



2021 Investor Day

Ahold Delhaize

Leading Together

Frans Muller

President & Chief Executive Officer



Our purpose

**Eat well.
Save time.
Live better.**

Our values



Courage

We drive change, are open minded, bold and innovative



Integrity

We do the right thing and earn customers' trust



Teamwork

Together, we take ownership, collaborate and win



Care

We care for our customers, our colleagues, and our communities



Humor

We are humble, down-to-earth, and don't take ourselves too seriously

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Our vision

Create the leading local food shopping experience



Drive Omnichannel Growth:

Create seamless **digitally-enabled** experiences with a compelling value proposition across all shopping and meal occasions



Elevate Healthy & Sustainable:

Provide inspiring, healthy and affordable food options for all and achieve our sustainability commitments



Cultivate Best Talent:

Attract, develop and retain the best talent with an engaging associate experience that drives high performance, inclusion and growth



Strengthen Operational Excellence:

Save for our customer, leverage scale, and use **technology and data** to build the future

Our growth drivers

Our strategy drove growth & positioned us well to serve our customers

Our 2018 CMD commitments

| | Our commitments | Status as of Q3 2021 | |
|-----------------------------------|--|--|---|
| Financial guidance | Annual Free cash flow of ~€1.8 billion for 2019 to 2021* | Average ~€2 billion in 2019 and 2020 with €1.7 billion expected in 2021E | ✓ |
| | €1.8 billion in cumulative Save for Our Customers savings from 2019 – 2021 (€600 million per year) | Over €1.5 billion cumulative savings through 2020; on track to achieve €2.3 billion from 2019-2021 | ✓ |
| | Net capex at ~3% of sales per year | Average ~3% of sales from 2019 to 2021E | ✓ |
| | Cumulative net working capital improvement of €300 million in 2019-2021 | ~€1.3 billion across 2019 and 2020 | ✓ |
| eCommerce | Doubling net consumer online sales to ~€7 billion in 2021 | ~€7.6 billion in 2020, one year ahead of plan | ✓ |
| | US online sales growth of 30%+ in 2020 | 105% in 2020 with 70% growth expected in 2021E | ✓ |
| | bol.com net consumer online sales of ~€3.5 billion in 2021 | €4.3 billion in 2020, one year ahead of plan, with €5.5 billion expected in 2021E | ✓ |
| | bol.com third party sales at >45% of total sales in 2021 | 57% in 2020, 47% in 2019, two years ahead of plan | ✓ |
| | bol.com to become EBIT positive and generate double-digit ROC in 2019 | EBIT positive and double-digit ROC in 2019, 2020 and 2021E | ✓ |
| Re-imagine Stop & Shop | Sales uplift from remodeled stores of 4%-6% in year 1; 2%-4% in year 2; 2% in year 3 | Sales uplift in line with expectations | ✓ |
| | Remodel 60-80 stores per year | Remodeled 111 stores through Q3 2021 | ✗ |

*Adjusted for IFRS 16; excludes M&A
Ahold Delhaize – Investor Day 2021

We have built a strong portfolio...

