

Remuneration report 2019

This Remuneration report is derived from the Ahold Delhaize Annual Report 2019 as follows:

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Letter from the Remuneration Committee Chairman

Bill McEwan
Chairman of the Remuneration
Committee of the Supervisory Board



Dear shareholder,

I am pleased to present our 2019 Remuneration report. This year, we redesigned the structure and presentation of our report to be more complete, transparent and reader-friendly. It now provides additional detailed information regarding the remuneration of the members of the Management Board and Supervisory Board.

In the sections below, I will look back on the Remuneration Committee's activities in 2019, including remuneration outcomes, and discuss our remuneration approach for 2020 and beyond.

2019 in review

In 2019, the Remuneration Committee performed a thorough review of the Remuneration Policy for the Management Board to ensure it was still aligned to support our Leading Together strategy and the long-term growth of the Company. Following this, the Supervisory Board proposed an amended Remuneration Policy that reflected even stronger alignment with the interests of all our stakeholders. The introduction of key annual strategic imperatives to our short-term incentive plan and an earnings per share growth measure to our long-term incentive plan, tied our Remuneration Policy even more closely to performance on our strategy. The amended Policy was adopted by the General Meeting of Shareholders on April 10, 2019, by a vote of 92.09% in favor.

Throughout the year, we continued to closely monitor and take into account developments in the global, regional, and local labor markets when making recommendations to the Supervisory Board about Management Board remuneration. We also engaged with our stakeholders to discuss the feedback we received during the 2019 General Meeting of Shareholders and our approach to the remuneration of key management personnel going forward.

With respect to Company performance, we faced some challenges, such as the strike at Stop & Shop, while at the same time, we outperformed on the online sales growth target for the short-term incentive and the Sustainable Retailing target for the long-term incentive. All in all, this resulted in a bonus payout level that is slightly below target and a relatively low vesting percentage for our equity-based incentive plan in 2020.

Looking forward

In 2017, the European Parliament adopted the Shareholder Rights Directive II, which is now being implemented in national legislation in EU member states and aims to increase long-term shareholder engagement in listed companies seated in the European Union. In light of the new legislation, the Remuneration Committee conducted an analysis of our remuneration policies and disclosures. Based on this, we will propose to the 2020 General Meeting of Shareholders that the current Remuneration Policy for the Management Board is supplemented with our Principles and Procedures, which articulate our existing remuneration principles and provide more details regarding our remuneration governance and how we seek alignment with our stakeholders.

The principles we apply to the remuneration of key management personnel are the same as those we apply to the remuneration of all our associates. As one of the world's leading food retail groups, Ahold Delhaize and its brands employ over 380,000 associates, who are engaged, experienced and passionate about serving our customers and communities. Our great local brands are dedicated to being good employers and will continue to improve their working conditions with an engaged, inclusive, balanced and healthy workplace for all associates. We believe this will enable us to attract, develop and retain the best talent and capabilities that will allow us to stay in the lead.

The Remuneration Committee will also propose to the General Meeting of Shareholders a new Remuneration Policy for the Supervisory Board that continues existing practice while updating the remuneration structure and levels to the current circumstances following our successful merger and integration. The aforementioned Principles and Procedures will also be an integral part of this new policy.

We aim to disclose clear and understandable information on individual Management Board member remuneration. This year's Remuneration report introduces new tables that provide additional insight into the total remuneration received by each member of the Management Board, as well as the performance realized and the payout of our incentive plans. I trust that you will find these additions to the report valuable.

In 2019, we announced that our CFO Jeff Carr will not stand for another term as member of the Management Board after his current term expires. We also announced the appointment of Natalie Knight as Ahold Delhaize's Executive Vice President Finance and member of the Executive Committee, effective March 1, 2020. Natalie will be nominated by the Supervisory Board to be appointed as a member of the Management Board at the annual General Meeting of Shareholders in April 2020, officially succeeding Jeff as CFO. At this same meeting, we will also propose the reappointment of Kevin Holt as a member of the Management Board in the capacity of CEO of Ahold Delhaize USA. The individual remuneration packages for Natalie and Kevin are detailed in the AGM circular released alongside this annual report.

I look forward to presenting our proposals and this Remuneration report at our annual General Meeting of Shareholders on April 8, 2020.

On behalf of the Remuneration Committee,
Bill McEwan

Remuneration policy

Ahold Delhaize's remuneration policy for the Management Board was prepared in accordance with the Dutch Corporate Governance Code. It was adapted by the General Meeting of Shareholders on April 10, 2019. The remuneration policy became effective retroactively as of January 1, 2019.

Ahold Delhaize's remuneration policy aims at attracting, motivating and retaining the best qualified talent. The Supervisory Board designed the Management Board Remuneration Policy to align with the Company's strategy and to support the pay-for-performance culture, with an effective and transparent remuneration policy.

The policy contemplates the various risks and scenarios associated with variable compensation elements.

Remuneration philosophy

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 equity-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.

In support of the Company's strategy and performance culture, the Total Direct 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 are cornerstone elements of the Company's strategy.

The short-term incentive is focused on the fundamental key financial metrics of a retail organization: sales growth, underlying operating margin and operating cash flow. Our Company's goal is 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. In addition to these financial metrics, the short-term incentive includes specific goals for key strategic imperatives that reflect and support the Company's vision and strategic goals.

The long-term incentive is measured against (i) an internal measure on Return on Capital ("RoC"), (ii) an internal measure of the Company's growth in profitability (earnings per share growth or "EPS"), (iii) an external measure of the Company's share performance relative to that of its peers (Total Shareholder Return or "TSR") and (iv) the Company's contribution to society through sustainability objectives. Performance for long-term incentives is calculated over a revolving three-year period.

The structure of the Management Board Remuneration Policy aligns the focus of the Management Board with the interests of the Company's shareholders, the Company's stakeholders and society at large. Compensation and awards are tied to and dependent on the delivery of the Company's strategy in a socially responsible and sustainable manner.

Market competitive pay

The competitiveness of the Management Board remuneration is 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.

| 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 replacement determination. For example, if a U.S.-based company drops out, it is generally replaced by a U.S.-based company.

The composition (risk profile) of the Total Direct Compensation levels is considered 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 has been 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.

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.

Remuneration policy

Annual cash incentive plan: Executive Committee Incentive Plan

The Management Board members participate in the Executive Committee (ExCo) Incentive Plan (EIP). The EIP annual cash incentive plan employs three financial measures: 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 will serve as a threshold.

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

Long-term equity-based program: Global Reward Opportunity

The Management Board members participate in the Company's long-term incentive program: Global Reward Opportunity (GRO). Under the GRO program, shares are granted with a three-year vesting period. The vesting of these performance share units is subject to Company performance over the period of these three years. The GRO program employs three financial measures: RoC (35%), EPS growth (35%) and TSR (15%). In addition, a non-financial performance measure (15%) is included related to Sustainable Retailing targets.

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.

Linked 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 share units that vest may range between zero and a maximum of 150% of the number of performance share units granted.

Linked to earnings per share growth

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

Linked to Total Shareholder Return

Of the total GRO award, 15% is determined based on TSR (share price growth and dividends paid over the performance period) benchmarked against a TSR performance peer group. The number of share units 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 share units 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 share units that may vest based on the Company's ranking.

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

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.

Linked to Sustainable Retailing

Of the total GRO award, 15% is determined based on the achievement of targets related to the Company's Sustainable Retailing strategic ambitions. Dependent on performance, the number of share units that vest may range between zero and a maximum of 150% of the number of shares granted.

Shareholding requirements and 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 equal to at least 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.

Claw-back

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

Remuneration policy

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 a way that is consistent 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) retirement age is 68. The pensionable salary is capped at or near €100,000 (2019: €102,487). 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 working under a Dutch contract 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.

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 practice in the relevant market. 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 twelve months and by the Management Board member with a notice period of six months.

2019 Remuneration

2019 Management Board remuneration

The actual remuneration of the members of the Management Board in 2019 was determined by the Supervisory Board in accordance with the Remuneration Policy for the Management Board as adopted by the General Meeting of Shareholders on April 10, 2019. The existing individual exception for Kevin Holt, as accepted by the General Meeting of Shareholders on April 12, 2017, remained in force in 2019.

Base salary

Effective from January 2019, the base salaries of the members of the Management Board were adjusted at the discretion of the Supervisory Board. The adjustments amounted to 3% for Frans Muller, Jeff Carr and Wouter Kolk and 6% for Kevin Holt. In determining the base salaries, the Remuneration Committee took into consideration developments in the market, as well as individual and Company performance.

