



Q4 & FY 2020

Ahold Delhaize Results

February 17, 2020

Cautionary notice

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words and expressions such as improve, constant, growth, target(s), will, retain, goal, through, progress, on track, promises, expectations, to be(come), 2021+, 2H21, by the end of 2021, 2022, should, Q4 2021, expected, continue, commitment, continuing, propose, committed, or other similar words or expressions are typically used to identify forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause the actual results of Koninklijke Ahold Delhaize N.V. (the "Company") to differ materially from future results expressed or implied by such forward-looking statements. Such factors include, but are not limited to, risks relating to the Company's inability to successfully implement its strategy, manage the growth of its business or realize the anticipated benefits of acquisitions; risks relating to competition and pressure on profit margins in the food retail industry; the impact of economic conditions on consumer spending; turbulence in the global capital markets; political developments, natural disasters, pandemics; climate change; raw material scarcity and human rights developments in the supply chain; disruption of operations and other factors negatively affecting the Company's suppliers; the unsuccessful operation of the Company's franchised and affiliated stores; changes in supplier terms and the inability to pass on cost increases to prices; risks related to corporate responsibility and sustainable retailing; food safety issues resulting in product liability claims and adverse publicity; environmental liabilities associated with the properties that the Company owns or leases; competitive labor markets, changes in labor conditions and labor disruptions; increases in costs associated with the Company's defined benefit pension plans; the failure or breach of security of IT systems; the Company's inability to successfully complete divestitures and the effect of contingent liabilities arising from completed divestitures; antitrust and similar legislation; unexpected outcomes in the Company's legal proceedings; additional expenses or capital expenditures associated with compliance with federal, regional, state and local laws and regulations; unexpected outcomes with respect to tax audits; the impact of the Company's outstanding financial debt; the Company's ability to generate positive cash flows; fluctuation in interest rates; the change in reference interest rate; the impact of downgrades of the Company's credit ratings and the associated increase in the Company's cost of borrowing; exchange rate fluctuations; inherent limitations in the Company's control systems; changes in accounting standards; adverse results arising from the Company's claims against its self-insurance program; the Company's inability to locate appropriate real estate or enter into real estate leases on commercially acceptable terms; and other factors discussed in the Company's public filings and other disclosures.

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



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Business Highlights

Frans Muller, President & CEO

Ended 2020 with strong results driven by COVID-19

- In 2020, the Ahold Delhaize brands focused on fulfilling their vital role in society and meeting the challenges of COVID-19 by contributing €680 million to support customers, associates, and communities with COVID-19 relief care; brands committed to contribute €1.4 billion to improve the security of associates' pension benefits
- Net sales of €19.6 billion were up 18.0% in Q4, and up 14.2% in 2020 at constant exchange rates
- U.S. and Europe comp sales growth excluding gas in Q4 grew 11.2% and 10.6%, respectively; up 14.4% and 9.6% in 2020, respectively
- Net consumer online sales grew 84.2% in Q4 and 67.4% in 2020 at constant exchange rates, including U.S. growth of 128.5% in Q4 and 105.1% in 2020
- COVID-19-related costs were approximately €210 million in Q4, and approximately €680 million in 2020, including safety measures and enhanced associate pay
- Underlying operating margin was 4.1% in Q4 and 4.8% in 2020; diluted underlying EPS was €0.53 in Q4 and €2.26 in 2020
- 2020 free cash flow was €2.2 billion compared to guidance of at least €1.7 billion, despite a total of €609 million related to pension plan withdrawals and incremental pension funding payments, and net capital expenditures of €2.6 billion

Entering 2021 in a strategically stronger position vs pre-COVID-19






Improved position in 2020...

- **Exceeding CMD 2018 financial targets**
- **Grew overall market share in 2020**, and will retain leading marketshare positions (#1 & #2) in 2021
- Reached **3-year Group net consumer online sales goal a year early** in 2020, reaching **~10% sales penetration**
- **Improved financial position** by significantly **de-risking U.S. multi-employer pension plan liabilities**

...leads to confidence in 2021 outlook

- Group net consumer online sales growth of over 30% in 2021 (over 60% growth in the U.S.)
- Raised our 3-year Save for Our Customers target to €2.3 billion through 2021, up from the original €1.8 billion target
- Expecting 2021 underlying operating margin of at least 4% and mid-to-high-single EPS growth vs 2019
- 2021 free cash flow to be approximately €1.6 billion; on track to reach €5.6 billion in cumulative free cash flow from 2019-2021 (avg. ~€1.9 billion annually), which exceeds CMD 2018 target of €5.4 billion (avg. €1.8 billion annually)

Outlook 2021: Key Targets (1/2)

Key financial targets	Target 2020	Results in 2020	Target 2021
 Group underlying operating margin	Broadly in line with 2019 (4.2%)	4.8%	≥ 4.0%
 Diluted underlying EPS growth ¹	Mid-single-digit % growth	33.3%	Mid to high single-digit % vs. 2019
 Capital expenditures, net	€2.5 billion	€2.6 billion	€2.2 billion
 Free cash flow ²	~€1.5 billion	€2.2 billion	~ €1.6 billion
 Dividend payout ratio ³	40-50%	40%	40-50%, year-over-year increase in dividend per share
 Share buyback ³	€1 billion	€1 billion	€1 billion





1. At current rates.

2. Target excludes M&A; actuals show reported capex.

3. Management remains committed to the share buyback and dividend program, but given the uncertainty caused by COVID-19, they will continue to monitor macroeconomic developments. The program is also subject to changes in corporate activities, such as material M&A activity. The dividend payout ratio for results in 2020 is calculated as a percentage of underlying income from continuing operations on a 52-week basis.

