



Ahold
Delhaize

2021 AGM Questions and Responses

Questions asked to Frans Muller and his responses:

QUESTION: VBDO asks if Ahold Delhaize is on track to achieve its 2025 goals to have 100% of its own brand plastic packaging being reusable, recyclable, or compostable, and 25% of Ahold Delhaize's own brand plastic being made from post-consumer recycled content. The VBDO also requests an update on Ahold Delhaize's current standing in these two areas. These questions are asked in the light of the fact that Ahold Delhaize is in the process of collecting accurate packaging data for [the remaining] 40% of its total business.

RESPONSE: This year, Ahold Delhaize will finalize the data collection for the remaining 40% of its business and Ahold Delhaize [will then be able to] report both the total tons of own brand plastic product packaging as well as the percentage of recyclability, reusability, or compost-ability of those plastics. In the meantime, of course Ahold Delhaize's brands are continuing to reduce packaging as well as using more recyclable, reusable, and compostable product packaging. As an example, to give shareholders some color, Delhaize [in Belgium] removed the plastic wrap around the concentrated tomato cans, all will recognize the product, and removed unnecessary plastic lids from yoghurts, desserts, and sour cream products. Of course, another example is in the fruits and vegetables area. Albert Heijn and Delhaize, both in the Netherlands and Belgium, changed the traditional blue mushroom packaging into a transparent packaging making the packaging 100% recyclable. These are small examples but given the quantities they will have a big impact.

QUESTION: VBDO asks: Can Ahold Delhaize provide an update on its current metrics related to its 2025 packaging goals? Would Ahold Delhaize consider splitting its targets around plastics into further buckets for preventing, reusing, recycling, and disposing plastic waste? And can Ahold Delhaize report on these metrics annually?

RESPONSE: At the moment, Ahold Delhaize does not have plans to split [its] targets in those buckets, but Ahold Delhaize's ambition is of course to make sure that less and less plastic, which Ahold Delhaize uses, is ending [up] in trash in the environment or in the oceans. Ahold Delhaize believes that its current targets, that are put very publicly in front of the shareholders, are in a sufficient way guiding Ahold Delhaize's teams and businesses to do the right thing. When all the data are available, Ahold Delhaize will, of course, report progress in its Annual Report, [as] Ms. Hernandez [also] indicated today, in Ahold Delhaize's extended ESG non-financials. Ahold Delhaize will consider splitting

the collected data then also into recyclable, reusable and compostable as the Company has already outlined in its targets.

QUESTION: VBDO asks: Can Ahold Delhaize commit to report regularly in fixed intervals on its progress in terms of managing salient Human Rights issues, including quantitative data and qualitative case studies, for all twelve identified salient issues?

RESPONSE: Ahold Delhaize produced last year in June its inaugural human rights report. Ahold Delhaize was very proud [of] the report but also about the transparency there. Ahold Delhaize highlighted those twelve salient issues and will focus on the six ones [included] in the Company's total roadmap. In terms of data, Ahold Delhaize chooses to include mostly qualitative content in the report, and it will report on its Environmental, Social and Governance, ESG, performance in the Annual Report. But [it will] also continue to include those data in a quantitative way, talking about the salient issues in the respective sections of Ahold Delhaize's Annual Report. So, Ahold Delhaize will come back to the shareholders [when] Ahold Delhaize has them very measurable.

QUESTION: VBDO asks: Can Ahold Delhaize commit to setting intermediate targets and reporting on the progress of its 100/100/100 ambition? As shareholders remember it is 100% for a gender balance, 100% for being a true representative for Ahold Delhaize's environments and neighborhoods where the Company works, and 100% inclusive. And can Ahold Delhaize disclose information concerning equal remuneration amongst different levels of the organization by next year?

RESPONSE: Ahold Delhaize established its 100/100/100 ambition in 2020, and those ambitions are widely adopted in the Company. [Of] course Ahold Delhaize then deals with its brands in the various countries to give specific outlines under their specific circumstances so they can report on [the ambition] but also [within the] given local market [context] and local laws. Ahold Delhaize will report on that progress each year in its report.

