“Eating beef while saving animal and environment”

Leon Mol, October 5th 2016
Great local BRANDS top 10 International food retailer

Leading in online business

More than 6,500 stores

Strong financial profile

Leading in sustainable retailing: Proud member of DJSI

Serving more than 50 million customers every week

Proud heritage: 150 years experience in food retailing

11 Countries

375,000 associates

22 Great local BRANDS

Shopping anytime anywhere

top 10 International food retailer

375,000 associates

22 Great local BRANDS

Shopping anytime anywhere
Together we build great local brands, bringing fresh inspiration every day
We are Ahold Delhaize

Proud heritage

Ahold


Opening 1st store
Start of manufacturing own brands
Listed on stock exchange
Opening first self-service supermarkets
1st expansion in United States
1st expansion in Central and Southeastern Europe
Convenient shopping, anytime anywhere

DEHLAIZE GROUP

Sustainability and differentiation

11 countries of operation:

• 11 stakeholder landscapes
• 11 histories
• 11 supply bases

Sustainability:

• Part a the companies DNA
• Choice for the customer
• A key way to differentiate otherwise homogenous offerings

For more information, please visit www.aholddelhaize.com
Albert Heijn in relation to aggressive promotions
Old definition of unreasonable promotion (NGO);
Promotion price < € 4,12 per kg

New definition;
Each meat promotion beef/chicken/pork without Good Life Star certification

Does sales price affect:
1. Quality?
2. Sustainability?
3. Animal Welfare?
4. Profit model farmer?
The mission of the meat team

Without concern the most enjoyable piece of meat at Albert Heijn
Albert Heijn is the largest seller in NL:

<table>
<thead>
<tr>
<th>Product</th>
<th>Market Share</th>
<th>Market Share AH</th>
<th>Organic</th>
<th>Organic</th>
<th>Vegetarian</th>
<th>Sustainable</th>
<th>Sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic meat</td>
<td>m.s. 58%</td>
<td></td>
<td></td>
<td></td>
<td>m.s. 76%</td>
<td>m.s. 57%</td>
<td>&gt;90%</td>
</tr>
<tr>
<td>Organic chicken</td>
<td>m.s. 76%</td>
<td></td>
<td></td>
<td></td>
<td>m.s. 76%</td>
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</tr>
<tr>
<td>Sustainable seafood</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>m.s. 57%</td>
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<td>&gt;90%</td>
</tr>
</tbody>
</table>

Almost whole volume certified
The approach

1. Dedicated production chains
   • Jointly with producers, processors, packers building on long term relations
   • Endorsement of stakeholders
2. Quality and availability come first
   • Extra costs to be made visible
3. Short and transparent supply chains
   • Efficient
     • Operation
     • Marketing of whole animal
4. Offering choice for customer
Pork

2016
Soy
Beef

2016

Ahold Delhaize

Biologisch Rund

Beter Leven

Dierens Bescherming

BIEFSTUK

Greenfields

Belgium

Spain

Belgium

Ireland

Ireland

Belgium

Belgium

Belgium
Concerns

- Differentiation is key
- Without transparency no commitments
- Information is part of the product
- System approach versus product approach
- Certification/monitoring/verification
Thank you