Targets are based on previous year's full year results unless stated otherwise

Outlook 2021: Key Targets (2/2)

Drive omnichannel growth		Target 2020	Results in 2020	Target 2021
	Net consumer online sales ¹	Progress to achieving €7 billion by	€7.6 billion	≥ 30%
	U.S. online sales growth ¹	> 30%	+105%	≥ 60%
	Stop & Shop store remodels ²	48	33	~ 60
	Bol.com net consumer online sales	Progress to achieving €3.5 billion by	€4.3 billion	≥ €5 billion
	Bol.com EBIT and return on capital (RoC) ³	–	Positive EBIT and double-digit RoC	Positive EBIT and double-digit RoC
Elevate healthy and sustainable				
	Healthy own-brand sales of (%)	50.0%	49.8%	50.5%
	Food waste reduction (%) ⁴	(10)%	(17)%	(16)%
	CO ₂ emission reduction (%) ⁵	(7)%	(17)%	(17)%
Cultivate best talent				
	Associate engagement score (%) ³	–	81% (2019: 80%)	≥ 81%
	Associate development score (%)	73%	73%	≥ 73%
	Healthy workplace score (%)	75%	76%	≥ 76%
	Inclusive workplace score (%)	79%	79%	≥ 79%
Strengthen operational excellence				
	Save for Our Customers savings	€600 million	€844 million	≥ €750 million
	Supply chain initiatives ²	–	Acquisition of facilities from C&S Wholesale Grocers completed	Transition of five facilities into the integrated network
	In store initiatives ²	–	New stock system feature implemented at Albert Heijn, resulting in reduced labor costs	≥ 50% of European grocery stores with electronic shelf labeling
	Improving online productivity ²	–	Multi-brand proprietary e-commerce platform launched in the U.S.	Launching U.S. Autostore micro-fulfillment center and increasing automated capacity at bol.com

¹ U.S. online sales include Fresh Direct sales.

² Excludes 17 King Kullen stores, which were not acquired from the communicated target of 65 for 2020.

³ No target communicated in 2020.

⁴ Target for food waste reduction is based on the trajectory to achieve our 2030 ambition to halve 50% of food waste by 2030 compared to our 2016 baseline.

⁵ Targets are based on the cumulative trajectory towards the 50% reduction of absolute CO₂-equivalent emissions by 2030 compared to our 2018 baseline. This target was announced in 2019 and replaced our previous 2020 target to reduce carbon equivalent emissions per square meter compared to the 2008 baseline.

The (7%) target in 2020 is the trajectory target to achieve the 50% by 2030.

Note: Targets are based on previous year's full year results unless stated otherwise. Sales growth is calculated at constant rates. Sales growth targets for 2021 are calculated adjusting 2020 for 52 weeks.

Progress versus initial 2018 Capital Markets Day promises (1/2)

Group financial guidance	Status as of FY 2020	
Annual Free cash flow of ~€1.8 billion ¹ for 2019 through 2021	Average Free cash flow of ~€2 billion in 2019 and 2020	✓
€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	Average Net capex at 3.3% of sales in 2019 and 2020	✓
Cumulative net working capital improvement of €300 million in 2019-2021	Cumulative net working capital improvement of ~€1.3 billion across 2019 and 2020	✓

¹ Adjusted for IFRS16 and excludes M&A

Progress versus initial 2018 Capital Markets Day promises (2/2)

Re-imagine Stop & Shop		Status as of FY 2020
Sales uplift from remodeled stores of 4%-6% in year 1; 2%-4% in year 2; 2% in year 3	Sales run-rate in 2020 in line with expectations	✓
Remodel 60-80 stores per year	Remodelled 75 stores since 2018	✓
eCommerce (1/2)		Status as of FY 2020
Doubling net consumer online sales to ~€7 billion in 2021	Net consumer online sales of ~€7.6 billion in 2020, one year ahead of plan	✓
U.S. Online sales growth of 30%+ in 2020	U.S. Online sales growth of 105% in 2020	✓
Bol.com net consumer online sales of ~€3.5 billion in 2021	Bol.com net consumer online sales of €4.3 billion in 2020, one year ahead of plan	✓
Bol.com third party sales at >45% of total sales in 2021	Third party sales of 57% in 2020 versus 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 and 2020	✓
Doubling net consumer online sales to ~€7 billion in 2021	Net consumer online sales of ~€7.6 billion in 2020, one year ahead of plan	✓

Strengthens position as industry-leading local omnichannel retailer in 2021+ (1/3)

Strengthened leading market share position

#1 and #2 market share positions¹ in 2020



¹. Excluding bol.com, Etos and Gall & Gall. Based upon latest available data

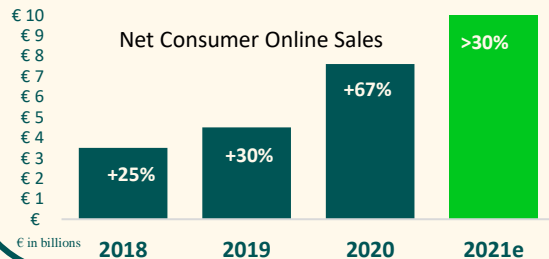
Strengthens position as industry-leading local omnichannel retailer in 2021+ (2/3)