Mr. Muller states that with respect to VBDO's second question on equal remuneration, as described in the 2020 Human Rights Report, Ahold Delhaize and its brands have adopted a number of overarching principles to guide fair compensation. The brands of Ahold Delhaize continue to set compensation and benefits in line with job level and local market practices, [while] also considering societal and market dynamics, as well as economic conditions. Gender pay equity is an important topic to Ahold Delhaize and the Company provides guidance and advice to the brands on pay equity studies to properly inform [the brands on] what this means to implement. At the end of 2020, ten of Ahold Delhaize's brands had completed these [pay equity] studies, putting actions in place and

where necessary, to make sure that they come in line with local market practice. Ahold Delhaize expects the brands to make continued progress on this topic in 2021. So, shareholders will hear from Ahold Delhaize at the next AGM what progress the Company has made.

QUESTION: VEB asks a question is about the level of competition faced by Ahold Delhaize USA in the Carolinas at Ahold Delhaize's Food Lion brand, [which is located in] the Carolinas, in the southern part of the East Coast just north of Florida, and how the Food Lion brand performs against the large discounters. VEB then goes on to ask a broader question about the operating margins in this competitive environment and also notes that Ahold Delhaize's margins are higher than the publicly listed U.S. peers, which is in most of the cases correct. The VEB inquires what competitive pressures these margin disparities provide. How does Ahold Delhaize explain this?

RESPONSE: Regarding the first question, although the competition in the region the VEB talked about, in the Southern part [of the United States], in the Carolinas but also in Georgia and Tennessee, is strong, [Food Lion] has performed very well. Ahold Delhaize has, with Food Lion, its fastest growing brand in the U.S. The folks at Food Lion are very proud that they [have] posted 33 consecutive quarters of positive comparative sales growth. This market in the Carolinas is still very fragmented and Ahold Delhaize's [brand Food Lion] has a very strong market share there. It is not a zero-sum game. If discounters would gain, it is not a zero-sum game that others like [Food Lion] would lose. There are many parties in the market, a number of big competitors and smaller competitors. Food Lion has been able to gain considerable share in 2020 against their peers and they have done this with a strong assortment on fresh, excellent store locations and executions, store remodeling activities, online offerings, and great and competitive prices. Shareholders have heard [me say] at the introduction that [Food Lion] is proudly adding 62 more stores coming from Southeastern grocers, mainly in South Carolina. So, there is a lot more to come on competitiveness for Food Lion and Ahold Delhaize is very confident that [its] brand will do well.

[Regarding] the question pertaining to ADUSA margins and competitive pressures on Ahold Delhaize's business, Ahold Delhaize' brands have number one and number two positions everywhere on the East Coast, and the areas for Stop & Shop and [the other] ADUSA [brands] are no different there. That means that Ahold Delhaize's [U.S. brands are] already very competitive in [their] markets. Consumers value [the] Ahold Delhaize [USA brands] in those markets and are giving [them], in almost all the US markets, a gain in market share. [The U.S. brands of] Ahold Delhaize [USA have] very good cost discipline and [are] very productive. This will therefore result in strong margins.

FOLLOW UP QUESTION: VEB asks what is the main cause of Ahold Delhaize's overall higher profitability in the U.S. compared to competitors? For example, does this have to do with the higher density of the Ahold Delhaize activities and how easy is it for other competitors to enter the market?

RESPONSE: That is not so easy to answer this question on a macro level. [I] think it is true that Ahold Delhaize has a strong profitability in its U.S. businesses, but the businesses are very local, and the East Coast is for example a very different business [environment] from the West Coast. So, to have a lump sum type of comparison is not fair. What Ahold Delhaize [has] tried to focus on, and [what I] can give shareholders a few things Ahold Delhaize does to be a good company and to have a good return, is that the Company has a few elements where it follows the same type of strategy or philosophy. Ahold Delhaize believes in local brands which are closely connected to the communities.