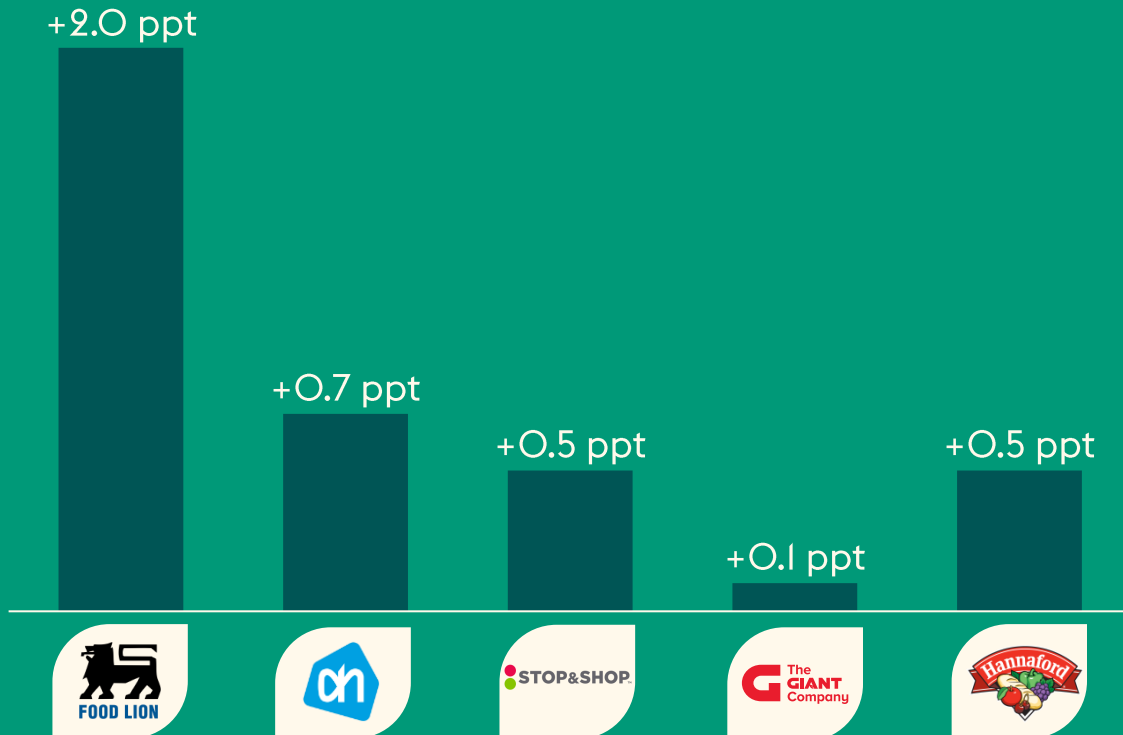
Strengthening our positions



...and have gained market share across our brands

Strengthening our positions

Market Share Growth of Top 5 brands of Ahold Delhaize
(ppt change Q2 2021 vs. Q2 2019)

