory Board's committees are offered a supplementary fee for the additional responsibilities they take on.

Chair Audit, Finance and Risk Committee	€30,000
Member Audit, Finance and Risk Committee	€15,000
Chair Other Committee	€20,000
Member Other Committee	€12,500

Travel time compensation fee

Supervisory Board members are offered a travel time compensation of €7,500 per intercontinental round trip and €2,500 per continental round trip.

SHAREHOLDING

Members of the Supervisory Board are allowed to hold (privately acquired) shares in the Company.

PENSIONS AND OTHER CONTRACT TERMS

Pension

Members of the Supervisory Board are not eligible to participate in any benefits program offered by the company to its associates, including, but not limited to, pension plans.

Loans

The Company does not provide loans to members of the Supervisory Board, nor does the Company issue guarantees to the benefit of members of the Supervisory Board.

Term

Members of the Supervisory Board shall be on the Supervisory Board for a maximum period of four years and shall thereafter be eligible for re-appointment for another four-year period. The member of the Supervisory Board may then be reappointed for a period of two years, which appointment may be extended by at most two years.

Resignation

Members of the Supervisory Board shall resign in accordance with the retirement schedule prepared by the Supervisory Board. No notice period or termination fees are applicable.

Remuneration Report 2021

2021 SUPERVISORY BOARD REMUNERATION

The remuneration paid to the members of the Supervisory Board in 2021 was in accordance with the Remuneration Policy for the Supervisory Board. The following table outlines the total remuneration for the members of the Supervisory Board for 2017 through 2021.

€ thousand ^{1,2}	2021	2020	2019	2018	2017
Peter Agnefjäll (appointed in 2019)	230	138	104	—	—
Bill McEwan (reappointed in 2020)	162	150	208	209	150
René Hooft Graafland (reappointed in 2018)	134	129	143	145	136
Katie Doyle (appointed in 2019)	133	126	104	—	—
Helen Weir (appointed in 2020)	128	88	—	—	—
Mary Anne Citrino (reappointed in 2020)	125	119	130	130	133
Frank van Zanten (appointed in 2020)	117	83	—	—	—
Bala Subramanian (appointed in 2021)	89	—	—	—	—
Jan Zijderveld (appointed in 2021)	93	—	—	—	—
Ben Noteboom (retired in 2021)	35	109	125	135	145
Dominique Leroy (retired in 2021)	30	116	118	123	125
Jan Hommen (reappointed in 2017, retired on December 31, 2020)	—	223	243	249	223
Jacques de Vaucleroy (retired in 2020)	—	31	120	144	170
Rob van den Bergh (resigned in 2019)	—	—	39	148	148
Mark McGrath (resigned in 2019)	—	—	44	136	143
Mats Jansson (retired in 2018)	—	—	—	68	255
Johnny Thijs (resigned in 2018)	—	—	—	31	128
Patrick De Maeseneire (resigned in 2018)	—	—	—	32	123
Jack Stahl (resigned in August 2017)	—	—	—	—	111
Stephanie Shern (resigned in April 2017)	—	—	—	—	37
Total remuneration Supervisory Board	1,276	1,312	1,378	1,550	2,027
Number of Supervisory Board members ³	11	11	11	12	14

1 In the remuneration of the Supervisory Board members, the Company has considered the composition and the responsibilities of the Supervisory Board and its related committees, as well as the responsibilities of its individual members in the respective years.

2 For the members who were appointed or resigned during a year, the remuneration for that respective year reflects a partial year.

3 These numbers include members who were appointed or resigned during the respective year.

As of January 2, 2022, Peter Agnefjäll held 7,200 Ahold Delhaize common shares and Bill McEwan held 7,125 Ahold Delhaize American Depositary Receipts common shares. None of the other Supervisory Board members held Ahold Delhaize shares.

Ahold Delhaize does not provide loans or advances to members of the Supervisory Board. No loans or advances are outstanding. Ahold Delhaize does not issue guarantees to the benefit of members of the Supervisory Board. No such guarantees are outstanding.