Base salaries per Management Board member

| € thousand | 2019 | 2018 |
|---|--------------|-------|
| Frans Muller¹ | 1,085 | 1,040 |
| Chief Executive Officer | | |
| Jeff Carr | 769 | 747 |
| Chief Financial Officer | | |
| Kevin Holt² | 955 | 856 |
| CEO Ahold Delhaize USA | | |
| Wouter Kolk³ | 649 | 457 |
| CEO Ahold Delhaize Europe and Indonesia | | |

1 The 2018 remuneration comprises the remuneration up to July 1, 2018, received in his capacity as Deputy CEO (€1,027 thousand per annum) and from July 1, 2018, in his capacity as CEO (€1,053 thousand per annum).

2 The 2018 and 2019 salaries have been converted from U.S. dollars into euros, for 2019 using the 2019 year-to-date average dollar-euro exchange rate of 0.8934, for 2018 using the 2018 year-to-date average dollar-euro exchange rate of 0.8476.

3 The 2018 remuneration reflects the remuneration for the period from his appointment to the Management Board on April 11, 2018 (€630 thousand per annum).

Annual cash incentive plan: EIP

The members of the Management Board participated in the annual cash-based Executive Committee Incentive Plan (EIP). The 2019 EIP employed three financial measures: sales growth (30%), underlying operating margin (30%), and operating cash flow (20%). In addition, key strategic imperatives (20%) were included. For 2019, the single strategic imperative was consumer online sales growth.

Performance targets are revised annually to ensure they are challenging but realistic. Ahold Delhaize does not disclose the actual targets per performance measure, as this would require the disclosure of commercially sensitive information.

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

Performance realized

| Performance measure | Weight | Performance multiplier | |
|-----------------------------|------------------|------------------------|------|
| | | 2019 | 2018 |
| Sales growth (ex. gasoline) | 30% | 56% | 97% |
| Underlying operating margin | 30% | 84% | 94% |
| Operating cash flow | 20% ¹ | 96% | 146% |
| Strategic imperatives | 20% ² | 139% | 100% |
| Total (%) | 100% | 89% | 111% |

1 In 2018, 30% of the EIP performance was based on operating cash flow.

2 In 2018, 10% of the EIP performance was based on personal objectives.

Actual EIP payout

| € thousand | Base salary | Target bonus | Performance multiplier | 2019 | 2018 |
|---|-------------|----------------|------------------------|---------------------------|---------------------------|
| | | | | Actual bonus ¹ | Actual bonus ⁴ |
| Frans Muller | | 100% of base | | | |
| Chief Executive Officer | 1,085 | salary: €1,085 | 89% | 965 | 1,196 |
| Jeff Carr | | 100% of base | | | |
| Chief Financial Officer | 769 | salary: €769 | 89% | 685 | 830 |
| Kevin Holt² | | 100% of base | | | |
| CEO Ahold Delhaize USA | 955 | salary: €955 | 89% | 851 | 972 |
| Wouter Kolk³ | | 100% of base | | | |
| CEO Ahold Delhaize Europe and Indonesia | 649 | salary: €649 | 89% | 578 | 508 |

1 The 2019 EIP represents accrued annual cash incentives to be paid in 2020, subject to shareholder approval of the financial statements.

2 The 2018 and 2019 figures have been converted from U.S. dollars into euros, for 2019 using the 2019 year-to-date average dollar-euro exchange rate of 0.8934, for 2018 using the 2018 year-to-date average dollar-euro exchange rate of 0.8476.

3 The 2018 remuneration reflects the remuneration for the period from his appointment to the Management Board on April 11, 2018.

4 The 2018 EIP represents the actual amount paid in 2019.

2019 Remuneration

Definitions of EIP performance measures

| Performance measure | Definition | Relevance to our strategy |
|-----------------------------|---|---|
| Sales growth (ex. gasoline) | Sales growth (excluding 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 managing capital spending and expenses prudently in order 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 | Strategic imperatives are one or more variable performance measures that are defined annually by the Supervisory Board and that highlight specific strategic and key business priorities of the Company. For 2019, net consumer online sales growth was the single strategic imperative. This will also be the case for 2020. | Net consumer online sales growth reflects our focus on omnichannel growth. |

For incentive purposes, 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 in order 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 may consider an adjustment, in accordance with the principles of reasonableness and fairness.

Long-term equity-based program: GRO

The members of the Management Board participated in Ahold Delhaize's long-term equity-based incentive program, the Global Reward Opportunity (GRO). Under the GRO program, performance shares were granted with a three-year vesting period. The vesting of these shares is subject to Company performance over the period of 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 disclose the actual targets per performance measure, as this would require the disclosure of commercially sensitive information.

Award of new grants

The 2019 GRO share grant was made the day after the 2019 annual General Meeting of Shareholders (April 11, 2019). The vesting of the 2019 GRO performance shares in 2022 will be subject to performance on three financial measures: RoC (35%), EPS (35%) and TSR (15%). In addition, a non-financial performance measure (15%) is included that relates to sustainability targets. For the purpose of the 2019 share grant, Sustainable Retailing is measured on the basis of the percentage of healthy own-brand food sales as a proportion of total own-brand food sales. We use this measure to drive performance in pursuit of our company objective to facilitate healthier eating.

2019 Remuneration

On-target 2019 GRO share grant and maximum vesting

| | Performance shares | | | | Total at-target grant | Total maximum vesting |
|---|--------------------|-----------|-----------|----------------------|-----------------------|-----------------------|
| | RoC (35%) | EPS (35%) | TSR (15%) | Sustainability (15%) | | |
| Frans Muller Chief Executive Officer | 82% | 82% | 35% | 35% | 235% | 353% |
| Jeff Carr Chief Financial Officer | 61% | 61% | 26% | 26% | 175% | 263% |
| Kevin Holt CEO Ahold Delhaize USA | 70% | 70% | 30% | 30% | 200% | 300% |
| Wouter Kolk CEO Ahold Delhaize Europe and Indonesia | 53% | 53% | 23% | 23% | 150% | 225% |

All percentages constitute a percentage of base salary.

2019 GRO share grant calculation – Example: Frans Muller, Chief Executive Officer

| | At-target share grant (% of base salary) | Award value (base salary at-target grant %) | Number of shares granted (award value divided by six-month average share price) |
|-----------------------------------|--|---|---|
| RoC performance shares | 82% | €892,210 | 40,374 |
| EPS performance shares | 82% | €892,210 | 40,374 |
| TSR performance shares | 35% | €382,376 | 17,304 |
| Sustainability performance shares | 35% | €382,376 | 17,304 |
| Total | 235% | €2,549,172 | 115,356 |

Table assumes a base salary of €1,084,754 and a six-month average share price of €22.0988.

2019 GRO share grant calculation – Example: Jeff Carr, Chief Financial Officer

| | At-target share grant (% of base salary) | Award value (base salary at-target grant %) | Number of shares granted (award value divided by six-month average share price) |
|-----------------------------------|--|---|---|
| RoC performance shares | 61% | €471,200 | 21,323 |
| EPS performance shares | 61% | €471,200 | 21,323 |
| TSR performance shares | 26% | €201,943 | 9,139 |
| Sustainability performance shares | 26% | €201,943 | 9,139 |
| Total | 175% | €1,346,286 | 60,924 |

Table assumes a base salary of €769,306 and a six-month average share price of €22.0988.

Vesting of previous grants

The vesting of the 2016 and 2017 GRO grants was subject to performance on two financial performance measures: RoC (40%) and TSR (40%). In addition, Sustainable Retailing (20%) targets were included. For the purposes of the 2016 and 2017 share grant, Sustainable Retailing 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. The percentage of own-brand food sales from healthy products (the internal target) is the measure we used to drive performance in pursuit of our company objective to facilitate healthier eating.

Performance realized

| Performance measure | Weight | Performance multiplier | |
|------------------------------------|-------------|------------------------------|-----------------------------|
| | | 2017 grant (to vest in 2020) | 2016 grant (vested in 2019) |
| Total shareholder return | 40% | 50% | 50% |
| Return on capital | 40% | 65% | 91% |
| Sustainable Retailing ¹ | 20% | 110% | 121% |
| Total (%) | 100% | 68% | 81% |

¹ For the 2017 grant, the overall Sustainable Retailing performance multiplier is based on a 70% achievement against our Dow Jones Sustainability Index target, and a 150% achievement against our own-brand food sales from healthy products target.