Ahold Delhaize believes in omnichannel brands where it combines stores with its omnichannel surface. Ahold Delhaize believes that those [local] brands [that have] a relatively high market share, number one [or] number two [market] positions, together with the strength of the brand itself, are in themselves a very vital and strong combination. And apart from that, [I] think that [the brands of] Ahold Delhaize [USA] do a very decent job in execution and know that [these brands have] very strong teams, also locally connected to the communities. Shareholders might know that Ahold Delhaize [USA] has launched a few actions in the last couple of years. Ahold Delhaize [USA] goes now to a self-distributing supply chain to connect all of [the] Ahold Delhaize [USA] brands in the most efficient way.

Ahold Delhaize [USA has] heavily invested in digital and technology through its Peapod Digital Labs. Ahold Delhaize [USA's] Retail Business Services [has] also increased the strength of its private labels. Those are a few of the actions [that] Ahold Delhaize [has taken]. Staying competitive, and like Ms. Knight said, also protecting and growing Ahold Delhaize [USA's] margins is hard work and one must do a lot of things at the same time. But [I] think that Ahold Delhaize [USA and its local brands are] very well positioned and, indeed, the locations and density [they have], being number one and number two in those local markets, is indeed an important phenomenon.

QUESTION: VEB asks: Can the Stop & Shop remodel program get back on schedule? And does Ahold Delhaize expect the remodels to improve sales growth rates and profitability for the banner?

RESPONSE: [As was] mentioned in earlier quarters, with Stop & Shop, Ahold Delhaize has a big brand with a lot of strengths and great locations, in Massachusetts, New England and the New York area. [Stop & Shop] started a remodeling program to

improve sales, growth rates but also profitability for the banner. Due to the impacts of COVID, the 2020 year was a little bit slower with the remodeling program and [Stop & Shop] rolled out a little more than thirty (30) remodels in 2020. But for 2021, [Stop & Shop] is targeting for a much better number and will accelerate to more than sixty (60) stores, which would bring [Stop & Shop's] cumulative remodeling package by the end of 2021 to 135 stores in a network of 400 stores in total.

[Stop & Shop] is happy with the sales uplifts. They are in line with [Stop & Shop's] pro forma and the Company is also very happy with the customer reactions to the stores. So [Stop & Shop] is on a good track there and the remodelings are a capital expenditure, but it is also investing in digital, in the shopping experience, in the efficiency for customers and partly in price. Ahold Delhaize [USA] has a lot of experience in revitalizing its brands and shareholders might remember the very successful remodelings of Food Lion and those learnings [that they are] also [bringing] into the Stop & Shop experience and that is why the team is working together to get that done. Also there, Ahold Delhaize is confident for 2021 that it [Stop & Shop is] on the right track.

FOLLOW UP QUESTION: VEB asks: In relation to Stop & Shop, are the remodelings in time also expected improve returns/ profitability of these grocery stores?

RESPONSE: [As I have already] replied, Stop & Shop is a very strong brand within the Company with super locations in the New York and New England markets. In 2019 Ahold Delhaize let shareholders know that it was not happy yet with the performance of Stop & Shop and that it would like to invest in the brand, because the brand has great locations, strong people, and strong teams, but [Stop & Shop] was not completely happy with the performance and the shopping experience coming from [its] stores as well as the price positioning. That is exactly what the remodeling program of Stop & Shop is going to do [with the already mentioned 135 remodeled stores]. [Stop & Shop] is in line with its pro forma and [it] sees that the sales uplifts are coming according to plan.

And the second thing is that it is of course also sales uplifts and investments and digital and the cost programs in the U.S. should bring increased profitability as well. The first two batches of those stores were a little bit of experiments. [Stop & Shop] sees how customers react when one remodels and when one invests in price, in fresh, in digital, shopping experience and efficiency in the store itself, but Ahold Delhaize learned a lot after the first 40 stores. I think that [Stop & Shop] now has a good momentum to remodel sixty 60 stores this year with all the learnings included. So, yes there is not only a sales uplift, but [Stop & Shop] also expects to increase profitability.

QUESTION: Ms. van Duursen and Ms. Huis in 't Veld ask: Can Albert Heijn include organic meat in its bonus programs more? And what are Albert Heijn's ambitions for "star flesh" ratings on its meat offerings?