Additional wallet share opportunities remain

Capitalize on consumer behavior changes

Such as work from home trends, preference for healthy and fresh products, higher online demand

1



2021 Guidance

Group Net Consumer Online Sales to grow over **30%** in 2021 (includes over **60%** in U.S. online sales & raised target of at least **€5 billion** in net consumer online sales at bol.com)

Incremental Sales Opportunities

Acquisitions

- Fresh Direct (U.S.)
- 62 stores from Southeastern Grocers (U.S.)
- 39 stores from Deen Supermarkets (NL)

2021 deals create incremental sales opportunities

Store Remodels Drive Sales Uplift

Primarily Stop & Shop and Albert Heijn

U.S. General Merchandise Opportunity

Launching “endless aisle” with 80,000-100,000 general merchandise and food items in 2H21, utilizing the Mirakl platform

More Own-Brands Labels Products

In 2021, U.S. introducing ~2,000 own-brand products to the existing base of 15,000 items

Improved Meal Solutions Offerings

Launching more meal kits, food counters and meals on demand across our brands

2

Strengthens position as industry-leading local omnichannel retailer in 2021+ (3/3)

Bringing to life, and building upon key initiatives previously announced in Q3 2020

Step-up online capacity, supply chain and technological capabilities

- Expanding to nearly **1,400 Click & Collect** locations in the U.S. by the end of 2021
- **U.S. supply chain transformation**: five facilities will transition in 2021; **65% of procured center store volume being self-managed** by year end vs. 40%-45% in 2020
- **U.S. online capacity** to increase by **~30% in 2021** (+70% increase in 2020)
- **European online capacity** to increase by **+20% in 2021** (30% in 2020), **incl. 20% at bol.com in 2021** (+25% in 2020)

Advance omnichannel offerings

- Albert Heijn expands its "**AH Compact**" **no-fee home delivery service** targeting smaller households to **more markets in 2021**.
- **GIANT Company Choice Pass** launched on January 19; offers **unlimited free grocery delivery and pickup** with an annual membership fee of \$98

Improving online productivity is a high priority

- **Accelerating U.S. online grocery fulfillment productivity growth** through end-to-end improvement of processes, systems, operating practices and innovation, in 2021-2022, which will **lower the cost to serve**
- **Improving efficiency by opening an additional micro-fulfillment center** with **Autostore/Swisslog** in Q4 2021
- In both the U.S. and Europe, we will utilize technology to **improve route optimization** in order to **reduce last-mile costs**
- **Bol.com** generated **positive operating profits & double-digit return on capital in 2020**; expected to continue in 2021

Highlights: ESG

Ahold Delhaize was recognized as a **world leader** in the Food and Staples Retailing sector in the **2020 Dow Jones Sustainability World Index**, based on ranking:

#1 in the U.S. and Europe

#2 Globally

As measured by the 2020 S&P Global Corporate Sustainability Assessment. This year marks the 5th consecutive year the company has been ranked among industry leaders

U.S. brands joined the **CEO Action for Diversity & Inclusion program**, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace

U.S. brands were recognized as "**Best Places to Work for LGBTQ+ Equality**," receiving a perfect score on the Human Rights Campaign Foundation's 2021 Corporate Equality Index

Ahold Delhaize announces €1 billion Sustainability-Linked Revolving Credit Facility

To further fund our Healthy & Sustainable ambition in Food waste and carbon emission reduction and promotion of healthier eating

In January, Albert Heijn announced they **halved CO2 emissions/store since 2008** and switched to **100% Dutch wind energy**

U.S. partners with HowGood to bring customers an **easy-to-use environmental and social impact rating** system

Highlights: United States

- ~129% online sales growth in Q4 (constant rates); achieved revised full year target of 90%+ growth with 2020 U.S. online sales up 105% (constant rates)
- 1,116 click & collect points at the end of Q4 (up from 883 in Q3); met target of 1,100+ in 2020
- Completed 33 Stop & Shop remodels in 2020; including 22 stores in Q4; expect ~60 new stores to be completed in 2021; stores continue to perform in line with our expectations
- Food Lion remains our fastest growing brand and achieved its 33rd consecutive quarter of positive comparable sales growth
- The GIANT Company is deploying geofencing technology to strengthen the functionality of its GIANT Direct app to reduce customer waiting time by 50%
- Food Lion customers now able to redeem SNAP/EBT while shopping online in North Carolina



Highlights: Europe

- 73.4% net consumer online sales growth in Q4, and 57.4% in 2020
- Bol.com grew net consumer online sales by ~70% in Q4 and added roughly 4,000+ Bol.com merchant partners to the platform, bringing the total to 41,000+ merchants (up from 26,000+ in early 2020); sales from third-party sellers grew by 110% in Q4
- Promoted healthier eating via the October launch of the SuperPlus loyalty plan in Belgium, which provides rewards and discounts to consumers on purchases of healthy and sustainable products; ended 2020 with 1.35 million members joining the plan
- Albert Heijn remodeled 31 stores to its new fresh and technology focused format in Q4, and completed 112 for the full year 2020; plans to remodel ~60 stores in 2021; stores are performing in line with expectations
- Albert Heijn expands its home delivery service to 8 additional markets in the Flanders region; serving an additional 275,000 households



A person with long blonde hair, wearing a black face mask, is using a handheld barcode scanner. The scanner's screen displays a list of items with a price of \$4.99 EA and a quantity of 0/1. The background is a warehouse with many brown cardboard boxes.