2019 Remuneration

2017 GRO share grant (to vest in 2020)¹

| | Total number of shares granted in 2017 | Multiplier | Total number of shares to vest in 2020 | Share price ² | Estimated value in € thousand ² |
|--|--|------------|--|--------------------------|--|
| Frans Muller | | | | | |
| <i>Chief Executive Officer</i> | | | | | |
| 2017 TSR grant | 41,152 | 50% | 20,576 | | |
| 2017 RoC grant | 41,152 | 65% | 26,748 | | |
| 2017 Sustainable Retailing grant | 20,576 | 110% | 22,633 | | |
| Total vesting April 9, 2020 | 102,880 | | 69,957 | €22.75 | 1,592 |
| Jeff Carr | | | | | |
| <i>Chief Financial Officer</i> | | | | | |
| 2017 TSR grant | 25,662 | 50% | 12,831 | | |
| 2017 RoC grant | 25,662 | 65% | 16,680 | | |
| 2017 Sustainable Retailing grant | 12,831 | 110% | 14,114 | | |
| Total vesting April 9, 2020 | 64,155 | | 43,625 | €22.75 | 992 |
| Kevin Holt | | | | | |
| <i>CEO Ahold Delhaize USA</i> | | | | | |
| 2017 TSR grant | 34,563 | 50% | 17,281 | | |
| 2017 RoC grant | 34,563 | 65% | 22,465 | | |
| 2017 Sustainable Retailing grant | 17,282 | 110% | 19,010 | | |
| Total vesting April 9, 2020 | 86,408 | | 58,756 | €22.75 | 1,337 |
| Wouter Kolk | | | | | |
| <i>CEO Ahold Delhaize Europe and Indonesia</i> | | | | | |
| 2017 TSR grant | 15,020 | 50% | 7,510 | | |
| 2017 RoC grant | 15,020 | 65% | 9,763 | | |
| 2017 Sustainable Retailing grant | 7,510 | 110% | 8,261 | | |
| Total vesting April 9, 2020 | 37,550 | | 25,534 | €22.75 | 581 |

¹ The 2017 GRO grant was awarded on April 13, 2017.

² The estimated value is based on the closing share price as of December 29, 2019, of €22.75. The actual value will be determined at vesting on April 9, 2020.

2016 GRO share grant (vested in 2019)¹

| | Total number of shares granted in 2016 | Multiplier | Total number of shares vested in 2019 | Share price | Total value in € thousand |
|--|--|------------|---------------------------------------|-------------|---------------------------|
| Frans Muller | | | | | |
| <i>Chief Executive Officer</i> | | | | | |
| 2016 Performance (TSR) | 30,162 | 50% | 15,081 | | |
| 2016 Performance (RoC) | 30,162 | 91% | 27,447 | | |
| 2016 Performance (Sustainability) | 15,082 | 121% | 18,249 | | |
| Total vesting March 15, 2019 | 75,406 | | 60,777 | €22.66 | 1,377 |
| 2016 TSR grant | 41,035 | 50% | 20,517 | | |
| 2016 RoC grant | 41,035 | 91% | 37,341 | | |
| 2016 Sustainable Retailing grant | 20,518 | 121% | 24,826 | | |
| Total vesting April 11, 2019 | 102,588 | | 82,684 | €23.06 | 1,907 |
| Jeff Carr | | | | | |
| <i>Chief Financial Officer</i> | | | | | |
| 2016 TSR grant | 24,168 | 50% | 12,084 | | |
| 2016 RoC grant | 24,168 | 91% | 21,992 | | |
| 2016 Sustainable Retailing grant | 12,084 | 121% | 14,621 | | |
| Total vesting April 11, 2019 | 60,420 | | 48,697 | €23.06 | 1,123 |
| Kevin Holt | | | | | |
| <i>CEO Ahold Delhaize USA</i> | | | | | |
| 2016 TSR grant | 27,416 | 50% | 13,708 | | |
| 2016 RoC grant | 27,416 | 91% | 24,948 | | |
| 2016 Sustainable Retailing grant | 13,708 | 121% | 16,586 | | |
| Total vesting April 11, 2019 | 68,540 | | 55,242 | €23.06 | 1,274 |
| Wouter Kolk | | | | | |
| <i>CEO Ahold Delhaize Europe and Indonesia</i> | | | | | |
| 2016 TSR grant | 17,059 | 50% | 8,529 | | |
| 2016 RoC grant | 17,059 | 91% | 15,523 | | |
| 2016 Sustainable Retailing grant | 8,530 | 121% | 10,321 | | |
| Total vesting April 11, 2019 | 42,648 | | 34,373 | €23.06 | 793 |

¹ The 2016 GRO grant was awarded on September 1, 2016, except for the 2016 performance grant for Frans Muller, which was awarded on March 15, 2016.

2019 Remuneration

Definitions of GRO performance measures

| Performance measure | Definition | Relevance to our strategy |
|---------------------------------|---|--|
| Total Shareholder Return (TSR) | TSR is share price growth and dividends paid over 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 overall performance of the Company relative to a reference group. |
| 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 start of the performance period versus the end of the performance period. | EPS reflects our focus on growth, measured through revenue growth. |
| Return on Capital (RoC) | 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. |
| Sustainable Retailing | Sustainable Retailing comprises different performance measures that reflect our long-standing commitment to sustainability. For the 2019 GRO grant, Sustainable Retailing is measured on the basis of the percentage of healthy own-brand food sales as a proportion of total own-brand food sales. We use this measure to drive performance in pursuit of our company objective to facilitate healthier eating. In 2020, we will introduce additional Sustainable Retailing performance criteria for our long-term, equity-based incentive program, including targets for healthy sales, food waste reduction, plastic waste reduction, and carbon-equivalent emissions. | Our businesses flourish when our communities are healthy and resilient. When we make it easy and fun for associates and customers to eat healthier, we grow sales, while at the same time potentially helping to bring down disease rates and enable future generations to thrive. |

For incentive purposes, 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.

2019 Remuneration

Total remuneration

The following table provides an overview of the remuneration costs expensed in 2019 and 2018 per Management Board member. The costs reported here are not, in all cases, equal to the compensation that was actually received by the individual Management Board member. 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 2016 GRO share grant as received in 2019 by each individual Management Board member is detailed in the table *2016 GRO share grant (vested in 2019)*. The actual value of the 2017 GRO share grant that will vest in 2020 is contingent on the share price at the vesting date of April 9, 2020. The number of shares that are expected to vest is detailed in the table *2017 GRO share grant (to vest in 2020)*.

Total remuneration in 2019 and 2018 per Management Board member

| € thousand | Base salary | | Annual cash incentive plan: EIP ¹ | | Other ² | | Long-term equity-based program: GRO ³ | | Pension ⁴ | | Total remuneration | | Fixed vs. variable remuneration ⁵ | |
|--------------------------------|--------------|-------|--|-------|--------------------|------|--|-------|----------------------|------|--------------------|-------|--|---------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Frans Muller | | | | | | | | | | | | | | |
| Costs (IFRS) | 1,085 | 1,040 | 965 | 1,196 | 248 | 220 | 1,971 | 2,324 | 87 | 209 | 4,356 | 4,989 | 27%-73% | 23%-77% |
| Entitlement ⁸ | | | | | | | 1,592 | 3,284 | | | 3,977 | 5,949 | 30%-70% | 19%-81% |
| Jeff Carr⁶ | | | | | | | | | | | | | | |
| Costs (IFRS) | 769 | 747 | 685 | 830 | 244 | 268 | 1,732 | 976 | 33 | 36 | 3,463 | 2,857 | 24%-76% | 29%-71% |
| Entitlement ⁸ | | | | | | | 992 | 1,123 | | | 2,723 | 3,004 | 31%-69% | 28%-72% |
| Kevin Holt | | | | | | | | | | | | | | |
| Costs (IFRS) | 955 | 856 | 851 | 972 | 429 | 363 | 1,270 | 1,211 | 209 | 196 | 3,714 | 3,598 | 31%-69% | 28%-72% |
| Entitlement ⁸ | | | | | | | 1,337 | 1,274 | | | 3,781 | 3,661 | 30%-70% | 28%-72% |
| Wouter Kolk⁷ | | | | | | | | | | | | | | |
| Costs (IFRS) | 649 | 457 | 578 | 508 | 168 | 119 | 400 | 215 | 32 | 24 | 1,827 | 1,323 | 40%-60% | 39%-61% |
| Entitlement ⁸ | | | | | | | 581 | 793 | | | 2,008 | 1,901 | 36%-64% | 26%-74% |

1 The 2019 EIP represents accrued annual cash incentives to be paid in 2020 and subject to shareholder approval of the financial statements. The individual 2018 EIP amounts also include the component linked to individual performance.

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 2019 reflects this year's portion of the share grants over the previous four years (plans 2016 to 2019).

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 equity-based program.

6 Jeff Carr's employment relationship with Ahold Delhaize will terminate as of April 9, 2020, without any severance payment due. Shares awarded under the GRO plan will vest at the regular vesting dates. An estimate of these costs in the amount of €921 thousand was recognized in 2019.

7 Wouter Kolk was appointed as member of the Management Board effective April 11, 2018. His 2018 remuneration reported as member of the Management Board reflects a partial year.

8 The 2019 entitlement value for the long-term equity-based program is the estimated value based on the closing share price as of December 29, 2019, of €22.75 and as presented in the table *2017 GRO share grant (to vest in 2020)*. The actual value will be determined at vesting on April 9, 2020. The 2018 entitlement value for the long-term equity-based program is the value of the 2016 grant which vested in 2019.