RESPONSE: Albert Heijn has a longstanding history and reputation on the responsibility they take for animal welfare and of course this has led to a number of improvements in Albert Heijn's total assortments. In the assortments, Albert Heijn has several categories of meat and that can be poultry, it can be pork, and it can be beef with the so-called Beter Leven Keurmerk or in English translation "Better Life Certificates". Albert Heijn is selling more and more of those meat types in the Beter Leven Keurmerk categories.

Furthermore, as the largest supermarket [in the Netherlands], Albert Heijn also sells the most of organic and free-range meat in the Netherlands. To give shareholders a number, [I note] that Albert Heijn has roughly a 35% market share in the Netherlands, but it has a 60% market share in organic meat products, so way above its fair share. If shareholders compare the Beter Leven Keurmerk products in, for example pork and beef, there Albert Heijn also has a more than 50% market share over its [overall market] share of 35%. So, shareholders can count on Albert Heijn when it talks about organic and the better quality on animal welfare for its meat products. Furthermore, they talked earlier about the the vegan assortment at Albert Heijn, but if one talks about the special offers of organic, Albert Heijn also has by far the strongest and the widest range of products.

FOLLOW UP QUESTION: Ms. van Duursen asks: I also asked whether organic meat could be in the bonus (on offer) more? My proposal was if bio-industry meat was in promotion to also promote the organic version.

RESPONSE: Indeed, organic meats are on promotions on a regular basis. And I spoke this morning to our CEO of Albert Heijn, who said to me that there is a plan and it's already now on higher frequency in our bonus scheme, both organic meats, but also elements like plant-based meats. So, we see that labels with BLC and organic meat, in addition to plant-based meat products are replacing conventional animal proteins. You will see these promotions more than in the past and you will see more of those products also coming through the bonus scheme.

QUESTION: Ms. van Duursen and Ms. Huis in 't Veld ask: Can you discuss the effectiveness of Albert Heijn's "buy 1 get 1 free" promotions, and whether or not these programs drive more waste on the part of consumers?

RESPONSE: Shareholders can assume that Albert Heijn is far away from having the intention to create waste by its promotional actions, but Albert Heijn's customers love its

1+1 promotions, which are very strong, very popular, and highly valued by the customers. These offers do not only, of course, have fresh products, but also [have] a lot of dry goods, dry groceries, in the promotion. And a lot of customers can therefore save money and also can store these dry products for a longer time. For fresh products, waste is, of course, not the goal of these actions and Albert Heijn is highly focused on reducing it. Through its sites and social media, Albert Heijn tries to give customers many tips and tricks to reduce food waste at home, because as they know roughly 20% of the total food waste [occurs] at home. So, there is a big opportunity for all to educate themselves and to see how they can help [themselves] in their kitchen and their households.

QUESTION: Ms. van Duursen asks: A recent article in the press speculates that Albert Heijn may no longer want to do business with a supplier because it shares ownership with a retail competitor. Can you elaborate on this?

RESPONSE: First of all, it is clear that not all the claims [from the article] give an accurate picture and that is what Ahold Delhaize [has] also said in the same article. In the Netherlands, in its total network alone, Albert Heijn works with more than one thousand suppliers, only in the Dutch market, and those [suppliers] consist of larger but also medium-sized suppliers.

These relationships, both for branded and for private label, own brand products, are very important to Albert Heijn, not only in the dry section but also in the fresh and ultra-fresh sections. And those suppliers, and the partnerships [with them] are crucial for Albert Heijn to bring Ms. Van Duursen, as a customer, the right assortment. If one then talks about the specific supplier which is mentioned in the article, and [I] think that Ms. Van Duursen might refer to the company, Euroma, which is a company in spices, what is claimed in the article is fully incorrect and Ahold Delhaize has also stated that in the article. [Albert Heijn] has no such agreements nor conversations with that specific supplier. This is not how [Albert Heijn] works. [Albert Heijn] is 130 years in business and has a very good and compliant code of conduct in trading. [And] Albert Heijn loves to have the variety of suppliers on its shelves, and it is in the end the category manager who makes the decisions what is best for the customers in dry groceries.