Financial Highlights

Natalie Knight, Chief Financial Officer

Q4 underlying performance

Net sales¹

€ 19,600

in million

vs LY constant rates **18.0%**

Comparable Sales
Growth excl. gas

11.0%

U.S. **11.2%**
E.U. **10.6%**

Net Consumer
Online Sales^{1/2}

€ 2,604

in million

vs LY constant rates **84.2%**

Underlying operating
income

€ 811

in million

vs LY constant rates **10.8%**

Underlying
operating margin¹

4.1%

vs LY constant rates **(0.3 pts)**

Underlying Income from
continuing operations

€ 561

in million

vs LY constant rates **3.4%**

Diluted Underlying
EPS¹

€ 0.53

vs LY constant rates **7.3%**

1. For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide 34

2. Net consumer online sales is defined as online sales including sales of third parties via bol.com's Plaza. Net consumer online sales excludes Value Added Tax (VAT). Ahold Delhaize's management believes that this measure provides more insight into the growth of our online businesses.

Q4 IFRS-reported results

Net sales¹

€ 19,600

in million

vs LY constant rates **18.0%**

Comparable sales
growth excl. gas

11.0%

U.S. **11.2%**
E.U. **10.6%**

Online sales^{1/2}

€ 1,869

in million

vs LY constant rates **75.1%**

IFRS Q4 reported
operating income

€ 16

in million

vs LY constant rates **(97.7)%**

IFRS Q4 reported
operating margin

0.1%

vs LY constant rates **(4.2) pts**

Income from
continuing operations

€ (9)

in million

vs LY constant rates **NM³**

Diluted EPS

€ (0.01)

vs LY constant rates **NM⁴**

1. For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide 34
2. Online sales are net sales generated through electronic ordering by the final customer at the fair value of the consideration received or receivable. Online sales includes both business-to-consumer and business-to-business sales as long as the purchaser is the end user, sales generated through third-party platforms (e.g., Instacart and eMag), delivery fee income, other income derived from online sales generated through third-party platforms (e.g. price markups), fees and commissions when Ahold Delhaize acts as an agent. Online sales excludes Value Added Tax (VAT).
3. Not meaningful, as income from continuing operations and net income were losses, and EPS and diluted EPS were negative in Q4 2020.
4. Not meaningful, as operating income in the U.S. was a loss and diluted underlying EPS was negative in Q4 2020

Full year 2020 underlying performance

Net sales¹

€ 74,736

in million

vs LY constant rates **14.2%**

Comparable Sales
Growth excl. gas

12.5%

U.S. **14.4%**
E.U. **9.6%**

Net Consumer
Online Sales^{1/2}

€ 7,576

in million

vs LY constant rates **67.4%**

Underlying operating
income

€ 3,594

in million

vs LY constant rates **31.2%**

Underlying
operating margin¹

4.8%

vs LY constant rates **0.6 pts**

Underlying Income from
continuing operations

€ 2,427

in million

vs LY constant rates **30.5%**

Diluted Underlying
EPS¹

€ 2.26

vs LY constant rates **35.3%**

1. For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide 34
2. Net consumer online sales is defined as online sales including sales of third parties via bol.com's Plaza. Net consumer online sales excludes Value Added Tax (VAT). Ahold Delhaize's management believes that this measure provides more insight into the growth of our online businesses.

Full year 2020 IFRS-reported results

Net sales¹

€ 74,736

in million

vs LY constant rates **14.2%**

Comparable Sales
Growth excl. gas

12.5%

U.S. **14.4%**
E.U. **9.6%**

Online sales^{1/2}

€ 5,547

in million

vs LY constant rates **59.8%**

IFRS FY20 reported
operating income

€ 2,191

in million

vs LY constant rates **(16.6)%**

IFRS FY20 reported
operating margin

2.9%

vs LY constant rates **(1.1)pts**

Income from
continuing operations

€ 1,397

in million

vs LY constant rates **(19.7)%**

Diluted EPS

€ 1.30

vs LY constant rates **(16.8)%**

1.

For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide 34

2.

Online sales are net sales generated through electronic ordering by the final customer at the fair value of the consideration received or receivable. Online sales includes both business-to-consumer and business-to-business sales as long as the purchaser is the end user, sales generated through third-party platforms (e.g., Instacart and eMag), delivery fee income, other income derived from online sales generated through third-party platforms (e.g. price markups), fees and commissions when Ahold Delhaize acts as an agent. Online sales excludes Value Added Tax (VAT).