2019 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 average remuneration of our associates and the Company's performance, and, with respect to the remuneration of the Chief Executive Officer, external peers.

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 rates for 2015 through 2019. 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.

Management Board remuneration and Company performance

| € thousand | 2019 | change % | 2018 | change % | 2017 | change % | 2016 | change % | 2015 |
|--|--------------|----------|-------|----------|-------|----------|-------------------|----------|------------------|
| Management Board remuneration | | | | | | | | | |
| Chief Executive Officer | 4,356 | (13)% | 4,989 | 9% | 4,577 | (3)% | 4,714 | 9% | 4,329 |
| Chief Financial Officer | 3,463 | 21% | 2,857 | 1% | 2,841 | 1% | 2,802 | 2% | 2,736 |
| CEO Ahold Delhaize USA | 3,714 | 3% | 3,598 | 20% | 2,994 | | | | |
| CEO Ahold Delhaize Europe and Indonesia | 1,827 | | | | | | | | |
| Average associate remuneration | | | | | | | | | |
| Average FTE remuneration | 42 | 5% | 40 | –% | 40 | –% | 40 | (10)% | 44 |
| Company performance | | | | | | | | | |
| Annual cash incentive plan (EIP) overall performance multiplier | 89% | | 111% | | 93% | | 108% ¹ | | 135% |
| Long-term equity-based program (GRO) overall performance multiplier ² | 68% | | 81% | | 108% | | 146% ³ | | 80% ⁴ |

1 The overall performance multiplier for the 2016 EIP was determined pro-rata for the period up to the merger and after the merger became effective.

2 The GRO overall performance multiplier reflects the total performance in the three-year performance period.

3 The overall performance multiplier reflects post-merger performance.

4 The overall performance multiplier reflects performance on TSR and RoC (equally weighted), and excludes any conditional shares granted.

The following table shows the pay ratio of the Chief Executive Officer, Chief Financial Officer, Chief Executive Officer Ahold Delhaize USA and Chief Executive Officer Ahold Delhaize Europe and Indonesia compared to the average remuneration of all Ahold Delhaize associates.

| Pay ratio | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------|------|------|------|------|
| Chief Executive Officer ¹ | 105 | 124 | 114 | 119 | 98 |
| Chief Financial Officer | 83 | 71 | 71 | 71 | 62 |
| CEO Ahold Delhaize USA ² | 89 | 90 | 74 | – | – |
| CEO Ahold Delhaize Europe and Indonesia ³ | 44 | – | – | – | – |

1 For 2018 and 2019, CEO refers to Frans Muller. In order 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 2015, 2016, and 2017, CEO refers to Dick Boer.

2 Since the CEO Ahold Delhaize USA joined the Company on July 24, 2016, full-year numbers for 2015 and 2016 are not available.

3 Since the CEO Ahold Delhaize Europe and Indonesia was appointed on April 11, 2018, full-year numbers for 2015, 2016, 2017, and 2018 are not available.

2019 Remuneration

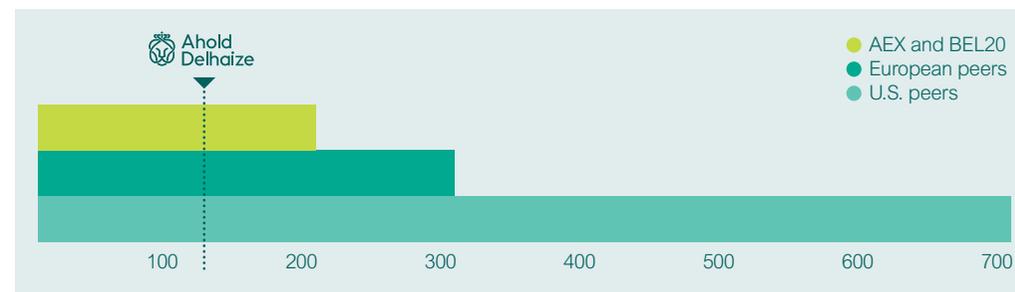
As set out in the Remuneration Policy for the Management Board, the total compensation of our Management Board members is positioned around the median level of the peer group we've selected for benchmarking. The table on the next page illustrates the pay ratio of our CEO compared to the pay ratios of other CEOs in the peer group.

It is important to note that pay ratios across industries are impacted by the different mix of functions from one industry to another. Even within the same industry, comparing pay ratios is challenging due to different market conditions (a mix of high- and low-paying countries).

Therefore, to put Ahold Delhaize's CEO pay ratio into perspective, the graph illustrates Ahold Delhaize's position compared to the companies in the benchmark peer group. The ratios mentioned in the table and the graph are derived from the publicly disclosed 2018 annual reports of the respective companies. For comparison purposes, the ratios have been calculated using the same methodology as used for Ahold Delhaize's pay ratio.

| Ahold Delhaize | Average AEX and BEL20 peers | Average European peers | Average U.S. peers | Average full peer group |
|----------------|-----------------------------|------------------------|--------------------|-------------------------|
| 124 | 128 | 170 | 353 | 217 |
| | 96.9% | 72.9% | 35.1% | 57.1% |

The graph illustrates Ahold Delhaize's position versus the benchmarked peer group as defined in the Remuneration Policy for the Management Board.



The Supervisory Board will continue to monitor the development of pay ratios both within the Company and in comparison with the peer group.

2019 Remuneration

Supervisory Board remuneration

The following table sets out the total remuneration for the members of the Supervisory Board for 2015 through 2019. The remuneration of the members of the Supervisory Board in 2019 was in accordance with the remuneration levels for the Supervisory Board as adopted by the Extraordinary General Meeting of Shareholders on March 14, 2016. Given the nature of the responsibilities of the Supervisory Board, 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 compensation contingent upon their activities and responsibilities. The following table details the total remuneration received by each Supervisory Board member in the last five years.

Total remuneration per Supervisory Board member^{1,2}

| € thousand | 2019 | 2018 | 2017 | 2016 ⁴ | 2015 ⁴ |
|---|--------------|-------|-------|-------------------|-------------------|
| Jan Hommen (<i>reappointed in 2017</i>) | 243 | 249 | 223 | 177 | 122 |
| Bill McEwan (<i>appointed in 2016</i>) | 208 | 209 | 150 | 71 | – |
| Jacques de Vaucleroy (<i>appointed in 2016</i>) | 120 | 144 | 170 | 80 | – |
| René Hooft Graafland (<i>reappointed in 2018</i>) | 143 | 145 | 136 | 127 | 114 |
| Ben Noteboom (<i>reappointed in 2017</i>) | 125 | 135 | 145 | 133 | 103 |
| Rob van den Bergh (<i>resigned in 2019</i>) | 39 | 148 | 148 | 132 | 127 |
| Mark McGrath (<i>resigned in 2019</i>) | 44 | 136 | 143 | 160 | 131 |
| Mary Anne Citrino (<i>appointed in 2016</i>) | 130 | 130 | 133 | 136 | – |
| Dominique Leroy (<i>appointed in 2016</i>) | 118 | 123 | 125 | 58 | – |
| Katie Doyle (<i>appointed in 2019</i>) | 104 | – | – | – | – |
| Peter Agnefjäll (<i>appointed in 2019</i>) | 104 | – | – | – | – |
| Mats Jansson (<i>retired in 2018</i>) | – | 68 | 255 | 115 | – |
| Johnny Thijs (<i>resigned in 2018</i>) | – | 31 | 128 | 55 | – |
| Patrick De Maeseneire (<i>resigned in 2018</i>) | – | 32 | 123 | 59 | – |
| Jack Stahl (<i>resigned in August 2017</i>) | – | – | 111 | 76 | – |
| Stephanie Shern (<i>resigned in April 2017</i>) | – | – | 37 | 140 | 127 |
| Derk Doijer (<i>resigned in July 2016</i>) | – | – | – | 56 | 116 |
| Judith Spriesser (<i>resigned in July 2015</i>) | – | – | – | – | 63 |
| Total remuneration Supervisory Board | 1,378 | 1,550 | 2,027 | 1,575 | 903 |
| Number of Supervisory Board members ³ | 11 | 12 | 14 | 15 | 8 |

1 In the execution of the remuneration of the Supervisory Board members, the Company has given consideration to the composition and the responsibilities of the Supervisory Board and its related committees, as well as the responsibilities of its individual members.

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 years.

4 Up to the date of the merger between Ahold and Delhaize, the Ahold remuneration policy applied. This policy was adopted at the General Meeting of Shareholders on April 16, 2014. Ahold Delhaize's remuneration policy, adopted at the General Meeting of Shareholders on April 19, 2016, applies as of July 24, 2016 – the first calendar day after the merger of Ahold and Delhaize was finalized – and reflects the size and complexity of the merged company.

Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company considers all members of the Executive Committee (ExCo) and the Supervisory Board to be key management personnel as defined in IAS 24 "Related Party Disclosures." At the end of 2019, the ExCo consisted of the Management Board and four other members.