The second thing is the item on providing guarantees for deliveries in times of COVID-19. [I would like] would like to give Ms. Van Duursen a little bit of background. During the huge spike of COVID-19 shareholders saw the empty shelves; [I] think that shareholders have also seen the pictures in [my] presentation. [Albert Heijn] tried to learn from this how it can work with suppliers in a better way in the total supply chain to make sure, and that is not only in the Dutch market but in all markets where [the brands of] Ahold Delhaize operate, that it can counter those spikes in demand. And that is why [the

brands of] Ahold Delhaize had conversations with suppliers, and not only in the Dutch market, but in all the markets where [they] operate. And Ahold Delhaize's [brands] tried to find ways to do this, [because] in the interest of customers, delivery certainty is important, and the quality of merchandise is also important. And, yes, [the brands of] Ahold Delhaize also talk with the suppliers about the best prices they can make available for its customers. So, also here [the brands of] Ahold Delhaize try to come to a good conversation. [I would like] to make very clear that when [the brands of] Ahold Delhaize talk with suppliers about delivery guarantees, like Ms. Van Duursen talked about, that [those brands and businesses] had conversations with mainly the international large A-brand suppliers. These conversations [were not had directly] with farmers, with growers or with the companies [that the brands of] Ahold Delhaize work with on a strategic base in its closed fresh supply chain. Those partners know Ahold Delhaize very well and both can count on each other. The other thing, what is a fact, is that in 2020 [the brands of] Ahold Delhaize did not enforce any of those clauses in those contracts on delivery guarantees, because all had to deal with COVID-19 and the same is for 2021 where [the brands of] Ahold Delhaize also did not use any of those clauses in the contracts on delivery guarantees, but [the brands of] Ahold Delhaize work together [with suppliers] to make the best out of this.

The third thing is about the companies that rent properties from Albert Heijn. There they are not talking about many real estate objects, Albert Heijn does not have a lot of real estate locations, but they found with those tenants the solutions in the meantime and those solutions were ongoing at the publication of the article.

[Let me wrap up] by saying that Ahold Delhaize and its brands, its nineteen brands, always adhere to the proper conduct of its business and Ahold Delhaize wants to fulfill its vital role in society and Ahold Delhaize [and all its brands] would like to do the best for associates but also for the customers and suppliers. That is what Ahold Delhaize [and its brands are] committed to doing every day, to have that collaboration working well.

QUESTION: Ms. Huis in 't Veld would like to see that Ahold Delhaize is focusing more on sustainability and asks what we as Ahold Delhaize are doing to highlight our initiatives to our stakeholders?

RESPONSE: Sustainability is in the heart of Ahold Delhaize's DNA. It is in the heart of Ahold Delhaize's ambition to be a durable, sustainable company. [I have] shared a lot of things with the shareholders. It is very important to Ahold Delhaize that it does these kinds of things but also talks about it. I would like to share a few [more] things with the shareholders. The shareholders might be aware of Albert Heijn's media like Allerhande, the magazine. They might be aware of Ahold Delhaize's website. Ahold Delhaize talks a

lot about sustainability there. Ahold Delhaize's brand Albert Heijn, has a lot of publications in the main Dutch newspapers where they talk about koe, natuur and boer and where they try to explain how in a sustainable way they work with their farmers and growers, but also how [the local brands of] Ahold Delhaize work on elements like plant-based carbon emissions, plastic packaging and things like biodiversity. Maybe shareholders also have seen last weekend more on biodiversity, with things like het 'moestuinaatje' where [it] tries to bring two plants together which work together in a biodiverse way, on crosspollination and all these kinds of things because also for [the brands of] Ahold Delhaize and for the environment the bees are also important.

[Finally] if one looks at sustainability, Ahold Delhaize has got a lot of recognition in the Dow Jones Sustainability Index, as [I have] mentioned before, but in the S&P corporate index as well. So, talking about sustainability is important. Reaching out to sustainability targets is even more important. And in the Dutch market with Albert Heijn, Ahold Delhaize has a very good example of heritage, DNA, but also a strong commitment and ambition.