High sales growth in both regions drove higher underlying operating income in Q4

	Ahold Delhaize Group		The United States		Europe	
	Q4 2020	% change constant rates	Q4 2020	% change constant rates	Q4 2020	% change constant rates
€ million, except per share data						
	(14 weeks 2020 vs. 13 weeks 2019)					
Net Sales ¹	19,600	18.0%	11,425	18.7%	8,175	17.1%
Comparable sales growth excl. gas	11.0%		11.2%		10.6%	
Online sales ¹	1,869	75.1%	632	128.5%	1,236	56.5%
Net consumer online sales ¹	2,604	84.2%	632	128.5%	1,972	73.4%
Operating income	16	(97.7)%	(417)	NM ²	481	46.5%
Operating margin	0.1%	(4.2) pts	(3.6)%	NM ²	5.9%	1.2pts
Underlying operating income	811	10.8%	442	7.9%	418	18.4 %
Underlying operating margin	4.1%	(0.3) pts	3.9%	(0.4) pts	5.1%	0.1pts
Diluted EPS	(0.01)	NM ²				
Diluted underlying EPS ¹	0.53	7.3%				
Free Cash Flow	262	(73.1)%				

Net consumer online sales grew nearly 129% in the U.S. and 73% in Europe

U.S. IFRS operating margin was unfavorably impacted by Q4 pension withdrawals totaling €841 million

U.S. underlying operating margin impacted by COVID-19 expenses, one-time items and U.S. supply chain investment

1. For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide #36
 2. Not meaningful, as operating income in the U.S. was a loss and diluted underlying EPS was negative in Q4 2020.

Strong U.S. sales leverage drove Group underlying operating margin expansion in 2020

	Ahold Delhaize Group		The United States		Europe	
	FY 2020	% change constant rates	FY 2020	% change constant rates	FY 2020	% change constant rates
€ million, except per share data						
	(53 weeks 2020 vs. 52 weeks 2019)					
Net Sales ¹	74,736	14.2%	45,470	15.6%	29,266	12.1%
Comparable sales growth excl. gas	12.5%		14.4%		9.6%	
Online sales ¹	5,547	59.8%	1,968	105.1%	3,579	42.7%
Net consumer online sales ¹	7,576	67.4%	1,968	105.1%	5,608	57.4%
Operating income	2,191	(16.6)%	1,006	(43.0)%	1,380	21.4%
Operating margin	2.9%	(1.1) pts	2.2%	(2.0)pts	4.7%	0.4pts
Underlying operating income	3,594	31.2%	2,466	45.5%	1,325	10.3%
Underlying operating margin ¹	4.8%	0.6 pts	5.4%	1.1 pts	4.5%	(0.1)pts
Diluted EPS	1.30	(16.8)%				
Diluted underlying EPS ¹	2.26	35.3%				
Free Cash Flow	2,199	22.2%				

Net consumer online sales grew 105% in the U.S. and 57% in Europe

Europe underlying operating margin impacted by COVID-19 expenses and €45m of pension expense in The Netherlands

Group underlying operating margin favorably impacted by strong sales leverage in the U.S. due to COVID-19

1. For comparable information on a 13/52-week basis, refer to section Pro forma information: financial data on a 13/52-week basis in the appendix slide #36

U.S. committed to contribute over €1.4 billion to improve the security of pension benefits and reduce the financial risk

FELRA/MAP

Pension related liability of €676 million paid over the course of 25 years

National Plan

€394 million paid out of the €559 million withdrawal liability in 2020; remainder to be paid over 3 years

1500

€93 million paid out of the €183 million withdrawal liability in 2020; remainder to be paid over 3 years

€ million, except Ahold Delhaize participation %

	As of December 29, 2019			
	Annual Contribution	Plan deficit/ (surplus)	Ahold Delhaize's Participation	Ahold Delhaize's proportionate share of deficit (surplus)
FELRA & UFCW Food Pension Fund	23	1,335	56.6%	756
Mid-Atlantic UFCW & Participating Employers Pension Fund	10	-18	62.0%	-11
United Food & Commercial Workers International Union - Industry Pension Fund - "National Plan"	23	-270	23.8%	-64
UFCW Local 1500 Pension Plan	12	182	39.9%	73
New England Teamsters & Trucking Industry Pension	6	—	2.6%	—
UFCW Local 1262 & Employers Pension Fund	5	85	43.4%	37
Warehouse Employees Union Local 730 Pension Trust Fund	3	99	86.0%	85
Other plans	6	5,882	0.9%	-15
Total	88	7,295		861

