



# green bond

**allocation and impact report 2024**

April 2025

# Ahold Delhaize Green Bond Allocation Report

as of December 29, 2024

The implementation of Ahold Delhaize's transition plan to reduce emissions requires significant investments in clean, low-emissions and zero-emissions technologies. Part of the proceeds of our green finance instruments are used to invest in the actions mentioned in this transition plan. In April 2023 and March 2024, the company issued two Green Bonds under its 2023 Green Finance Framework ("Framework"). The Framework was developed in accordance with the 2021 ICMA Green Bond Principles (GBP), including the updated appendix I of June 2022, as well as the 2023 LMA Green Loan Principles administered by the Loan Market Association ("LMA").

## Final Terms

Instrument (ISIN)	Issuer	Issue date	Maturity	Amount (€m)	Reoffer price
XS2596537972	Koninklijke Ahold Delhaize N.V.	04-04-23	04-04-28	500	99.851%
XS2780025271	Koninklijke Ahold Delhaize N.V.	11-03-24	11-03-31	500	99.297%

## Use of proceeds

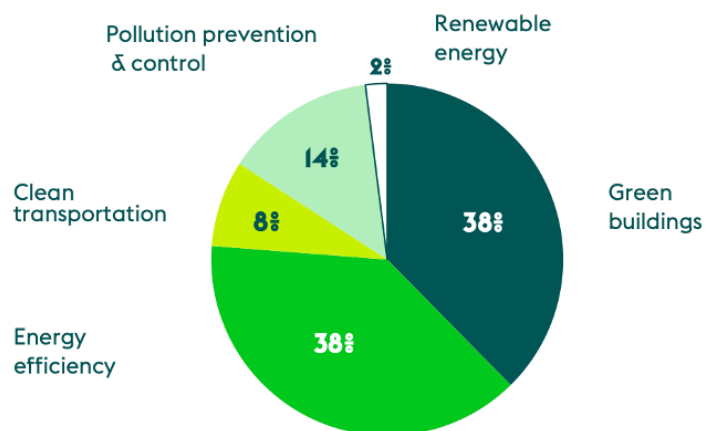
An amount equivalent to the net proceeds from the issuance of green instruments will be used to finance and/or refinance, in whole or in part, new or existing eligible projects ("Eligible Projects"). Eligible Projects may take the form of green Assets, Capital or Operational Expenditures that meet the Eligibility Criteria outlined in the Framework.

### Allocation report as of December 29, 2024

Eligible green project expenditures by category	2022 € million	2023 € million	2024 € million	Green Bond Issuance	
Green Buildings	180	84	64	ISIN: (April 2023)	500
Energy Efficiency	16	220	97		
Clean Transportation	1	33	32		
Pollution Prevention & Control	0	43	80	ISIN: (March 2024)	500
Renewable Energy	0	3	11		
<b>Total Eligible Green Project Portfolio*</b>	<b>198</b>	<b>383</b>	<b>284</b>		
Eligible Green Project Portfolio - Unallocated					0%
Percentage of Eligible Green Project Portfolio Allocated (coverage)					100%
Percentage of Proceeds of Green Financing Instruments allocated to Eligible Green Project Portfolio					86%

(\*) Due to rounding numbers presented may not add

## Allocation of proceeds 2022-2024



As of December 29, 2024, Ahold Delhaize has a total eligible portfolio of €864 million. Thereof 100% have been allocated to two Green Bonds issued in 2023 and 2024.

- The net proceeds of the €500 million bond issued in April 2023 were fully allocated with the eligible expenditures of 2022 and 2023.
- €364 million of the net proceeds of the €500 million bond issued in March 2024 were allocated. €80 million (16%) were allocated to refinance existing projects with expenditures in 2023, and €284 million (57%) were allocated to finance new projects with expenditures in 2024.

The auditing firm KPMG Accountants N.V. has conducted an external assurance engagement (“limited assurance” under ISAE 3000) of the Eligible Green Project portfolio of the allocation report. The report of KPMG Accountants N.V. is included as an Appendix.

## Ahold Delhaize Green Bond Impact Report

Ahold Delhaize has chosen to report the impact of the Green Projects using a portfolio approach. Over the last year, we have progressed towards reducing GHG emissions to achieve our Net Zero ambitions. Our great local brands continue to invest in energy efficiency, improve their refrigeration systems, further modernize their logistics fleets, transition from fossil fuels and actively invest in renewable energy initiatives.

In the following sections, the impact information explained per category represents the change of certain related sustainability KPIs in 2024 compared to the prior year, and is derived from the 2024 sustainability statements. These changes may not be a direct result of the 2024 investments and are provided for information purposes only. The below examples by category financed by our Green Bond issued in 2024 represent components of our broader overall effort to accelerate the transition to reach our Net Zero ambitions.