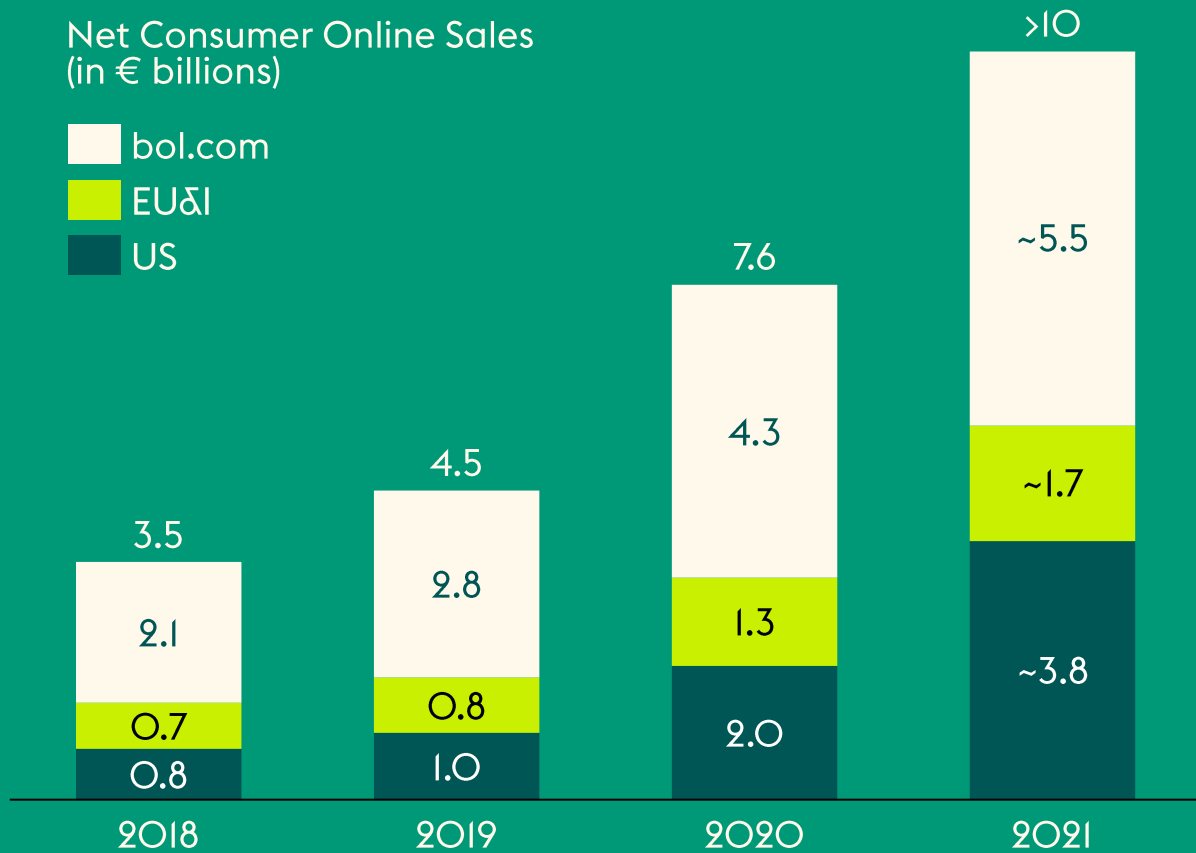


Delivering strong online growth

Strengthening our positions

Net Consumer Online Sales
(in € billions)

- bol.com
- EU&I
- US



1,400+

US pick up points & click-and-collect locations by end of 2021

140m

bol.com unique monthly visits in Belgium & Netherlands

Evolving preferences of customers

Looking ahead, shifting customer behavior provides us an opportunity to accelerate our strategy across key priorities



53% expect to **work more from home** in the near future



66% are trying to **eat healthier**



60% expect to shop the same frequency or more **online**



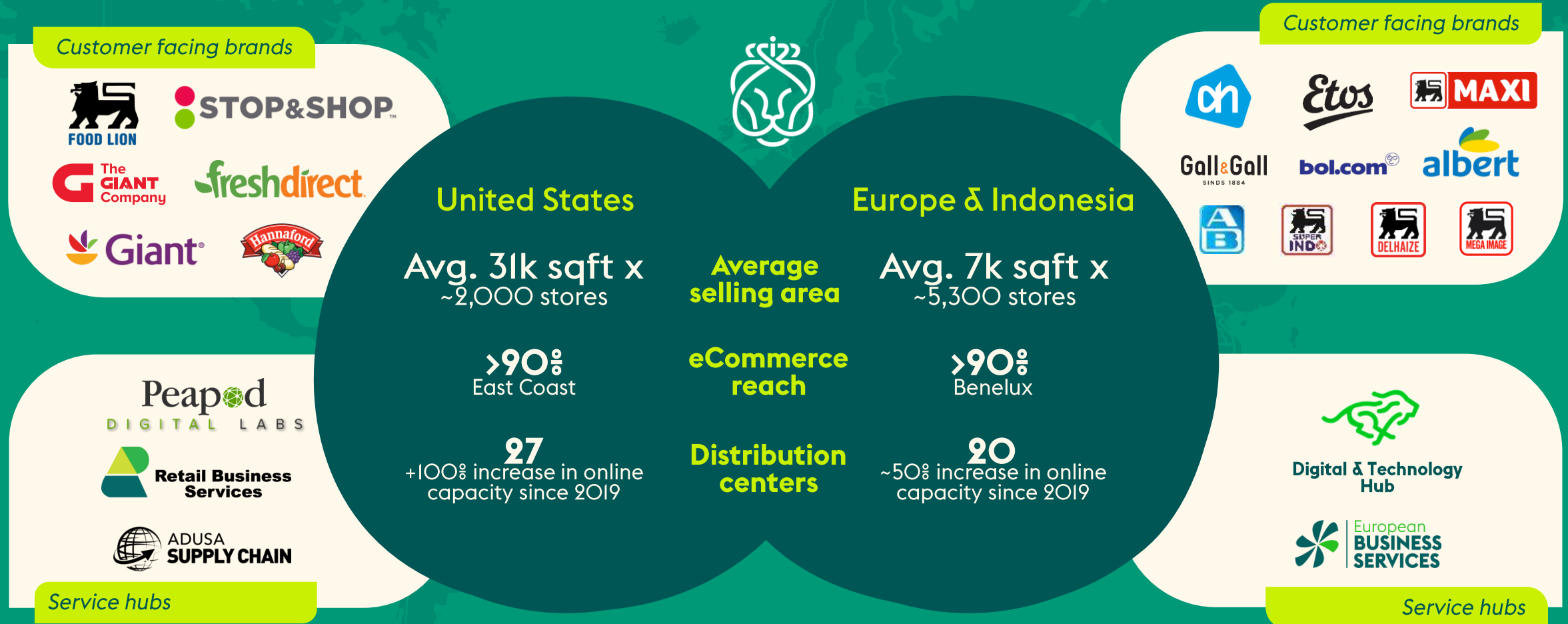
65% cite **better value** as the reason for trying new brands