The total compensation of key management personnel in 2019 amounted to €25,077 thousand (2018: €35,209 thousand). This includes an estimate of additional wage tax relating to key management personnel leaving the Company due in accordance with Dutch tax laws of €1.0 million (2018: nil).

(Service) Agreements with individual Management Board members

Frans Muller

In 2019, the Company provided Frans Muller with an annual base salary, participation in the annual cash incentive plan and participation in the Company's equity-based long-term incentive plan (GRO – see *Note 33*). The annual base salary of €1,053 thousand was increased by 3% to €1,085 thousand, effective January 1, 2019. The at-target payout under the annual cash incentive plan is 100% of base salary and is capped at 150% in the event of above-target performance. The at-target award under the equity-based long-term incentive plan is 235% of base salary. Unless Frans' service agreement is otherwise terminated, he will be eligible for reappointment at the annual General Meeting of Shareholders in April 2023. 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 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.

Jeff Carr

In 2019, the Company provided Jeff Carr with an annual base salary, participation in the annual cash incentive plan and participation in the Company's equity-based long-term incentive plan (GRO – see *Note 33*). The annual base salary of €747 thousand was increased by 3% to €769 thousand, effective January 1, 2019. The at-target payout under the annual cash incentive plan is 100% of base salary and is capped at 150% in the event of above-target performance. The at-target award under the equity-based long-term incentive plan is 175% of base salary. Furthermore, Jeff receives a housing allowance. Effective July 23, 2019, the housing allowance of €3,500 net per month was reduced to €1,750. Jeff participates in the Company's Dutch pension plan. On September 9, 2019, the Company announced that Jeff will step down from the Management Board after his current term expires per the annual General Meeting of Shareholders in April 2020. His employment relationship with Ahold Delhaize will terminate as of April 9, 2020, without any severance payment due. Shares awarded under the GRO plan will vest at the regular vesting dates.

Kevin Holt

In 2019, the Company provided Kevin Holt with an annual base salary, participation in the annual cash incentive plan and participation in the Company's equity-based long-term incentive plan (GRO – see *Note 33*). The annual base salary of \$1,010 thousand was increased by 6% to \$1,070 thousand, effective January 1, 2019. The at-target payout under the annual cash incentive plan is 100% of base salary and is capped at 150% in the event of above-target performance. The at-target award under the equity-based long-term incentive plan is 200% of base salary. Furthermore, Kevin receives a housing allowance of up to \$7,500 net per month. The Company intends to reappoint Kevin as a member of the Management Board for a term ending on the day of the annual General Meeting of Shareholders to be held in 2024. This reappointment will be brought forward for shareholder approval at the annual General Meeting of Shareholders on April 8, 2020. 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. Kevin participates in the Company's U.S. pension plan.

Wouter Kolk

In 2019, the Company provided Wouter Kolk with an annual base salary, participation in the annual cash incentive plan and participation in the Company's equity-based long-term incentive plan (GRO – see *Note 33*). The annual base salary of €630 thousand was increased by 3% to €649 thousand, effective January 1, 2019. The at-target payout under the annual cash incentive plan is 100% of base salary and is capped at 150% in the event of above-target performance. The at-target award under the equity-based long-term incentive plan is 150% of base salary. Unless Wouter's service agreement is otherwise terminated, he will be eligible for reappointment at the annual General Meeting of Shareholders in April 2022. 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.

Dick Boer

Dick Boer, CEO Ahold Delhaize and member of the Management Board and Executive Committee, stepped down from the Management Board and Executive Committee as of July 1, 2018, and his employment relationship with Ahold Delhaize terminated as of July 1, 2019, at which time he retired. Until mid-2019, he remained available to provide specific services as an advisor to the Company. In 2019, the Company provided Dick with an annual base salary of €1,037 thousand, participation in the annual cash incentive plan and participation in the Company's equity-based long-term incentive plan (GRO – see *Note 33*). Dick participates in the Company's Dutch pension plan. His employment relationship with Ahold Delhaize terminated as of July 1, 2019, without any severance payment due. The shares awarded under the GRO plan were settled on an accelerated basis upon the termination of his employment relationship in 2019.

Compensation of key management personnel

Remuneration of the Management Board by member

| € thousand | Direct remuneration | | | Deferred remuneration | | Total remuneration | |
|--------------------------------|---------------------|------------------|--------------------|---------------------------|---------------------------------------|--------------------|-----------------------|
| | Base salary | EIP ¹ | Other ² | Total direct remuneration | Share-based compensation ⁵ | | Pensions ⁶ |
| Frans Muller | | | | | | | |
| 2019 | 1,085 | 965 | 248 | 2,298 | 1,971 | 87 | 4,356 |
| 2018 | 1,040 | 1,196 | 220 | 2,456 | 2,324 | 209 | 4,989 |
| Jeff Carr⁷ | | | | | | | |
| 2019 | 769 | 685 | 244 | 1,698 | 1,732 | 33 | 3,463 |
| 2018 | 747 | 830 | 268 | 1,845 | 976 | 36 | 2,857 |
| Kevin Holt | | | | | | | |
| 2019 | 955 | 851 | 429 | 2,235 | 1,270 | 209 | 3,714 |
| 2018 | 856 | 972 | 363 | 2,191 | 1,211 | 196 | 3,598 |
| Wouter Kolk⁸ | | | | | | | |
| 2019 | 649 | 578 | 168 | 1,395 | 400 | 32 | 1,827 |
| 2018 | 457 | 508 | 119 | 1,084 | 215 | 24 | 1,323 |
| Total 2019 | 3,458 | 3,079 | 1,089 | 7,626 | 5,373 | 361 | 13,360 |
| Total 2018 | 3,100 | 3,506 | 970 | 7,576 | 4,726 | 465 | 12,767 |

Remuneration of the former members of the Management Board

| € thousand | Direct remuneration | | | Deferred remuneration | | Total remuneration | |
|-----------------------------------|---------------------|------------------|--------------------|---------------------------|---------------------------------------|--------------------|-----------------------|
| | Base salary | EIP ¹ | Other ² | Total direct remuneration | Share-based compensation ⁵ | | Pensions ⁶ |
| Dick Boer³ | | | | | | | |
| 2019 | – | – | 28 | 28 | 2,311 | 27 | 2,366 |
| 2018 | 519 | 576 | 2,559 | 3,654 | 4,910 | 13 | 8,577 |
| Pierre Bouchut⁴ | | | | | | | |
| 2019 | – | – | – | – | 79 | – | 79 |
| 2018 | 356 | 363 | 698 | 1,417 | 1,739 | 130 | 3,286 |
| James Mc Cann | | | | | | | |
| 2019 | – | – | – | – | – | – | – |
| 2018 | – | – | (287) | (287) | – | – | (287) |
| Total 2019 | – | – | 28 | 28 | 2,390 | 27 | 2,445 |
| Total 2018 | 875 | 939 | 2,970 | 4,784 | 6,649 | 143 | 11,576 |

Remuneration of the Executive Committee including Management Board

The table below specifies the remuneration of the ExCo, comprising the Management Board members and the former members of the Management Board as listed above, and the additional ExCo members who were not part of the Management Board.

| € thousand | 2019 | 2018 |
|---|---------------|--------|
| Base salary | 5,328 | 5,872 |
| EIP ¹ | 4,744 | 6,508 |
| Other ^{2,3,4} | 2,461 | 7,181 |
| Share-based compensation ⁵ | 9,681 | 13,227 |
| Pensions ⁶ | 506 | 856 |
| Total remuneration^{7,8} | 22,720 | 33,644 |