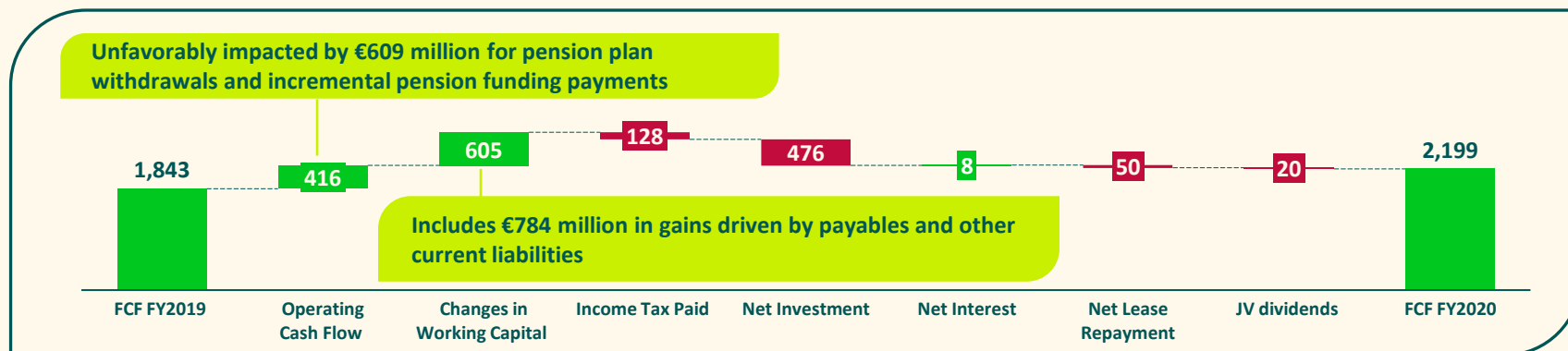
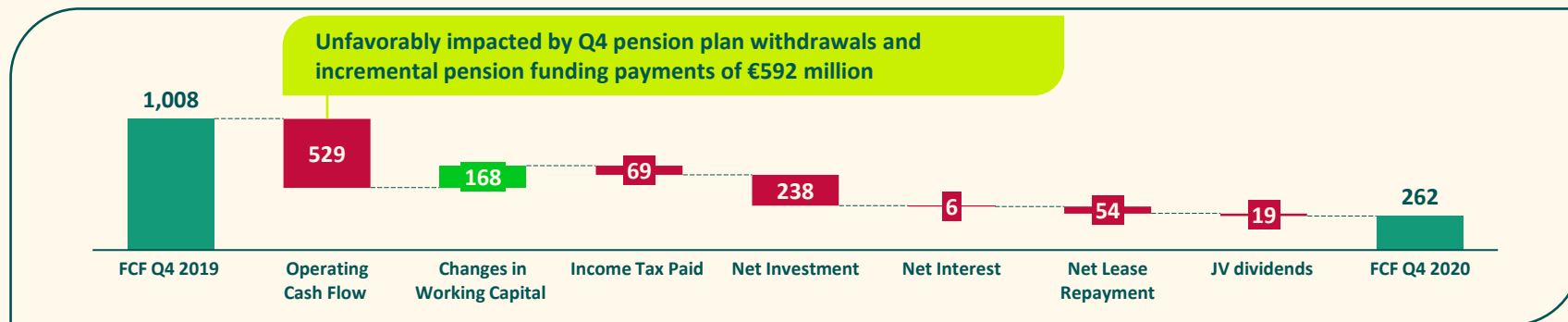
Netherlands Pension Plan

Contributed an additional € 122 million payment in Q4 under an agreement with Ahold Delhaize Pension

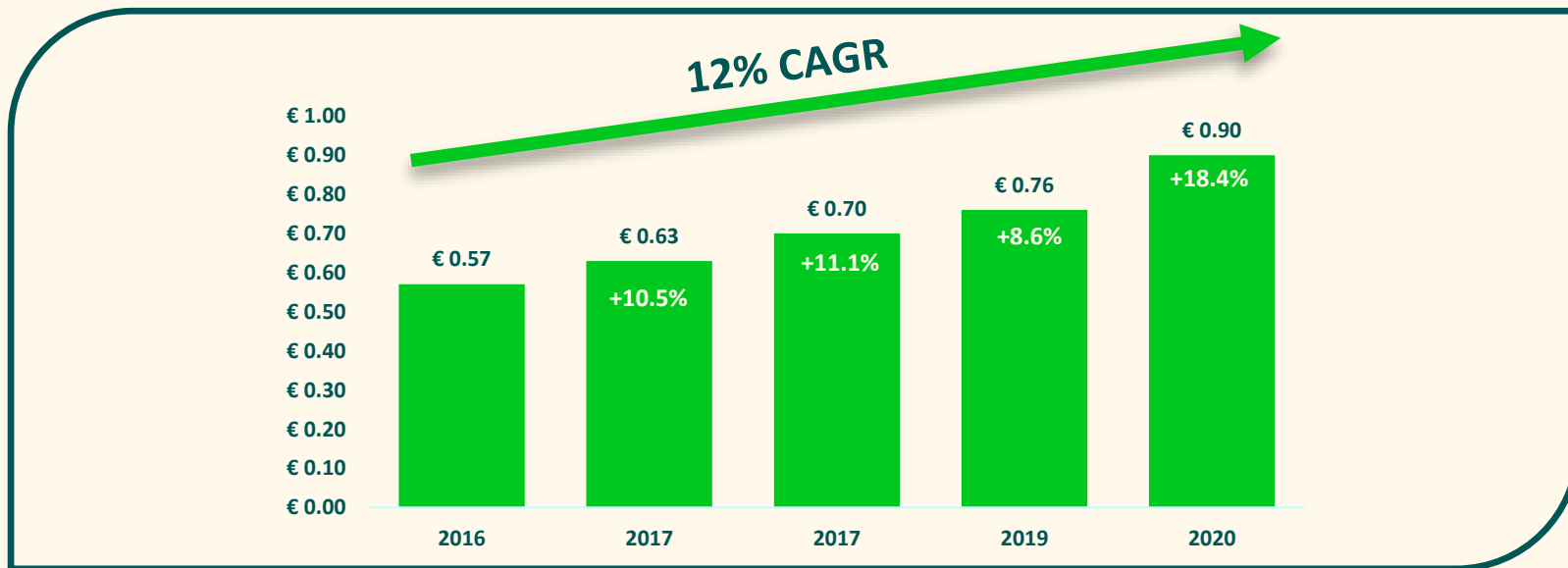
De-risked & withdrawing from U.S. MEP plans that comprise **90%** of the year-end 2019 net deficit