35% care more about **sustainability** of food purchases

We have a repeatable formula for growth

Strengthening our positions



4 priorities for the next 4 years

For customers

Serve customers with deeper (digital) relationships

For operations

Accelerate the omnichannel transformation & continue to be the best local operators

For H&S

Lead the transformation into a healthy & sustainable food system

For our portfolio

Create the ecosystem for smarter customer journeys

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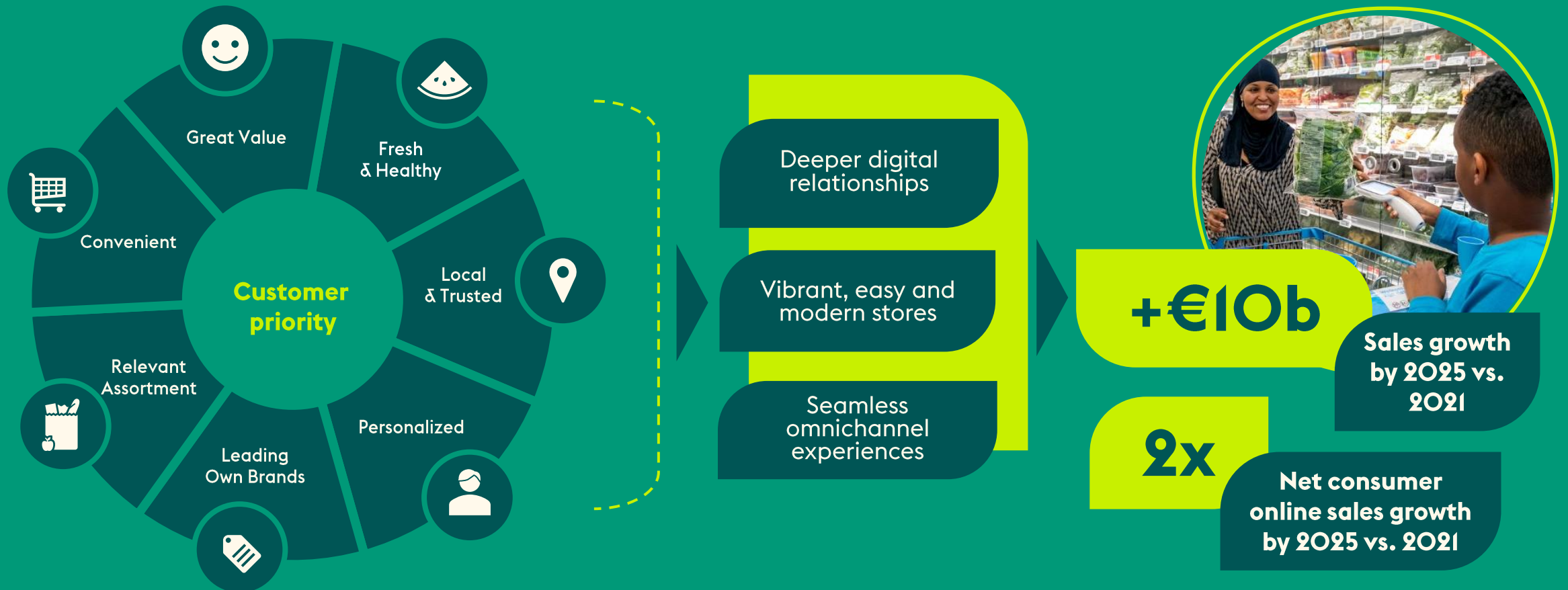
Lead the transformation into a healthy & sustainable food system