- The ExCo Incentive Plan (EIP) represents accrued annual cash incentives to be paid in the following year based on an overall weighted EIP performance. For an explanation of the Company's remuneration policy, see *Remuneration* under the *Governance* section of this report. The overall 2019 financial performance multiplier was 89% (2018: 111%). The individual 2018 EIP amounts also include the component linked to individual performance.
- "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.
- Dick Boer, President and CEO Ahold Delhaize and member of the Management Board and Executive Committee, stepped down from the Management Board and Executive Committee as of July 1, 2018, and remained available as an advisor to the Company until mid-2019. His employment relationship with Ahold Delhaize terminated as of July 1, 2019, after which he retired. The shares awarded under the GRO plan were settled on an accelerated basis upon the termination of his employment relationship in 2019. Adjustments to the estimate of the remuneration costs as a result of actual payments were included in "Other" and the expenses related to the equity-based long-term incentive were included in "Share-based compensation."
- Pierre Bouchut, Chief Operating Officer Europe and Indonesia and member of the Management Board and Executive Committee, stepped down from the Management Board and Executive Committee as of January 1, 2018, and remained available as an advisor and for specific initiatives until July 1, 2018. His employment relationship with Ahold Delhaize terminated as of August 31, 2018, after which he retired. Shares awarded under the GRO plan will vest at the regular vesting dates. In 2018, adjustments to the estimate of the remuneration costs as a result of the actual payments were included in "Other."
- 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 2019 reflects this year's portion of the share grants over the previous four years (plans 2016 to 2019). For more information on the share-based compensation expenses see *Note 33*.
- Pension costs are the total net periodic pension costs of the applicable pension plans.
- Jeff Carr's employment relationship with Ahold Delhaize will terminate as of April 9, 2020, without any severance payment due. Shares awarded under the GRO plan will vest at the regular vesting dates. An estimate of these costs in the amount of €921 thousand was recognized in 2019. The total remuneration as presented in the tables above excludes the 2019 accrual of €979 thousand for estimated additional wage tax payable by the Company in accordance with Dutch tax laws.
- Wouter Kolk was appointed as member of the Management Board effective April 11, 2018. His 2018 remuneration reported as member of the Management Board reflects a partial year. The table "Remuneration of the Executive Committee including Management Board" reflects the full year 2018, including the period that he was a member of the Executive Committee, but not a member of the Management Board. Marc Croonen, Chief Sustainability, Transformation and Communications Officer and member of the Executive Committee, stepped down from the Executive Committee as of November 1, 2018, and remained available as an advisor until October 31, 2019. His employment relationship with Ahold Delhaize terminated as of October 31, 2019. Shares awarded under the GRO plan will vest in accordance with the applicable plan rules. An estimate of the remuneration costs relating to the period from November 1, 2018, until October 31, 2019, is recognized in 2018 in "Other." In 2019, adjustments to the estimate of the remuneration costs as a result of actual payments were included in "Other".

Compensation of key management personnel

Remuneration of the members of the Supervisory Board

The table below specifies the remuneration of the members of the Supervisory Board. The annual remuneration of the members of the Supervisory Board was determined by the extraordinary General Meeting of Shareholders on March 14, 2016. Remuneration is subject to annual review by the Supervisory Board.

| € thousand | 2019 | 2018 |
|---|--------------|--------------|
| Jan Hommen (reappointed in 2017) ¹ | 243 | 249 |
| Jacques de Vaucleroy (appointed in 2016) ² | 120 | 144 |
| René Hooft Graafland (reappointed in 2018) | 143 | 145 |
| Ben Noteboom (reappointed in 2017) | 125 | 135 |
| Bill McEwan (appointed in 2016) ³ | 208 | 209 |
| Mary Anne Citrino (appointed in 2016) | 130 | 130 |
| Dominique Leroy (appointed in 2016) | 118 | 123 |
| Katie Doyle (appointed in 2019) | 104 | – |
| Peter Agnefjäll (appointed in 2019) | 104 | – |
| Rob van den Bergh (resigned in 2019) | 39 | 148 |
| Mark McGrath (resigned in 2019) | 44 | 136 |
| Mats Jansson (retired in 2018) | – | 68 |
| Johnny Thijs (resigned in 2018) | – | 31 |
| Patrick De Maeseneire (resigned in 2018) | – | 32 |
| Total^{4,5} | 1,378 | 1,550 |

1 Jan Hommen was appointed Chairman of the Supervisory Board effective April 11, 2018. He also became Chairman of the Governance and Nomination Committee as of July 1, 2018 and refrained from any remuneration for this role.

2 As of July 1, 2018, Jacques de Vaucleroy refrained from any additional remuneration for his role as Vice Chairman.

3 Bill McEwan succeeded Jan Hommen as Vice Chairman of the Supervisory Board effective April 11, 2018 and received the Vice Chairman remuneration (formerly referred to as Vice Chairman and member of the presidium) from that date. He refrained from any remuneration for his role as Chairman of the Remuneration Committee as per July 1, 2018.

4 All members of the Supervisory Board were members of the Sustainability and Innovation Committee as of July 1, 2018, and refrained from any remuneration for this membership, except for the Chairman of the Committee, who is entitled to remuneration for this role. Rob van den Bergh was Chairman of the Sustainability and Innovation Committee until April 10. He was succeeded by Katie Doyle and Peter Agnefjäll, who co-chair the Committee and each receive half of the remuneration for this role.

5 For the members who were appointed or resigned in 2018 or 2019, the remuneration for the respective year reflects a partial year.

Shares and other interests in Ahold Delhaize

As of December 29, 2019, 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 | 42,422 | 165,359 | 207,781 |
| Jeff Carr | 70,591 | 53,576 | 124,167 |
| Kevin Holt | 30,644 | – | 30,644 |
| Wouter Kolk | – | 28,557 | 28,557 |
| Total | 143,657 | 247,492 | 391,149 |

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 Depositary Receipts.

As of December 29, 2019, Jan Hommen held 15,000 Ahold Delhaize common shares, Jacques de Vaucleroy held 429,023 Ahold Delhaize common shares, Ben Noteboom held 15,637 Ahold Delhaize common shares, Bill McEwan held 7,125 Ahold Delhaize American Depositary Receipts, and Peter Agnefjäll held 7,200 Ahold Delhaize 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 Management Board or the Supervisory Board. There are no loans or advances outstanding. Ahold Delhaize does not issue guarantees to the benefit of members of the Management Board or the Supervisory Board. No such guarantees are outstanding.

Compensation of key management personnel

Share-based compensation

In 2019, Ahold Delhaize's share-based compensation program consisted of a share grant program called Global Reward Opportunity (GRO). Total 2019 GRO share-based compensation expenses were €51 million (2018: €60 million). Ahold Delhaize's share-based compensation programs are equity-settled.

The fair value of the shares granted under the GRO program in 2019 at grant date was €49 million, of which €8 million related to current and former Management Board members. The fair value is expensed over the vesting period of the grants, adjusted for expected annual forfeitures of 5% (2018: 6%) excluding Management Board members. For the share-based compensation expenses allocable to the individual Management Board members, see *Note 32*.

GRO program

Main characteristics of shares granted in 2019

A revised GRO program was introduced in 2019. The performance shares granted under this program vest on the day after the annual General Meeting of Shareholders in the third year after the grant, subject to certain performance conditions being met. The revised GRO program employs three financial measures: Return on Capital (RoC), underlying Earnings Per Share growth (EPS) and Total Shareholder Return (TSR), as well as non-financial performance measures related to Sustainable Retailing targets.

The total GRO award is comprised of four portions of shares. The first 35% is linked to a three-year RoC target. Depending on performance, the number of shares that eventually vest may range between zero and a maximum of 150% of the number of shares granted.

Of the total GRO award, 35% is linked to a three-year EPS growth target. The number of shares that vest may range between zero and a maximum of 150% of the number of shares granted, depending on the performance.

Another 15% of the total GRO award is linked to TSR (share price growth and dividends paid over the performance period), with performance at vesting benchmarked against the TSR performance of a peer group comprised of 12 companies (see the *Remuneration* section for the composition of the peer group). The number of shares that vest depends on the Company's relative ranking in the peer group and may range between zero and a maximum of 150% of the number of shares granted (see table below for the vesting percentages based on Ahold Delhaize's ranking within the peer group).

For the remaining 15% of the total GRO share award, the performance at vesting is measured using Sustainable Retailing targets. This measure relates to the Company's Sustainable Retailing strategic ambitions. Depending on performance, the number of shares that eventually vest can range between zero and a maximum of 150% of the number of shares granted.

The table below indicates the percentage of shares that could vest based on Ahold Delhaize's TSR ranking within the peer group, for the shares granted in 2019:

| 2019 GRO program rank | All participants |
|-----------------------|------------------|
| 1 | 150% |
| 2 | 125% |
| 3 | 110% |
| 4 | 100% |
| 5 | 75% |
| 6 | 50% |
| 7-12 | 0% |

Main characteristics of shares granted in 2016 through 2018

The performance shares granted in 2016, 2017 and 2018 under the GRO program introduced in 2016 vest on the day after the annual General Meeting of Shareholders in the third year after the grant, subject to certain performance conditions being met. The 2016 GRO program employs two financial measures: RoC and TSR, as well as non-financial performance measures related to Sustainable Retailing targets.

The total GRO award is comprised of three portions of shares. The first 40% is linked to a three-year RoC target. Depending on performance, the number of shares that eventually vest may range between zero and a maximum of 150% of the number of shares granted.

Another 40% is linked to TSR (share price growth and dividends paid over the performance period), with performance at vesting benchmarked against the TSR performance of a peer group comprised of 14 companies (see table below for the composition of the TSR peer group). The number of shares that vest depends on the Company's relative ranking in the peer group and may range between zero and a maximum of 175% of the number of shares granted (see table below for the vesting percentages based on Ahold Delhaize's ranking within the peer group).