Q4 and Full Year Free Cash Flow Bridge

FCF Q4 & FY 2020 vs Last Year (in €m)



Strong dividend growth from 2016 through 2020



- We propose a cash dividend of € 0.90 per common share for the financial year of 2020; highest increase since the merger
- This reflects our ambition of sustainable growth of the dividend share. This represents a payout ratio of 40%, based on the expected dividend payment on underlying income from continuing operations (52-week basis), which is in line with our dividend policy

2021 Outlook reflects the strength we continue to see in our business model

- COVID-19 continues to create significant uncertainty in 2021 and created difficult prior year comparisons. The return to a 52-week calendar vs. a 53-week calendar in 2020 also has an unfavorable effect
- Underlying operating margin of at least 4%; reflects a balanced approach with cost savings largely offsetting cost pressures. As there continues to be significant uncertainty due to COVID-19, a more specific range is not provided
- Underlying EPS is expected to grow mid-to-high-single digits relative to 2019
- Free cash flow of ~€1.6 billion; on track to reach €5.6 billion in cumulative FCF from '19-'21 (avg ~€1.9 billion/ yr), which exceeds the CMD 2018 target of €5.4 billion (avg. €1.8 billion/yr)
- Capital expenditure of ~€2.2 billion; reflects accelerated investments in digital/omnichannel capabilities and for improvements to recent M&A operations and capabilities

Full-year outlook	Underlying operating margin ¹	Underlying EPS	Save for Our Customers	Capital expenditures	Free cash flow ²	Dividend payout ratio ^{3 4}	Share buyback ⁵
2021	At least 4%	Mid-to-high-single digit growth vs. 2019	> €750 million	~€2.2 billion	~€1.6 billion	40-50%, YOY increase in div/sh.	€1 billion

¹ No significant impact to underlying operating margin from returning to a 52-week calendar versus a 53-week calendar in 2020, though the return to a 52-week calendar will negatively impact net sales for the full year by 1.5-2.0%. Comparable sales growth will be presented on a comparable 52-week basis. The margin includes a dilution of \$50 million in transition expenses from the U.S. supply chain initiative.

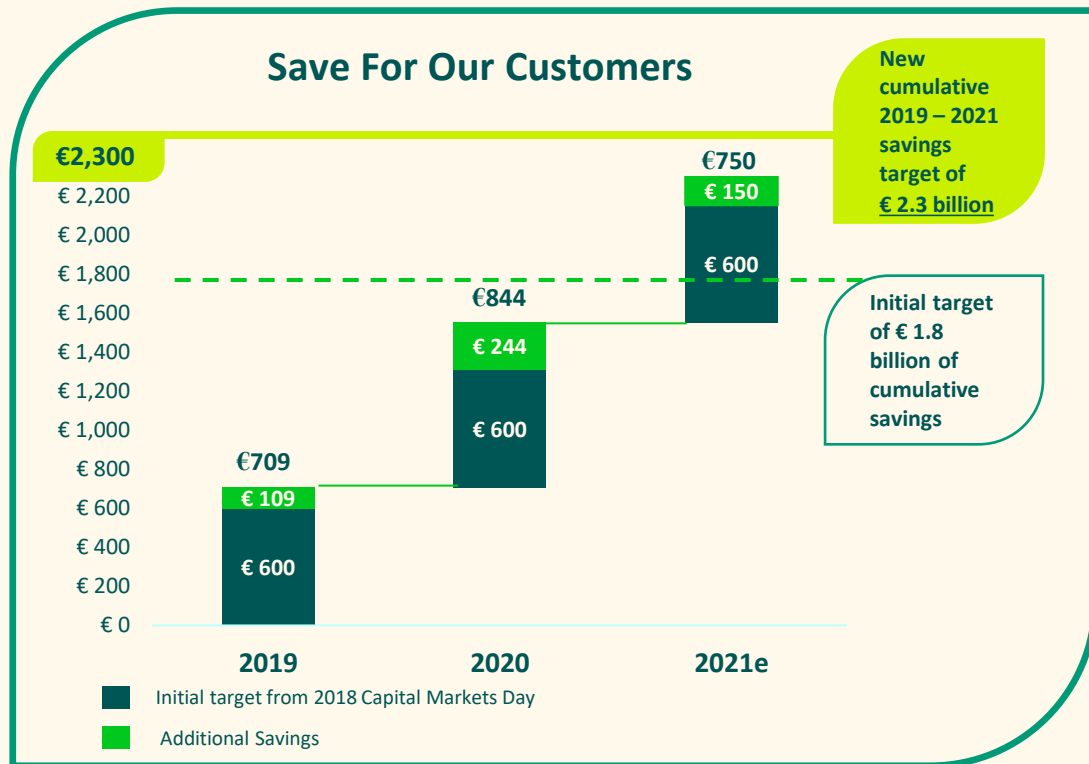
² Excludes M&A

³ Calculated as a percentage of underlying income from continuing operations

⁴ Management remains committed to the share buyback and dividend program, but given the uncertainty caused by COVID-19, they will continue to monitor macroeconomic developments. The program is also subject to changes in corporate activities, such as material M&A activity

Raising cumulative Save For Our Customers goal to € 2.3 billion from 2019- 2021

- Save for Our Customers helps fund growth investments, absorbs cost pressures, and improves customer value proposition
- Achieved €844 million in savings 2020, well-above the initial €600 million target
- Expect at least €750 million in savings in 2021, above the initial €600 million target
- Cumulative 2019 –2021 savings target now raised to €2.3 billion versus initial target of €1.8 billion