# Green buildings

## ICMA GBP category: Green buildings

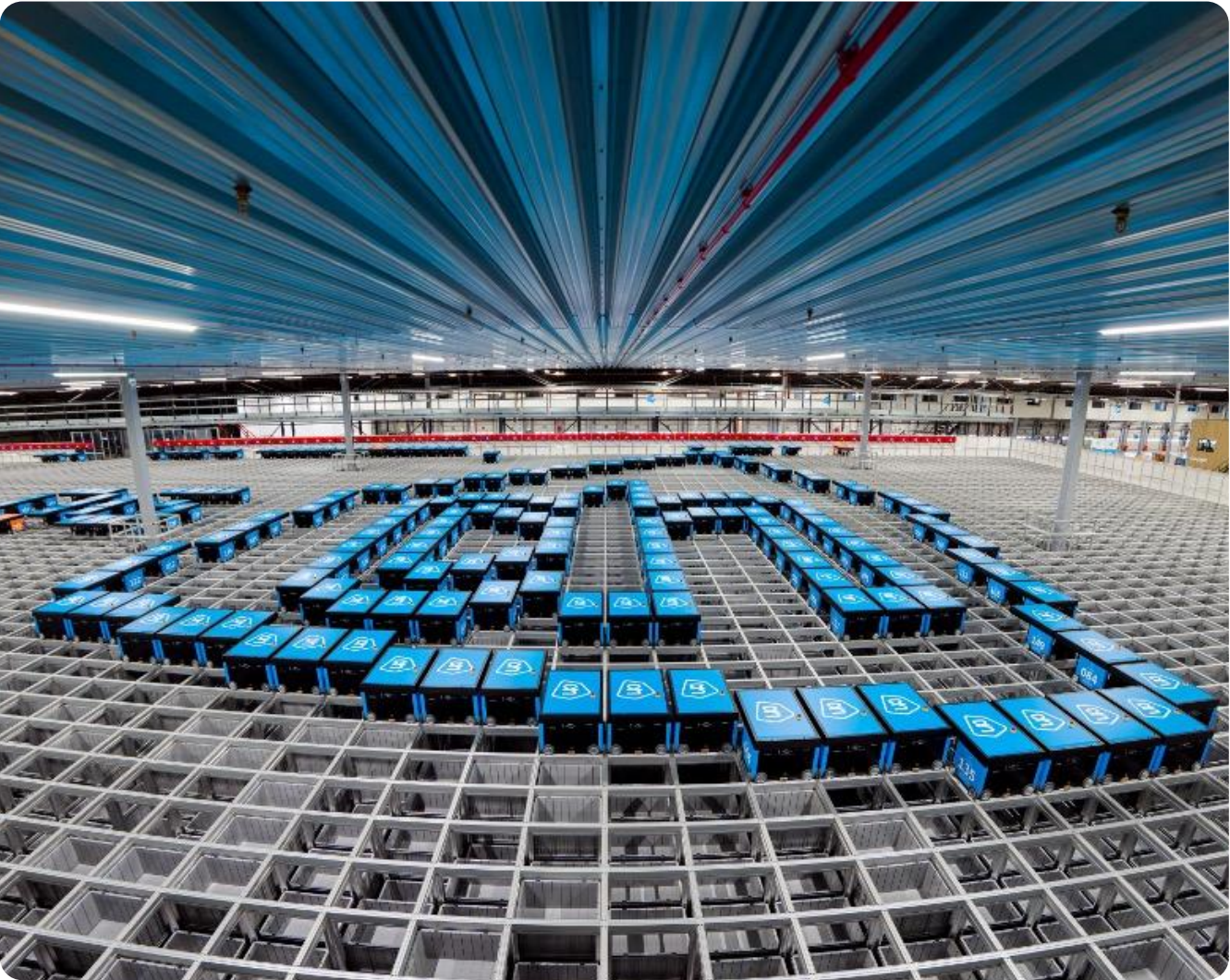
### Allocation 2024 per 29 December 2024

Amount allocated to eligible green projects portfolio	64 EURm
Share of total eligible green project portfolio	23%

### Impact information

Additional buildings with EPC label A or higher	30
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Throughout 2024, our bond proceeds have allowed to add 18 new locations in the Netherlands, of which 14 stores, 2 distribution centers and 2 Home Shop Centers, 9 new stores in Romania, 2 new stores in Greece and 1 new store in the Czech Republic to our real estate portfolio with EPC Label A or higher.