For our portfolio

Create the ecosystem for smarter customer journeys

Our omnichannel customer value proposition is at the core of how our brands grow

Customer priority



Offer the freshest groceries & unlock healthy eating and living for all

Customer priority: Fresh & Healthy



Highest percent of fresh & healthy assortment

>55% of healthy own food sales by 2025



Enable fresh & healthy choices

Implement healthy nutritional guidance across all of our brands (e.g., Nutri-Score, Guiding Stars)

Make healthy living easier

Increase healthy assortment, promotions & offers on healthy food (e.g. Loyalty program-linked offers)



Be the recognized local leader, connected & trusted by customers and communities

Customer priority: Local & Trusted



Create uniquely local experiences

Higher share of locally sourced assortment, direct from farm-to-fork



Embed ourselves in the community

Continue to donate meals to communities as part of our brands' priority to fight hunger

Drive local sustainability

Reduce food waste by 50% across all our brands



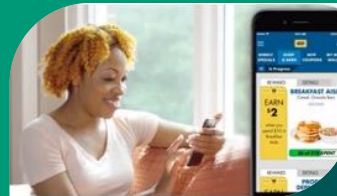
Deliver relevant personalized information, services, offerings & promotions

Customer priority: Personalized



Offer personalized value

Increase real-time tailored offers and promotions linked to customer basket



Tailor customer experiences

Content and recommendation engines tailored to customer dietary & personal preferences

Provide engaging personalized service

Offer premium subscription memberships across all of our brands



bol.com, a powerful asset with a relentless focus on the customer

Customer priority



~34m

Number of unique products offered on bol

30+

Relational NPS in NL & BE-FL

~47k

Number of local entrepreneurs on bol (3P)

>90%

Brand awareness in NL, >85% in BE

~2x

bol.com net consumer online sales by 2025

~2x

EBITDA by 2025

3 game changers going forward

Increase loyalty, multi-category buying and frequency

Double down on advertising services

Scale (bol.com) logistics services to partners

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For operations

Accelerate the omnichannel transformation & continue to be the best local operators

For H&S

Lead the transformation into a healthy & sustainable food system

For our portfolio

Create the ecosystem for smarter customer journeys

We are accelerating the omnichannel transformation across core capabilities...

Operational priority



Digital & in-store experience

- Prism eCommerce platform servicing all US brands by 2022
- Optimized urban store format translated from Europe to the US
- By 2024, >80% of stores in EU will have ESL and >70% will have self-checkout and scaling across US

Supply chain, operations & merchandising

- 100% integrated, self-distributed US supply chain network by 2024
- Proprietary network optimization engine (TNT) rolled out in the US, leveraging predictive analytics
- New MFC launch in 2021 and scaling to Europe in 2022

Data & analytics

- ML based tool used by managers to improve in-store counting performance at Albert Heijn
- Deploying proprietary tools in stores and warerooms to improve productivity and reduce out of stocks across the US
- Assortment, price & promo optimization tools rolled out across US and Europe by 2022

...and executing a clear omnichannel formula across our brands

Operational priority

Scaled service hubs,
technology and
capabilities

Fueled by
higher
CAPEX spend
(3% to 3.5%)