Wrap-up

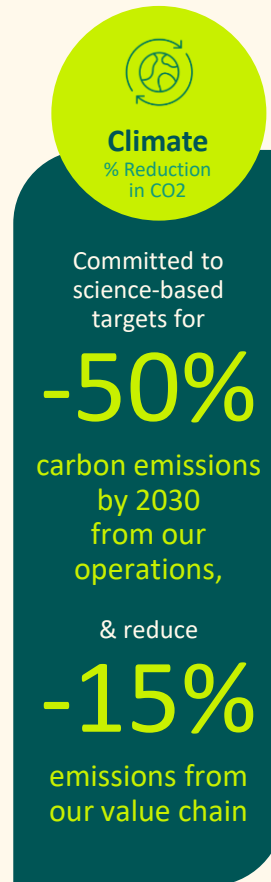
- **Entering 2021 in a strategically stronger position** versus pre-COVID-19
- **Exceeded 2020 underlying EPS growth guidance** and posted **free cash flow of €2.2 billion** vs. outlook of above €1.7 billion
- **Exceeding key multi-year financial targets** established at our **2018 Capital Markets Day**; reached **net consumer online sales target one year early** and **beat Save for Our Customers target in 2020**
- Selected as a member of the **Dow Jones Sustainability World Index**, after ranking **#1 in the Food and Staples Retailing sector** in North America and Europe by the S&P Global CSA
- **Proposed cash dividend of € 0.90** for full year 2020, **up 18%** compared to 2019
- **Recent acquisitions** of FreshDirect and stores from Southeastern Grocers in the U.S., as well as stores from Deen Supermarkets in The Netherlands **adds incremental sales and market opportunities** in 2021+
- **2021 outlook:** Group net consumer **online sales to grow over 30%**; underlying operating **margin to be at least 4% despite headwinds**; underlying **EPS to grow by mid- to high-single digits versus 2019**; **free cash flow to be approximately €1.6 billion**, resulting in €5.6 billion in cumulative free cash flow from 2019-2021 which **exceeds the Capital Markets Day 2018 target** of €5.4 billion (avg. of €1.8 billion/yr)

Thank you



Appendix

ESG Action Items



U.S. Supply Chain Transformation Financial Impact (Updated)

Timetable is on schedule; lower than expected transition expenses in '20; Capex in '21/'22 higher due to IT costs

\$ in million	2020	2021	2022	2023+
Transition Expenses* (new)	\$42	\$50	\$60	\$0
<i>Transition Expenses* (previous)</i>	<i>\$50</i>	<i>\$50</i>	<i>\$60</i>	<i>\$0</i>
Net impact to underlying operating income, including transition expenses (new)	(\$42)	(\$50)	0	\$100+
<i>Net impact to underlying operating income, including transition expenses (previous)</i>	<i>(\$50)</i>	<i>(\$50)</i>	<i>0</i>	<i>\$100+</i>
Capital expenditure impact (new)	\$306	\$85	\$70	—
<i>Capital expenditure impact (previous)</i>	<i>\$300</i>	<i>\$50</i>	<i>\$60</i>	<i>—</i>

*Includes legal/consulting, IT transition, procurement and replenishment transition costs as well as facility start-up costs.

Pro Forma information: Q4 and Full Year 2020 financial data on a 13/52-week basis

- Considering that the financial year consisted of 53 weeks in 2020, compared with 52 weeks in 2019, with the last quarter of 2020 having 14 weeks, compared to 13 weeks in 2019, Ahold Delhaize has prepared pro forma information in order to provide a comparable base for the results. The pro forma information presented below is intended to provide comparable information on a 13-week basis for the fourth quarter and 52-week basis for the full year of 2020 versus 2019.
- This pro forma information represents an estimate of the results related to a 13-week period for Q4 2020 and a 52-week period for the full-year 2020, and is calculated by deducting the estimated results related to the 53rd week of 2020 from the reported results for the fourth quarter and the full-year 2020, as presented in the other sections of this summary report.

€ million, except per share data	Pro forma information											
	Ahold Delhaize Group		The United States		Europe		Ahold Delhaize Group		The United States		Europe	
	Q4 2020	% change constant rates	Q4 2020	% change constant rates	Q4 2020	% change constant rates	2020	% change constant rates	2020	% change constant rates	2020	% change constant rates
	(13 weeks 2020 vs. 2019)						(52 weeks 2020 vs. 2019)					
Net sales	18,415	10.9 %	10,627	10.3 %	7,788	11.6 %	73,551	12.4 %	44,673	13.4 %	28,879	10.6 %
Online sales	1,743	63.4 %	581	109.5 %	1,163	47.2 %	5,422	56.2 %	1,916	99.4 %	3,506	39.8 %
Net consumer online sales	2,428	71.7 %	581	109.5 %	1,848	62.5 %	7,400	63.5 %	1,916	99.4 %	5,483	53.9 %
Underlying operating margin	3.9 %	(0.5)pts	3.5 %	(0.8)pts	5.0 %	— pts	4.8 %	0.6 pts	5.4 %	1.0 pts	4.5 %	(0.1)pts
Diluted underlying EPS	0.47	(6.0) %					2.20	31.4 %				