## Energy efficiency

### ICMA GBP category: Energy efficiency

Allocation 2024 per 29 December 2024	
Amount allocated to eligible green projects portfolio	97 EURm
Share of total eligible green project portfolio	34%
Impact information	
Annual electricity savings	117 GWh

Reduction of electricity consumption is the most direct way to reduce energy-related emissions. While Ahold Delhaize's total electricity consumption is set to increase because of overall decarbonization measures, energy efficiency remains a key lever in reducing environmental impact. We are installing energy-efficient equipment, such as LED lights, doors on cabinets, heat recuperation, and heat pumps. These improvements are enabling our brands to further enhance the energy-efficiency of our stores.

- In the U.S., the investments in 2024 were mainly related to the installation of LED lighting, electrifying kitchens in the stores, such as the bakery ovens and variable-frequency drives, which control the speed of motors in heating, ventilation and air conditioning systems. These provide significant energy savings and efficiency improvements. We also added other energy efficiency measures such as installing doors on refrigeration cabinets.
- In Europe, investments in the Netherlands included the installation of heat pumps and other heat recovery technologies. In 2024 Albert Heijn converted 20 stores to gas-free stores, increasing the share of gas-free supermarkets to 97%.
- Albert Czech Republic invested in new LED lighting, improvements in building insulation as well as efficient ventilation and air-conditioning technologies.
- Mega Image invested in LED replacements, installation and replacement of air-conditioning systems with highly efficient technologies and other efficiency measures for the buildings. These investments include smart metering, energy compensation batteries, and electric ovens.

# Pollution Prevention & Control

ICMA GBP category: Pollution prevention and control

Allocation 2024 per 29 December 2024

Amount allocated to eligible green projects portfolio 80 EURm

Share of total eligible green project portfolio 28%

Impact information

Estimated annual GHG emissions reduced 124 866 tCO<sub>2</sub>e/year

Reduction in average refrigerant charge (FY24 vs FY23) 79 GWP

In 2024 we have further progressed towards our goal of minimizing refrigeration leakage and reducing food and plastic waste. Some examples include:

- We continued the transition to low-GWP and natural refrigerants at all our brands. The most significant investments were made in the U.S., the Netherlands, Romania and Serbia. This led to a reduction in our average GWP of refrigerants and a significant decrease in emissions. Emissions from refrigerants represent the largest source of scope 1 & 2 emissions for Ahold Delhaize.
- Following the investments in bottle and can collectors, over 1 billion bottle and cans were collected in the Netherlands, and over 250 million in Romania in 2024.
- We invested in route optimization software in Belgium, Electronic Shelf Labelling (ESL) in the Netherlands, and assets that enable composting of bio-waste in the Czech Republic.





## Clean transportation

### ICMA GBP category: Clean transportation

#### Allocation 2024 per 29 December 2024

Amount allocated to eligible green projects portfolio

32 EURm

Share of total eligible green project portfolio

11%

#### Impact information

Estimated annual GHG emissions reduced

1 783 tCO<sub>2</sub>e/year

In 2024, we continued making considerable progress in replacing fossil fuel-powered vehicles with electric or hybrid alternatives at headquarters and operations in Europe and the U.S. Across the regions the main initiatives included:

- Investments in EV trucks in the Netherlands and electric tractors used at the distribution centers in the U.S.
- Electrification of the company cars in the Netherlands, Belgium, Greece and the Czech Republic.
- Installation, maintenance and repair of electric vehicle charging stations at stores or in buildings and associated parking spaces, mainly in the Netherlands and in the U.S.



# Renewable energy

ICMA GBP category: Renewable energy	
Allocation 2024 per 29 December 2024	
Amount allocated to eligible green projects portfolio	11 EURm
Share of total eligible green project portfolio	4%
Impact information	
Increase in electricity produced on-site	3 GWh

In 2024, we continued investing in renewable energy initiatives, such as:

- investments in solar panels on distribution centers and an anaerobic digestion plant in the U.S., enabling the production of biogas from food waste.
- investments in solar panels in the U.S., Belgium, and Romania.

In Europe, we also signed our first pan-European virtual power purchase agreement (virtual PPA), which is expected to start generating renewable energy in 2026. However, the allocation report 2024 excludes the expenditures related to the virtual PPA.