United States

Peapod

DIGITAL LABS



Retail Business
Services



ADUSA
SUPPLY CHAIN

Global

Capabilities

Partnerships

Services

Functions

Europe & Indonesia



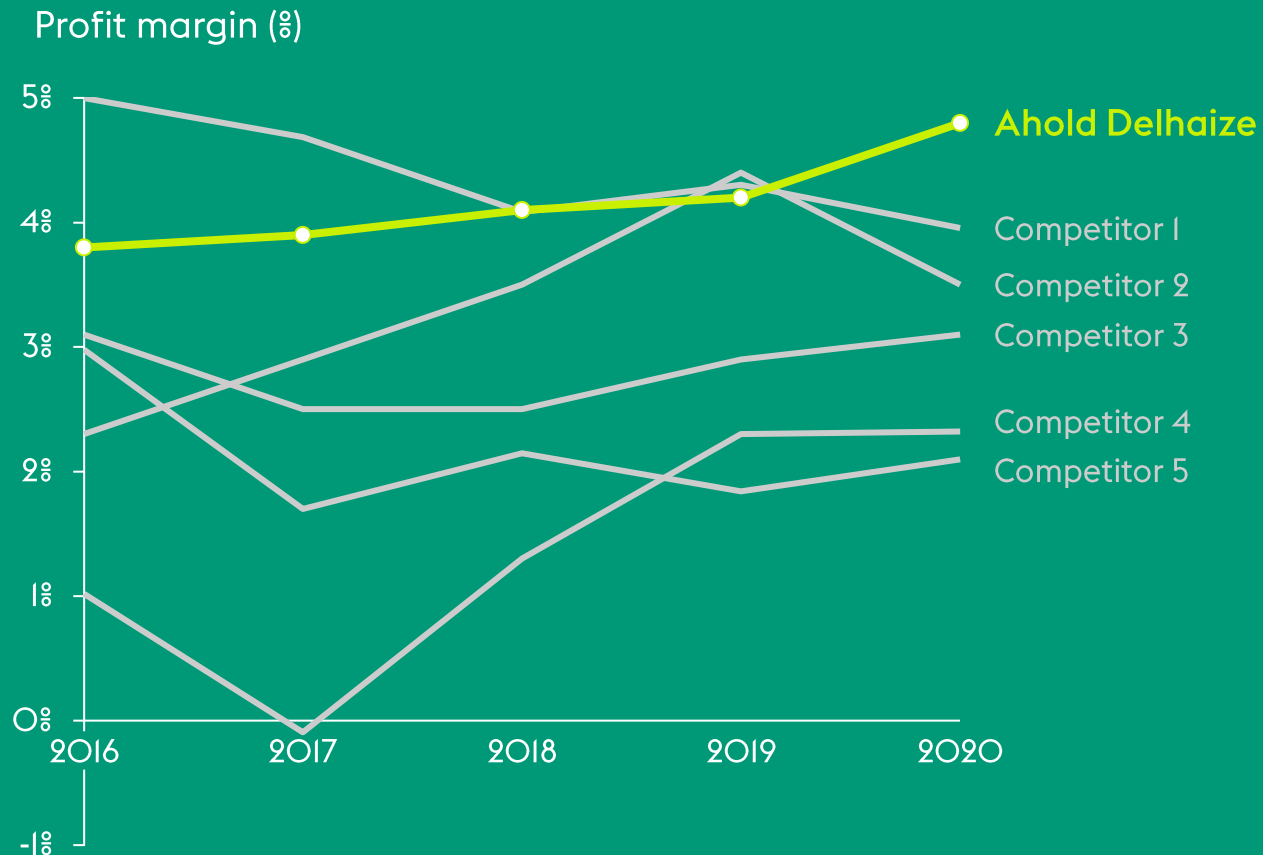
Digital &
Technology Hub



European
BUSINESS
SERVICES

We will continue to drive operational excellence

Operational priority



Fully allocated
eCommerce

Profitable by
2025

Best-in-class Save for
Our Customer

~€4b

4 priorities for the next 4 years

For customers

Serve customers with deeper (digital) relationships

For operations

Accelerate the omnichannel transformation & continue to be the best local operators