For the remaining 20% of the total GRO share award, the performance at vesting is measured using Sustainable Retailing targets. This measure relates to the Company's Sustainable Retailing strategic ambitions. The targets set under this non-financial performance measure are both qualitative and quantitative. Depending on performance, the number of shares that eventually vest can range between zero and a maximum of 150% of the number of shares granted.

Compensation of key management personnel

Share-based compensation

The table below shows the composition of the TSR peer group for the shares granted between 2016 and 2018:

| TSR performance peer group for shares granted in 2016 through 2018 | |
|--|--------------------------|
| Tesco | Costco |
| Carrefour | Target |
| Metro Cash & Carry | Walgreens Boots Alliance |
| Casino Guichard Perrachon | Best Buy |
| J Sainsbury | Lowe's Companies |
| W M Morrison | Walmart |
| Kroger | |

The table below indicates the percentage of shares that could vest based on Ahold Delhaize's TSR ranking within the peer group, for the shares granted between 2016 and 2018:

| 2016–2018 GRO program rank | All participants |
|----------------------------|------------------|
| 1 | 175% |
| 2 | 150% |
| 3 | 125% |
| 4 | 110% |
| 5 | 100% |
| 6 | 80% |
| 7 | 50% |
| 8-14 | 0% |

Shares vesting in 2020

In 2020, the GRO shares granted in 2017 will vest. The GRO shares vesting will comprise performance shares based on the Company's TSR, RoC and Sustainable Retailing performance. As of the end of 2019, Ahold Delhaize ranked seventh in the TSR peer group with respect to the 2017 grant. Based on this TSR ranking, the vesting percentage for the portion of the 2017 shares dependent on Ahold Delhaize's TSR performance was 50%.

At the end of each reporting period, Ahold Delhaize revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions (RoC, EPS and Sustainable Retailing performance). Ahold Delhaize recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The final vesting percentage for the portion of the 2017 shares dependent on Ahold Delhaize's RoC and Sustainable Retailing performance is 65% and 110% respectively.

On April 9, 2020, a maximum of 0.3 million shares granted in 2017 to current and former members of the Management Board under the Ahold Delhaize GRO plan are expected to vest. Except to finance taxes and social security charges due on the vesting date, members of the Management Board cannot sell shares for a period of at least five years following the grant date, or until their date of resignation from the Management Board, if this period is shorter.

On April 9, 2020, a maximum of 2.7 million shares granted in 2017 to Ahold Delhaize employees under the Ahold Delhaize GRO plan are expected to vest. As of the vesting date, participants are allowed to sell all or part of the shares vested, subject to insider trading restrictions as applicable from time to time.

The Company will use treasury shares for the delivery of the vested shares.

Compensation of key management personnel

Share-based compensation

The following table summarizes the status of the GRO program during 2019 for the individual Management Board members and for all other employees in the aggregate.

| | Grant date | Vesting date | End of retention period | Outstanding at the beginning of 2019 | Granted | Performance adjustment ¹ | Vested ² | Forfeited | Outstanding at the end of 2019 | Maximum number of shares ³ | Fair value per share at the grant date (€) |
|-----------------------------------|-------------------|------------------|-------------------------|--------------------------------------|---------|-------------------------------------|---------------------|-----------|--------------------------------|---------------------------------------|--|
| Frans Muller | | | | | | | | | | | |
| 2016 Performance (TSR) | | | | 30,162 | – | (15,081) | 15,081 | – | – | – | 20.44 |
| 2016 Performance (RoC) | March 15, 2016 | March 15, 2019 | N/A | 30,162 | – | (2,715) | 27,447 | – | – | – | 20.21 |
| 2016 Performance (Sustainability) | | | | 15,082 | – | 3,167 | 18,249 | – | – | – | 20.21 |
| 2016 TSR grant | | | | 41,035 | – | (20,518) | 20,517 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | September 1, 2021 | 41,035 | – | (3,694) | 37,341 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 20,518 | – | 4,308 | 24,826 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 41,152 | – | – | – | – | 41,152 | 72,016 | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | April 13, 2022 | 41,152 | – | – | – | – | 41,152 | 61,728 | 17.07 |
| 2017 Sustainable Retailing grant | | | | 20,576 | – | – | – | – | 20,576 | 30,864 | 17.07 |
| 2018 TSR grant | | | | 51,408 | – | – | – | – | 51,408 | 89,963 | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | April 12, 2023 | 51,408 | – | – | – | – | 51,408 | 77,112 | 17.89 |
| 2018 Sustainable Retailing grant | | | | 25,704 | – | – | – | – | 25,704 | 38,555 | 17.89 |
| 2019 TSR grant | | | | – | 17,304 | – | – | – | 17,304 | 25,956 | 14.47 |
| 2019 RoC grant | April 11, 2019 | 2022 AGM + 1 day | April 11, 2024 | – | 40,374 | – | – | – | 40,374 | 60,561 | 20.01 |
| 2019 EPS grant | | | | – | 40,374 | – | – | – | 40,374 | 60,561 | 20.01 |
| 2019 Sustainable Retailing grant | | | | – | 17,304 | – | – | – | 17,304 | 25,956 | 20.01 |

Compensation of key management personnel

Share-based compensation

| | Grant date | Vesting date | End of retention period | Outstanding at the beginning of 2019 | Granted | Performance adjustment ¹ | Vested ² | Forfeited | Outstanding at the end of 2019 | Maximum number of shares ³ | Fair value per share at the grant date (€) |
|----------------------------------|-------------------|------------------|-------------------------|--------------------------------------|---------|-------------------------------------|---------------------|-----------|--------------------------------|---------------------------------------|--|
| Jeff Carr | | | | | | | | | | | |
| 2016 TSR grant | | | | 24,168 | – | (12,084) | 12,084 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | September 1, 2021 | 24,168 | – | (2,176) | 21,992 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 12,084 | – | 2,537 | 14,621 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 25,662 | – | – | – | – | 25,662 | 44,908 | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | April 13, 2022 | 25,662 | – | – | – | – | 25,662 | 38,493 | 17.07 |
| 2017 Sustainable Retailing grant | | | | 12,831 | – | – | – | – | 12,831 | 19,246 | 17.07 |
| 2018 TSR grant | | | | 29,644 | – | – | – | – | 29,644 | 51,877 | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | April 12, 2023 | 29,644 | – | – | – | – | 29,644 | 44,466 | 17.89 |
| 2018 Sustainable Retailing grant | | | | 14,822 | – | – | – | – | 14,822 | 22,233 | 17.89 |
| 2019 TSR grant | | | | – | 9,139 | – | – | – | 9,139 | 13,708 | 14.47 |
| 2019 RoC grant | April 11, 2019 | 2022 AGM + 1 day | April 11, 2024 | – | 21,323 | – | – | – | 21,323 | 31,984 | 20.01 |
| 2019 EPS grant | | | | – | 21,323 | – | – | – | 21,323 | 31,984 | 20.01 |
| 2019 Sustainable Retailing grant | | | | – | 9,139 | – | – | – | 9,139 | 13,708 | 20.01 |
| Kevin Holt | | | | | | | | | | | |
| 2016 TSR grant | | | | 27,416 | – | (13,708) | 13,708 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | September 1, 2021 | 27,416 | – | (2,468) | 24,948 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 13,708 | – | 2,878 | 16,586 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 34,563 | – | – | – | – | 34,563 | 60,485 | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | April 13, 2022 | 34,563 | – | – | – | – | 34,563 | 51,844 | 17.07 |
| 2017 Sustainable Retailing grant | | | | 17,282 | – | – | – | – | 17,282 | 25,923 | 17.07 |
| 2018 TSR grant | | | | 38,066 | – | – | – | – | 38,066 | 66,615 | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | April 12, 2023 | 38,066 | – | – | – | – | 38,066 | 57,099 | 17.89 |
| 2018 Sustainable Retailing grant | | | | 19,033 | – | – | – | – | 19,033 | 28,549 | 17.89 |
| 2019 TSR grant | | | | – | 12,766 | – | – | – | 12,766 | 19,149 | 14.47 |
| 2019 RoC grant | April 11, 2019 | 2022 AGM + 1 day | April 11, 2024 | – | 29,787 | – | – | – | 29,787 | 44,680 | 20.01 |
| 2019 EPS grant | | | | – | 29,787 | – | – | – | 29,787 | 44,680 | 20.01 |
| 2019 Sustainable Retailing grant | | | | – | 12,766 | – | – | – | 12,766 | 19,149 | 20.01 |

