

# Ahold Delhaize publishes 2023 Annual Report and issues convocation for 2024 Annual General Meeting of Shareholders

**Zaandam, The Netherlands, February 28, 2024** – Ahold Delhaize today publishes its 2023 Annual Report, an integrated report that provides an overview of the company's financial- and non-financial performance in 2023. During another challenging year for societies, our local brands have been steadfast in creating value for our brands' customers, supporting local communities, and together we took key steps to simplify our business for the future. Simultaneously, we remain committed to advancing the transformation to a healthy and sustainable food system, actively working to achieve our sustainability targets.

Reflecting on the publication of the Annual Report, Frans Muller, CEO of Ahold Delhaize, said: "The theme of this report is "local matters" – and, in 2023, we proved that once again. Our brands remain intensely focused on our aim to ensure that customers and communities have access to affordable, sustainable and healthy products. And at the same time, we are committed to playing our part as an industry leader to ensure we can build a more sustainable value chain that is healthier for the planet."

The Annual Report consists of a Strategic Report, Governance and Performance sections, and includes key stories featuring the impact of our local brands. Furthermore, it includes messages from our CEO and CFO, as well as contributions from our Supervisory Board Chair. Within the report, we outline key developments in our Leading Together strategy, emphasizing our growth drivers of e-commerce and digitalization, operational excellence, health and sustainability and talent cultivation.

## Key highlights from Ahold Delhaize's Annual Report 2023

- We met all of our key financial goals for the year. For example, our free cash flow was €2.4 billion, finishing at the higher end of our guidance range, reflecting solid and consistent operating cash flows. Looking at our CapEx, we invested €2.4 billion in areas such as store remodels and Home Shop Centers, including innovations and improvements to support our ESG agenda. And we continued to modernize our infrastructure.
- In 2023 we significantly exceeded our original Save for Our Customers goal, generating over €1.25 billion in cost savings, which is over €250 million more than we had originally planned. This enabled our brands to keep prices as low as possible for customers.
- Our brands expanded their high-quality own-brand assortments, optimized loyalty programs and provided a seamless shopping experience both in-store and online. For instance, our European brands expanded customer value through the roll-out of 'Price Favorites' to nearly 7,000 products in 2023. Scaling technology enhanced digital relationships, resulting in 6.9% growth in online sales and 12.1 million loyalty card holders. All our U.S. brands have continued to invest in e-commerce, now operating 1,558 click-and-collect points. They provided 11 billion personalized offers, enriching customer experience. Worldwide, our brands have 18.1 million active monthly app users.
- In 2023 we made significant progress in the area of health and sustainability. We reached almost 55% of own-brand healthy food sales, further reduced GHG emissions in our own operations by 35% compared to our 2018 baseline, reduced food waste per food sales by 37% compared to our 2016 baseline and reduced virgin plastic in own-brand primary packaging by 10% compared to our 2021 baseline.

- The report includes several sections related to our role in society, both in the communities we operate in and the impact we have on our more than 400,000 associates. We have included data on such topics as in-kind and cash donations to food banks across our store network, information about pay equity in our brands, and how we've increased women representation in our leadership group from 27% end of year 2021 to 33% end of year 2022 and to 37% end of 2023.
- We expanded our ESG section with more details, including a new overview of the UN Sustainable Development Goals and how we're striving to help fulfill them. We also added details about our journey to comply with the Corporate Sustainability Reporting Directive (CSRD).
- Our ambitions to have climate targets in line with 1.5°C scenario remains unchanged and we updated our scope 3 targets consistent with the latest communication of the Science Based Targets initiative (SBTi), which requires that we make a distinction between GHG emissions related to forest, land and agriculture (FLAG) and non-FLAG GHG emissions, referred to as Energy and Industrial (E&I) GHG emissions.
- Our approach to ESG was rewarded in 2023 with an AAA rating from MSCI, indicating Ahold Delhaize is an industry leader in managing financially relevant ESG risks and opportunities.

The Annual Report 2023 can be downloaded [here](#).

## Looking forward

Although we anticipate a challenging economic environment in 2024, we believe that our brands have significant opportunities to generate new momentum. We will provide more details on our strategic initiatives at our Strategy Day in May.

## Convocation for 2024 Annual General Meeting (AGM) of Shareholders

Ahold Delhaize's 2023 Annual Report will be on the agenda of the Annual General Meeting (AGM) of Shareholders, which will be held on April 10, 2024. The convocation, the agenda (including explanatory notes), and other relevant documentation for the AGM are available [here](#).



# 2023

## Annual Report

### Highlights

Omnichannel shopping

**18.1 m**

monthly active mobile app users



Save for Our Customers goal generated over

**€1.25 bn**

in cost savings  
initial target:  
>€1 bn

Our European brands now offer

**7,000**

Price Favorites: affordable, high quality own-brand products  
up 15% vs 2022



**63 m**

customers served every week both in stores and online

Inclusive workplace score

**81%**

vs global retail benchmark of 77%



**78%**

associate engagement score



**16**

great local consumer-facing brands across US, EU and Indonesia\*

MSCI ESG Index rating

**2023: AAA**

2022: AA

**35%**

reduction in CO<sub>2</sub> emissions in our own operations compared to our 2018 baseline

2023 net sales

**€88.6 bn**

up 3.8% at constant rates

**402,000**

people work at one of our great local brands & support offices



**37%**

food waste reduction in 2023 compared to our 2016 baseline

**10.3%**

reduction in primary virgin plastic in own-brand product packaging compared to our 2021 baseline

2023 net consumer online sales

**€11.9 bn**



**52% women**

female representation VP+ level

**47% men**

**77% 2022**



**54.8%**

- ENDS -

### 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 challenging, steadfast, creating value, key, steps, remain(s), committed, intensely, focused, aim, ensure, impact, developments, growth drivers, solid, consistent, continued, goal(s), enabled, expanded, significant, striving, journey, ambitions, approach, anticipate, believe, momentum, will 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 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, the risk factors set forth 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.

### About Ahold Delhaize

Ahold Delhaize brands are at the forefront of sustainable retailing, sourcing responsibly, supporting local communities and helping customers make healthier choices. The company's focus on four growth drivers – drive omnichannel growth, elevate healthy and sustainable, cultivate best talent and strengthen operational excellence – is helping to fulfil its purpose, achieve its vision and prepare its brands and businesses for tomorrow. Headquartered in Zaandam, the Netherlands, Ahold Delhaize is listed on the Euronext Amsterdam and Brussels stock exchanges (ticker: AD) and its American Depositary Receipts are traded on the over-the-counter market in the U.S. and quoted on the OTCQX International marketplace (ticker: ADRNY). For more information, please visit: [www.aholddelhaize.com](http://www.aholddelhaize.com).



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