For H&S

Lead the transformation into a healthy & sustainable food system

For our portfolio

Create the ecosystem for smarter customer journeys

We make healthy and sustainable choices easy **for everyone**



Grounded
in Goodness

Be the industry leading healthy and sustainable retailer

AA MSCI ESG rating
in 2021, upgraded from A

Top 10%
Sustainalytics rating in food industry

Over 10 years
consistent leadership on the Dow Jones
Sustainability Index

Race to Zero campaign commitment and 1.5 °C
ambition underway, aligned with Science-
Based Targets initiative

Climate impact assessments done with
TCFD framework

25% STI/LTI incentives
tied to our H&S promise (ESG)*

Healthier people

Customers
Product
Communities
Associates

Healthier planet

Our operations
Our farmers and
suppliers



Grounded
in Goodness

net zero carbon emissions

across our own operations
(Scope 1 & 2)

by
2040

net zero business

across our entire
supply chain, products
and services
(Scope 3)

by
2050

4 priorities for the next 4 years

For customers

Serve customers with deeper (digital) relationships

For operations

Accelerate the omnichannel transformation & continue to be the best local operators

For H&S

Lead the transformation into a healthy & sustainable food system

For our portfolio

Create the ecosystem for smarter customer journeys

We will unlock new customer connections

Portfolio priority

Driving
richer customer
experiences and
touchpoints

Win in
NY

Win in
Philadelphia

Win in urban
markets

Win in
Benelux

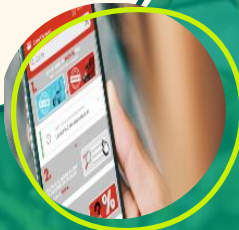
Leverage strengths of
leading
#1 and #2 food and
#1 online marketplace

We will drive new customer propositions and complementary revenue streams

Portfolio priority

€1 billion

in complementary
revenue streams by
2025



Test-scale new
customer
propositions



Scaling AH Premium
& Compact to Europe

Testing
<2hr in US and Europe

Piloting
<1hr grocery in 2022

Scale complementary
revenue streams

Across the portfolio, we are focused on reinforcing and strengthening our omnichannel leading positions

Our portfolio ambition

Our focus

1 Create a uniquely local omnichannel customer experience for every brand

2 Drive a portfolio of brands with growing #1 or #2 omnichannel positions in local markets

3 Enhance the long-term durability of our strategy by building scale and accelerating the omnichannel transformation

Our competitive advantage



Great local brands strategy

19 great local brands



Efficient platform for growth

Service hubs across digital, tech, business service, supply chain (US/EU&I)



Stable & predictable cash-flow

>€6b cumulative free cash flow 2022-25



Consolidator of choice

6 successful acquisitions since 2018

Our financial ambitions

2025



+€10b

Sales growth vs. 2021



2x

Net consumer online
sales growth vs. 2021



Profitable

Fully allocated eCommerce
by 2025



€1b

Complementary revenue
streams by 2025



>€6b

Cumulative
Free Cash Flow



High-Single Digit

Annual
underlying EPS
growth vs. 2022

All of the above is enabled by Best Talent

We have strong, engaged and inclusive workplaces

For customers

Serve customers with deeper (digital) relationships

For operations

Accelerate the omnichannel transformation & continue to be the best local operators

For H&S

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For our portfolio

Create the ecosystem for smarter customer journeys

Strong
talent pools



~410,000+ associates in 10 countries
>45,000 new jobs in 2020

Engaged
associates

Let your
voice
be heard

81% engagement score
73% associate development score

Inclusive
workplaces



Committing to a workforce that is 100% gender balanced, 100% reflective of our markets and 100% inclusive

We are creating the leading local food shopping experience



Leading

Be the
#1 omnichannel grocery brand in all markets we serve and continue to be the best operator in the business



Local

Stay rooted in our brands' **local communities**, contributing and serving the **local needs**



Food

Keep **food at the center** of our brands' offering, while expanding the proposition



Shopping

Make shopping **easy, personal and convenient** through a truly seamless **omnichannel** offering



Experience

Deliver a seamless digital-first **omnichannel experience**

Thank you