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None of the future projections, expectations, estimates or prospects in this Allocation and Impact Report should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Allocation and Impact Report. No representation is made as to the suitability of any green bonds (“Green Bonds”) to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of Green Bonds should determine for itself the relevance of the information contained or referred to in this Allocation and Impact Report or the relevant Green Bonds documentation for such Green Bonds, including, but not limited to, the relevant prospectus, offering circular and the Framework. However, nothing in this Allocation and Impact Report is intended to modify or add to any covenant or other contractual obligation undertaken by Ahold Delhaize in any Green Bonds that may be issued in accordance with the Framework. This Allocation and Impact Report does not create any legally enforceable obligations against Ahold Delhaize; any such legally enforceable obligations relating to any Green Bonds are limited to those expressly set forth in the notes governing such Green Bonds.

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## **Assurance report of the independent auditor**

To: the Management Board of Koninklijke Ahold Delhaize N.V.

### ***Our conclusion***

We have reviewed the Eligible Green Project Portfolio as included in the Ahold Delhaize Green Bond Allocation Report as of December 29, 2024 (on pages 1 and 2 of the 'Green Bond Allocation and Impact Report 2024') of Koninklijke Ahold Delhaize N.V. ('Ahold Delhaize' or the 'Company') based in Zaandam.

Based on the procedures performed and evidence obtained nothing has come to our attention that causes us to believe that the report is not, in all material respects, prepared in accordance with the applicable criteria.

### ***Basis for our conclusion***

We performed our review in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (assurance engagements other than audits or reviews of historical financial information (attestation engagements))', which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information'. This engagement is aimed to obtain limited assurance. Our responsibilities in this regard are further described in the 'Our responsibilities for the review of the Report' section of our report.

We are independent of Koninklijke Ahold Delhaize N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### ***Applicable Criteria***

The Ahold Delhaize Green Bond Allocation Report needs to be read and understood together with the reporting criteria. Ahold Delhaize is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the Green Bond Allocation Report are the Eligible Criteria as described in paragraph 4.1 Use of Proceeds in the Ahold Delhaize Green Finance Framework dated March 2023. The framework is available at

<https://www.aholddelhaize.com/investors/green-bond-march-2024/>.



### ***Materiality***

Based on our professional judgement we determined materiality levels for each relevant part of the Green Bond Allocation Report. When evaluating our materiality levels, we have taken into account quantitative and qualitative aspects as well as the relevance of information for both stakeholders and the company.

### ***Scope of the group review***

Ahold Delhaize is the parent company of a group of entities. The Green Bond Allocation Report incorporates the consolidated information of this group of entities.

Our review procedures for this engagement consisted of both review procedures at group level (consolidated) as well as at group components. We have determined the scope of our assurance procedures in such a way that we perform sufficient procedures enabling us to provide a conclusion on the Eligible Green Project portfolio. We considered, among other things, the management structure of the group, the nature of the activities of the group components, the business processes and controls and the industry in which the entity operates.

On this basis, we determined the nature and extent of the procedures at group and component level that were necessary to be performed.

### ***Responsibilities of the Management Board for the Report***

The Management Board is responsible for the preparation of the Green Bond Allocation Report in accordance with the applicable criteria. It is important to view the Eligible Green Project Portfolio in the context of these Eligibility Criteria.

Furthermore, the Management Board is also responsible for such internal control as it determines is necessary to enable the preparation of the Green Bond Allocation Report is free from material misstatement, whether due to fraud or error.

### ***Our responsibilities for the review of the Report***

Our responsibility is to plan and perform our review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The procedures performed in this context differ in nature and timing and are less extent as compared to reasonable assurance engagements. The level of assurance obtained in a limited assurance engagement is therefore substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the 'Nadere Voorschriften Kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our review included among others:

- Identifying areas of the report where a material misstatement, whether due to fraud or error, are most likely to occur, designing and performing assurance procedures responsive to these areas, and obtaining assurance information that is sufficient and appropriate to provide a basis for our conclusion;
- Reviewing the application of the Eligibility Criteria used in the preparation of the Eligible Green Project Portfolio in the Ahold Delhaize Green Bond Allocation Report;
- Considering the internal control relevant to the review in order to select assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the company's internal control;
- Making inquiries with relevant staff at Ahold Delhaize responsible for the data collection and reporting of the Eligible Green Project Portfolio and reconciling the Eligible Green Project Portfolio with underlying records of the Company;
- Performing analytical review procedures and evaluate internal and external documentation on a limited test basis to determine whether the information in the Eligible Green Project Portfolio is plausible and in line with the Eligible Criteria;
- Evaluating the presentation, structure and content of the Ahold Delhaize Green Bond Allocation Report; and
- Considering whether the Ahold Delhaize Green Bond Allocation Report as a whole, including the disclosures, reflects the purpose of the reporting criteria used.

We have communicated with management regarding, among other matters, the timing of the review and significant findings that we identify during our review.

Amstelveen, April 23, 2025

KPMG Accountants N.V.

L.A. Ekkels RA