FOLLOW UP QUESTION: Ms. van Duursen asks: AH Compact at this point in time it is only available in a few cities. When will it be available in the entire country?

RESPONSE: AH Compact is currently available in six cities at the moment, and we are on the verge of rolling this out further, as it has been very successful so far.

AH Compact serves smaller households with a more concise assortment, a smaller minimum order value, and delivery that is free of charge. There is relatively low cannibalization to our normal full-fledged online product, as Compact's focus is solely on smaller and single households, which is an area of whitespace for us. So, we're very happy and very satisfied with the rollout. You might note that we started in the city of Haarlem as the test market, and we are adding new cities every month. But there's no specific date in regard to national coverage, nor is there a decision taken to have the entire country connected at this juncture.

Questions asked to Natalie Knight and her responses:

QUESTION: APG and MN ask if Ahold Delhaize can confirm that all audit firms with a Public Interest Entity license have been invited to participate in Ahold Delhaize's tender process?

RESPONSE: Yes. I can confirm that a request was made to participate in the audit tender process, and it was issued to all PIE entities with a license in Netherlands.

QUESTION: APG and MN ask: Can you elaborate on the governance of this tender process and what the most important selection criteria are?

RESPONSE: With respect to governance, Ahold Delhaize has established an audit tender selection committee with four members, who are, the Chairman of Ahold Delhaize's Audit and Finance Committee, [I myself] as Group CFO, Ahold Delhaize's Head of Internal Audit, and Ahold Delhaize's Chief Accounting Officer. The process consists of multiple interviews with Ahold Delhaize's Executive commercial, financial and IT experts. Ahold Delhaize will be completing that process and then really taking that audit tender from the selection committee, making a recommendation to the Management Board, the Audit and Finance Committee of Ahold Delhaize [Supervisory Board], and then that group will in turn take that and discuss that recommendation with the full Supervisory Board, who will make the final selection and the recommendation will be listed for approval on the 2022 AGM [agenda].

The things that are most important to Ahold Delhaize are, first, that the new auditor that Ahold Delhaize would work with has the capability and competence that is needed as a firm, especially as it relates to the lead partner and key staff members. Ahold Delhaize is looking for an audit company with [a very good] track record of audits and relationships with other AEX-listed companies. Ahold Delhaize is expecting a service proposition and value-added deliverables, which include things like the integrated audit approach to accounting, IT and ESG. Ahold Delhaize is also looking at the general impression of the firm performance and, always important, are reasonable fees.

QUESTION: APG and MN ask: When do you expect to come forward with the outcome of the tender process?

RESPONSE: We expect a formal appointment of the new auditor at the 2022 AGM.

QUESTION: VEB asks: What are the main drivers behind the €750 million in 2021 cost savings forecasted in Ahold Delhaize's Save for Our Customers program?

RESPONSE: When Ahold Delhaize looks at Save for Our Customers, [we] always think of four big categories of savings. The first one is costs of goods sold. So, how much is it really costing [the brands of] Ahold Delhaize to get [their] products as [they are] looking at those and sourcing them. The second is around logistics and distribution. Then [the brands of] Ahold Delhaize look at store efficiencies. And lastly, what the other overhead expenses are that [the businesses of] Ahold Delhaize can go after.

The biggest area of these savings is always cost of goods sold because that is a key piece of [the overall] P&L and really the savings here come from fact-based negotiations and real collaborations with the vendors [and suppliers of the brands and businesses of

Ahold Delhaize]. Some of [the] big initiatives in this area include savings on goods not for resale as well as increasing [the] leverage in buying scale, particularly in own brand products [across the brands of Ahold Delhaize]. I also would like to add, because ESG is really so core to many things that [we do], that it is also part of how [we] save money. If [we] look at reducing plastics, food waste, and [our] carbon footprint, these are all things that not only help Ahold Delhaize [and its local brands] with its ESG-goals but also helps Ahold Delhaize financially.

