



Message from our CEO

“Our new Growing Together strategy will accelerate our work in all the areas that help us make a difference for customers and communities.”

Frans Muller

President and CEO of Ahold Delhaize

Dear readers,

Over the past year, I have experienced many proud moments, seeing firsthand how the teams at our brands bring to life everything that makes our company unique.

They have deep local expertise and understanding and pair that with scale and best practices shared across the Ahold Delhaize family. This is what “being big, starts small” means, and it really is the foundation of our company. It has made it possible for our teams to deliver value to our customers and communities consistently over the years.

In 2024, this included managing the difficult inflationary environment for our brands’ customers, pursuing transformational projects to simplify our go-to-market model, and launching our new company strategy, which will help us grow faster than the market in coming years.

During the past year, as people continued to feel the pinch of higher costs and deal with devastating natural disasters and other challenges, the teams at all our brands were relentlessly focused on adjusting their price positioning and assortments and expanding their own-brand ranges to meet customer needs. In the U.S., brands like Giant Food and Stop & Shop lowered prices on hundreds of own-brand products.

Our European brands expanded their affordable own-brand product ranges – they now offer customers 7,700 of these own-brand products at entry-level prices.

One of the most exciting milestones we achieved in 2024 was our strategy update. Our new Growing Together strategy will accelerate our work in all the areas that help us make a difference for customers and communities – I’ll return to this topic.

Omnichannel remains key

It has become increasingly clear that our omnichannel ecosystems are a major competitive advantage and are helping us build market share.

To accommodate how U.S. customers want to shop, we are orienting our online fulfillment capabilities to be more agile and asset light – such as by expanding click and collect and launching a new partnership with DoorDash. We are transitioning from fulfillment centers built for next-day delivery to a “store-first” network strategy that can facilitate the rising demand for same-day delivery.

In Europe, our online growth is benefiting from increasing demand, which we are servicing through expanded capacity and external partnerships. Alfa Beta opened its second fully automated Home Shop Center (HSC) in Zwolle, the Netherlands, to help meet this demand. Alfa Beta partnered with efood, the largest food delivery service in Greece, enabling customers to receive orders within 60 minutes.

We also acquired Romanian omnichannel brand Profi, which joined our family of brands on January 3, 2025. Together with Mega Image, they serve both rural and urban areas of this steadily growing market.



Read more about our Growing Together strategy on page 17.



Message from our CEO continued

Healthy communities & planet

As a large retailer, we understand the opportunities, but also the responsibilities, of our scale. Our brands' stores and distribution centers (DCs) operate at the heart of communities, and customers rely on our brands for their everyday essentials. Every small change we implement makes a difference on a larger scale. This understanding helps drive our approach to supporting a healthy planet and healthy communities, which is key for our long-term business resilience and competitive advantage and aligns very closely with our values. Our clear ambitions are presented in this Annual Report.

We made tangible steps last year to drive healthy sales, advancing our ambition to make healthier and sustainable products affordable and accessible to all. Our brands inspired customers and communities to embrace healthy habits and supported colleagues in being ambassadors in this pursuit.

In addition, we worked toward our climate goals, with our brands accelerating decarbonization in their own operations while also working with suppliers to identify and implement initiatives that are helping us decarbonize scope 3 together. Our European brands, for example, launched eight climate hubs to support suppliers in reducing their carbon emissions.

As we operate at the heart of communities, supporting them is part of our brands' daily work. This also means stepping up when disasters hit. Food Lion donated nearly \$4 million and over 1.1 million pounds of food and water to help those affected by Hurricanes Debby and Helene in the U.S., and Albert sent several truckloads of humanitarian aid to support communities impacted by flooding

in the Czech Republic. Our hearts are with those communities as they rebuild and recover.

Lowering costs to innovate

To make it possible for us to invest in the customer experience and drive innovation, we continued to simplify our organization in 2024. We've begun to see results from transformational projects, such as the Belgium Future Plan, and are executing on a plan to ensure a stable and thriving future for Stop & Shop. We're moving forward confidently at Stop & Shop by delighting customers with a stronger customer value proposition, improving the cost structure and optimizing the store portfolio. In addition, our U.S. brands are streamlining their support brands into one Ahold Delhaize USA support organization. We also stayed laser-focused on leveraging and lowering our cost base, driving operational efficiency and cost discipline in order to compensate for ongoing cost inflation – resulting in over €1.35 billion of savings as part of our Save for Our Customers cost-reduction program.

At the same time, we invested in innovation. We partnered with four other retailers to establish a pioneering innovation fund, W23 Global, through which we will invest in start-ups and scale-ups that deploy technology to improve customer experiences, transform the grocery value chain and help address the sector's sustainability challenges. We also launched a new tech studio in Bucharest, called AD/01, that will strengthen our digital, data and tech capabilities and help our brands enhance the customer experience.

Meeting our financial goals

We're thankful that, due to all of the initiatives I've mentioned so far, we could count on the loyalty of our brands' customers, and we met all of our key financial goals for the year. We delivered on our promises with a 4.0%

underlying operating margin and a stable underlying EPS and overperformed on free cash flow at €2.5 billion.

Our new Growing Together strategy

Since the 2016 merger of two strong companies with family-owned roots into Ahold Delhaize, we have built a solid foundation through our Better Together and subsequent Leading Together strategies. They have positioned us well and enabled our brands to deliver an industry-leading performance. But consumer expectations and behaviors, in our brands' communities and in society as a whole, are continuously evolving – with ever stronger trends toward affordable, healthy meals that are convenient to shop for and prepare. The technology we use is changing at lightning speed, and with it, customer expectations for a seamless in-store and digital experience. All of this prompted us to refresh our strategy.

In 2024, across Ahold Delhaize, we committed to a sharpened purpose, vision and strategic priorities. You can read more about these in the strategy section of our report, but I'll touch briefly on our priorities, which outline the areas we will focus on. There are six of these: trusted product, driving customer innovation, vibrant customer experience, portfolio & operational excellence, healthy communities & planet and thriving people. I'm pleased with the progress we made in all these areas in 2024. For example, our brands ramped up the use of artificial intelligence (AI) and generative AI, both to enhance the customer experience and to streamline automation. They also extended their loyalty programs, providing more – and more personalized – offerings and promotions for customers. The U.S. brands alone delivered over 12 billion personalized offers during the year – an increase of one billion over 2023.

These six strategic priorities fuel our growth model, which outlines the mechanism we apply to drive growth: invest in our winning customer value proposition, densify and grow markets, innovate for growth and efficiency, and leverage and lower our cost base. If the strategic priorities describe the “how,” the growth model describes the “what” – we need both to achieve our ambitions. We are excited to move forward with our strategy and believe it will enable us to be even more competitive and successful in the future.

Looking toward 2025

2025 is going to be an important year for Ahold Delhaize, as it marks the first year of our new Growing Together strategy. We have identified business targets for the six priorities within our strategy, to fuel the growth model. Focusing on our financial expectations, Ahold Delhaize aims to deliver both organic and inorganic sales growth. We also expect to deliver a margin of around 4%, Save for Our Customers cost savings of at least €1.25 billion and gross capital expenditures of around €2.7 billion. This will lead to sustained free cash flow generation of at least €2.2 billion. And, most importantly, Ahold Delhaize will continue to advance toward our purpose of inspiring everyone to eat and live better, for a healthier future for people and planet.

I would like to close by offering a heartfelt thank you to our colleagues, customers, partners and shareholders, who made all our achievements in 2024 possible.

Frans Muller
President and CEO