Compensation of key management personnel

Share-based compensation

| | Grant date | Vesting date | End of retention period | Outstanding at the beginning of 2019 | Granted | Performance adjustment ¹ | Vested ² | Forfeited | Outstanding at the end of 2019 | Maximum number of shares ³ | Fair value per share at the grant date (€) |
|----------------------------------|-------------------|------------------|-------------------------|--------------------------------------|---------|-------------------------------------|---------------------|-----------|--------------------------------|---------------------------------------|--|
| Wouter Kolk⁴ | | | | | | | | | | | |
| 2016 TSR grant | | | | 17,059 | – | (8,530) | 8,529 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | N/A | 17,059 | – | (1,536) | 15,523 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 8,530 | – | 1,791 | 10,321 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 15,020 | – | – | – | – | 15,020 | 26,285 | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | N/A | 15,020 | – | – | – | – | 15,020 | 22,530 | 17.07 |
| 2017 Sustainable Retailing grant | | | | 7,510 | – | – | – | – | 7,510 | 11,265 | 17.07 |
| 2018 TSR grant | | | | 21,433 | – | – | – | – | 21,433 | 37,507 | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | April 12, 2023 | 21,433 | – | – | – | – | 21,433 | 32,149 | 17.89 |
| 2018 Sustainable Retailing grant | | | | 10,717 | – | – | – | – | 10,717 | 16,075 | 17.89 |
| 2019 TSR grant | | | | – | 6,607 | – | – | – | 6,607 | 9,910 | 14.47 |
| 2019 RoC grant | April 11, 2019 | 2022 AGM + 1 day | April 11, 2024 | – | 15,416 | – | – | – | 15,416 | 23,124 | 20.01 |
| 2019 EPS grant | | | | – | 15,416 | – | – | – | 15,416 | 23,124 | 20.01 |
| 2019 Sustainable Retailing grant | | | | – | 6,607 | – | – | – | 6,607 | 9,910 | 20.01 |
| Dick Boer⁵ | | | | | | | | | | | |
| 2016 TSR grant | | | | 48,680 | – | (24,340) | 24,340 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | N/A | 48,680 | – | (4,382) | 44,298 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 24,340 | – | 5,111 | 29,451 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 48,819 | – | (26,865) | 21,954 | – | – | – | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | N/A | 48,819 | – | (13,903) | 34,916 | – | – | – | 17.07 |
| 2017 Sustainable Retailing grant | | | | 24,410 | – | – | 24,410 | – | – | – | 17.07 |
| 2018 TSR grant | | | | 55,289 | – | (4,478) | 50,811 | – | – | – | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | N/A | 55,289 | – | (6,142) | 49,147 | – | – | – | 17.89 |
| 2018 Sustainable Retailing grant | | | | 27,645 | – | – | 27,645 | – | – | – | 17.89 |
| 2019 TSR grant | | | | – | 16,548 | (6,222) | 10,326 | – | – | – | 14.47 |
| 2019 RoC grant | April 11, 2019 | 2022 AGM + 1 day | N/A | – | 38,610 | 128 | 38,738 | – | – | – | 20.01 |
| 2019 EPS grant | | | | – | 38,610 | (6,382) | 32,228 | – | – | – | 20.01 |
| 2019 Sustainable Retailing grant | | | | – | 16,548 | – | 16,548 | – | – | – | 20.01 |

Compensation of key management personnel

Share-based compensation

| | Grant date | Vesting date | End of retention period | Outstanding at the beginning of 2019 | Granted | Performance adjustment ¹ | Vested ² | Forfeited | Outstanding at the end of 2019 | Maximum number of shares ³ | Fair value per share at the grant date (€) |
|--|-------------------|------------------|-------------------------|--------------------------------------|----------------|-------------------------------------|---------------------|-----------|--------------------------------|---------------------------------------|--|
| Pierre Bouchut⁶ | | | | | | | | | | | |
| 2016 TSR grant | | | | 19,585 | – | (9,793) | 9,792 | – | – | – | 20.46 |
| 2016 RoC grant | September 1, 2016 | April 11, 2019 | N/A | 19,585 | – | (1,763) | 17,822 | – | – | – | 20.15 |
| 2016 Sustainable Retailing grant | | | | 9,793 | – | 2,056 | 11,849 | – | – | – | 20.15 |
| 2017 TSR grant | | | | 19,641 | – | – | – | – | 19,641 | 34,371 | 9.57 |
| 2017 RoC grant | April 13, 2017 | April 9, 2020 | N/A | 19,641 | – | – | – | – | 19,641 | 29,461 | 17.07 |
| 2017 Sustainable Retailing grant | | | | 9,821 | – | – | – | – | 9,821 | 14,731 | 17.07 |
| 2018 TSR grant | | | | 22,244 | – | – | – | – | 22,244 | 38,927 | 16.58 |
| 2018 RoC grant | April 12, 2018 | 2021 AGM + 1 day | N/A | 22,244 | – | – | – | – | 22,244 | 33,366 | 17.89 |
| 2018 Sustainable Retailing grant | | | | 11,122 | – | – | – | – | 11,122 | 16,683 | 17.89 |
| Subtotal Management Board members | | | | 1,527,620 | 415,748 | (164,804) | 726,048 | – | 1,052,516 | 1,653,470 | |

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

2 The vesting date of the 2016 grant was March 15, 2019, for a former Delhaize board member. The share price was €22.66 on March 15, 2019. The vesting date of the 2016 grant was April 11, 2019. The share price was €23.06 on April 11, 2019. The 2017 – 2019 awards granted to Dick Boer were settled on an accelerated basis upon the termination of his employment relationship in 2019 (see Note 32). The share price on the settlement date was €20.10.

3 For the TSR performance grants, the maximum number of shares that could potentially vest equals 175% of outstanding shares, for the awards granted in 2017 and 2018, if Ahold Delhaize's ranking is one. For the TSR performance grant awarded in 2019, the maximum number of shares that could potentially vest equals 150% of the outstanding shares if the Company's ranking is one. For the RoC performance grants, the EPS performance grants and the Sustainable Retailing performance grants the maximum number of shares that could potentially vest equals 150% of outstanding shares (as explained in the sections *Main characteristics of shares granted in 2019* and *Main characteristics of shares granted in 2016 through 2018* above).

The minimum number of shares that could potentially vest would be nil (as explained in the sections *Main characteristics of shares granted in 2019* and *Main characteristics of shares granted in 2016 through 2018* above).

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

5 Dick Boer, CEO Ahold Delhaize and member of the Management Board and Executive Committee, stepped down from the Management Board and Executive Committee as of July 1, 2018. His employment relationship with Ahold Delhaize was terminated as of July 1, 2019, after which he retired. The shares awarded under the GRO plan were settled on an accelerated basis upon the termination of his employment relationship in 2019 (see Note 32).

6 Pierre Bouchut, Chief Operating Officer of Europe and Indonesia and member of the Management Board and Executive Committee, stepped down from the Management Board and Executive Committee as of January 1, 2018. His employment relationship with Ahold Delhaize was terminated as of August 31, 2018, after which he retired. Shares awarded under the GRO plan will vest in accordance with the applicable plan rules.

| | Outstanding at the beginning of 2019 | Granted | Performance adjustment ¹ | Vested ² | Forfeited | Outstanding at the end of 2019 |
|-----------------------------------|--------------------------------------|------------------|-------------------------------------|---------------------|----------------|--------------------------------|
| Other employees | | | | | | |
| 2016 grant | 3,712,470 | – | (718,954) | 2,946,520 | 46,996 | – |
| 2017 grant | 3,518,140 | 39,710 | – | 6,062 | 180,219 | 3,371,569 |
| 2018 grant | 2,334,206 | 78,462 | – | 4,398 | 208,722 | 2,199,548 |
| 2019 grant | – | 2,148,126 | – | 538 | 138,468 | 2,009,120 |
| Subtotal Management Board members | 1,527,620 | 415,748 | (164,804) | 726,048 | – | 1,052,516 |
| Total number of shares | 11,092,436 | 2,682,046 | (883,758) | 3,683,566 | 574,405 | 8,632,753 |

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

2 The vesting date of the 2016 grant was April 11, 2019. The share price was €23.06 on April 11, 2019.

Compensation of key management personnel

Share-based compensation

Valuation model and input variables

The weighted average fair value of the shares granted in 2019, for all eligible participants including Management Board members, amounted to €14.43 per share for TSR performance shares and €19.96 per share for RoC performance shares, EPS performance shares and Sustainable Retailing performance shares, respectively (2018: €16.59 per share for TSR performance shares and €17.90 per share for RoC performance shares and Sustainable Retailing performance shares, respectively). The fair values of the RoC, EPS and Sustainable Retailing performance shares are based on the Black-Scholes model. The fair values of the TSR performance shares are determined using a Monte Carlo simulation model, which considers the likelihood of Ahold Delhaize's TSR ending at various ranks as well as the expected share price at each rank. The most important assumptions used in the valuations of the fair values were as follows:

| | 2019 | 2018 |
|---------------------------------------|---------------|--------|
| Closing share price at grant date (€) | 22.94 | 19.72 |
| Risk-free interest rate | (0.6)% | (0.3)% |
| Volatility | 19.7% | 22.9% |
| Assumed dividend yield | 4.2% | 3.3% |

Expected volatility has been determined based on historical volatilities for a period of three years.