QUESTION: VEB asks: Do you see the potential to improve underlying operating margins in the future relative to Ahold Delhaize's 2021 guidance of group underlying margins of at least 4%?

RESPONSE: Our 2021 group underlying operating margin guidance of at least 4% really reflects a return to more normalized levels with Ahold Delhaize's kind of pre-COVID-19 historical performance. Going forward, Ahold Delhaize remains committed to delivering strong margins across its businesses. That being said, one of the things that is very important at Ahold Delhaize is that [we] believe it is always important to balance both profitability with the necessary investments to build a sustainable business going forward. If one looks at 2020, Ahold Delhaize's big push to increase omnichannel offerings and capacities was a great example of how [we were] able to get the recipe right on this type of approach.

QUESTION: VEB asks: What actions can Ahold Delhaize take to prevent growing online sales from being significantly dilutive to group margins? And related to this, what were the key takeaways from the Supervisory Board's deep dive session on omnichannel last November?

RESPONSE: Let me start by saying that I believe we have a really strong track record of maintaining a healthy margin structure over time, especially if one looks at the last few years as [the] online penetration has materially increased. This comes from the Save for Our Customer program where Ahold Delhaize [and its local brands are] dedicated, day in and day out, to find cost savings in [the] business and really make that a significant role in offsetting online margin dilution. If shareholders look at 2019 to 2021 cumulatively, Ahold Delhaize saved EUR 2,300,000,000 and I think that this number is going to go up over time.

I would also like to mention that Ahold Delhaize's margins are really for its online business and they have improved meaningfully in 2020, driven primarily by Ahold Delhaize's increasing scale and its experience. Ahold Delhaize is now very focused on finding ways [for its brands] to reduce the cost of service and how to grow the margin [through additional] revenue streams, such as media monetization. These are going to

be important levers for [the brands of] Ahold Delhaize to improving profitability going forward. Ahold Delhaize [brands are] also using new technologies to help lower costs. This is all part of the big picture.

With respect to the takeaways from the deep dive management had with the Supervisory Board in the fall, I would like to add a few things that they concluded, because I think this was a great conversation where management and the Supervisory Board were able to have a really good [dialogue] about what are those items that are going to drive Ahold Delhaize's future performance going forward. First, they looked and said that they know that ecommerce penetration rates [across the local brands] have accelerated dramatically due to COVID-19, but they also agreed that they believe that these trends are sticky. They are here to stay, and double-digit increases can be expected again this year [as well as] significant growth going forward. They also discussed that a true omnichannel strategy is what [the brands and businesses of] Ahold Delhaize need going forward. That means, [the brands of] Ahold Delhaize have got to win in brick and mortar but also in ecommerce and finding a seamless real connection between those two is going to be essential to [the] business going forward. They discussed the biggest cost drivers in terms of ecommerce profitability and the two big ones are fulfillment efficiency and last-mile delivery costs and we're looking at how these are progressing [across the brands] and what are the key areas they are going to need to do to help maintain healthy margins going forward. The Supervisory Board was really encouraging and wanted management to work on sharing best practices across Ahold Delhaize's [brands] because there are some differences there and experiment with new models to elevate omnichannel experience with [the] customers [of the local brands].

QUESTION: VEB asks: Does Ahold Delhaize expect free cash flow to cover dividends and share buybacks in the near future?

RESPONSE: I just would like to note that 2021 is [very] negatively impacted by Ahold Delhaize's working capital unwind, which is largely driven by the timing related to the COVID-19 impact. So, if shareholders look at Ahold Delhaize's guidance of the EUR 1,600,000,000 for 2021, Ahold Delhaize is really on pace to what it had set out as a three-year target of delivering EUR 5,600,000,000 in free cashflow between 2019 and 2021. That means Ahold Delhaize is delivering EUR 1,900,000,000 annually, fully sufficient to cover all of Ahold Delhaize's annual dividend [as well as] the EUR 1,000,000,000 share buyback.

And it is also important to note that the development of COVID continues to make the situation uncertain. It makes me a little cautious in terms of what would Ahold Delhaize predict about everything going forward. But what I would say is that [we have] been very clear that everything that [we have] said about its cashflow is beyond 2021. It is

important to reiterate that [our] priorities for the cash are really around first making sure that our capital expenditures stay in [the] range of about 3% of sales, while [we] then sustainably grow [the] dividend. If there is an excess cash after these two items, [we] would always consider returning this to shareholders.

QUESTION: Mr. Diamant asks: What were the origins of the pension withdrawal expenses absorbed in Ahold Delhaize's IFRS financials during 2020? Can you provide an explanation of the financial impacts from these actions on the P&L in 2021, and if we should expect similar pension withdrawal activity in future periods?

RESPONSE: In regards to the origins of our U.S. pension withdrawal activity in 2020, we note that these were really tied to several U.S. multi-employer pension plans which carried significant risk of insolvency due to underperformance in plan assets, driven in part by unfavorable changes in interest rates, among other factors. This is not something specific to Ahold Delhaize. This is something one sees across the industry. But Ahold Delhaize really decided therefore it was able to do in 2020, given the position it was in, due to additional cashflows from COVID-19, to commit approximately EUR 1,400,000,000 to withdraw and settle from several of its U.S. multi-employer pension plans and transition these plans to improve the security of benefits for associates of [Ahold Delhaize brands Giant Food and Stop & Shop] and to lower the financial risk profile for its brands, [Giant Food and Stop & Shop]. With respect to the P&L impact, Ahold Delhaize took a EUR 1,400,000,000 charge in the pension withdrawal and this relates to the plans that shareholders can see impacted the 2020 IFRS net income number. It is not in the underlying income number but in the reported IFRS ones and that is the impact of those U.S. multi-employer plan withdrawals and settlements. Therefore, Ahold Delhaize does not expect any further charges related to these going forward in the P&L. Moreover, the total ongoing annual contributions for newly created plans will not have any material impact on Ahold Delhaize's P&L either, because these are essentially replacing contributions [that the] Ahold Delhaize [brands Giant Food and Stop & Shop have] been making for previous plans in the past. Finally, the potential for future pension charges is always going to be dependent on external macroeconomic conditions and a variety of other factors that Ahold Delhaize does not control. But it is important to note that there is a possibility for additional charges related to pensions in other countries Ahold Delhaize operates in, but this year Ahold Delhaize made a huge reduction in those plans through the actions that it took in 2020. I am pleased to have withdrawn and settled, as I mentioned, the largest plans in the U.S. and that represented ninety percent (90%) of Ahold Delhaize 's U.S. multi-employer pension net deficit.

Questions asked to William McEwan and his responses:

QUESTION: APG and MN ask: Has the Remuneration Committee already set the 2021 targets for the annual cash incentive? And what is the company's 2021 scenario?

RESPONSE: 2021 is a very complex budgeting year and the Remuneration Committee considered every possible scenario, ranging from enduring pandemic challenges to a somewhat back to normal situation, in the course of the year. The topic of 2021 target setting was discussed multiple times during the year, much more than usual. Following a thorough process, carefully considering input from internal and external sources, and taking stock of all factors, the Remuneration Committee has set a challenging performance set of conditions for 2021 that gives consideration to the enduring economic uncertainty. The bandwidth of the 2021 intervals has been increased to accommodate for the higher macro-economic uncertainty and volatility, as a result of the pandemic. This also reduces the potential and likelihood of windfall gains. The Remuneration Committee will continue to monitor business conditions throughout the year and update its plan accordingly.

QUESTION: APG and MN ask: Will the Remuneration Committee be willing to consider providing more transparency regarding target-setting and outcomes in the next remuneration report?

RESPONSE: The Remuneration Committee intends to conduct a full review over the course of 2021 of Ahold Delhaize's executive remuneration policies and disclosures, taking into consideration the feedback it has received, and will continue to receive and seek from its stakeholders. One of the topics that the Committee will address is the balance between safeguarding Ahold Delhaize's commercial position and the call for greater transparency in the remuneration disclosures.