

# Ahold Delhaize EU Renewable Energy Program

## introduction of Ahold Delhaize's Climate Plan

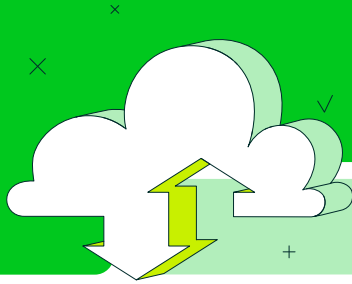
Our local brands are privileged to serve millions of customers in their communities every week.

We have the opportunity to reduce our emissions across the value chain, helping our brands' customers make healthier and more sustainable choices and engaging our suppliers to reduce emissions related to food production.

It is our climate mission to become net-zero across our operations by 2040 (scope 1 & 2) and the value chain by 2050 (scope 3).

Our definition of net-zero is aligned to the Science Based Targets initiative (SBTi) and requires reducing scope 1, 2 and 3 emissions to a level consistent with a 1.5-degree Celsius scenario and neutralizing any residual emissions. As per SBTi guidelines, we have identified short- and long-term targets and priority opportunities across scope 1, 2 and 3.

More information about Ahold Delhaize's Climate Plan can be found [here](#).



## carbon emissions in our own operations

To address the carbon emissions in our brands' operations (scope 1&2), we have identified four key levers for emission reduction:

1. Transition to low-GWP and natural refrigerants
2. Transition to renewable energy
3. Transition from fossil fuels in heating and transportation
4. Increase energy efficiency

When we started our net-zero journey, electricity was our largest source of emissions (scope 1 & 2). To date, our Renewable Energy Program has reduced emissions from electric energy in our European operations by two-thirds. The project in Seville will further support our net-zero agenda in which we plan to reduce electricity emissions to zero by 2035.

## Ahold Delhaize's Renewable Energy Program

To tackle our electricity emissions and create synergies across our markets, we launched a European Renewable Energy Program. It consists of three workstreams: Use Less, Make Our Own and Buy Green. The program is a collaboration between our technical departments as well as our Health & Sustainability, Not-for-Resale Sourcing and Finance departments.

### use less

Although our electricity consumption is estimated to increase due to the ongoing energy transition, we want to make sure that the electricity that we do require is used as efficiently as possible. Within the Use Less workstream we focus on energy-saving measures such as LED lighting, heat recuperation, heat pumps, new refrigeration systems and improved insulation. Taking measures like these enable us to create energy-efficient stores fit for the future.

### make our own

Within the Make Our Own track we investigate generating our own electricity, for instance with solar panels on roofs of stores, distribution centers and offices.

### buy green

It is not feasible to cut back our energy consumption to zero, nor to generate all the electricity we require ourselves. Therefore the Buy Green track is about sustainably sourcing the remainder of our electricity consumption. To prove that a MWh of electricity was generated in a sustainable manner, green certificates (called Guarantees of Origin in Europe) are required. Via Power Purchase Agreements (PPAs) we endeavor to source enough Guarantees of Origin towards our net-zero ambitions.



# What are PPAs?

PPAs are long-term offtake agreements between a renewable energy developer and an electricity consumer (usually a company) that make it possible for a solar/wind park to come into existence.

Under a PPA contract, a minimum income level is guaranteed to a developer for the electricity generated by the renewable energy installation.

This allows a developer to secure its financing for a project. In return the consumer receives renewable energy certificates, called Guarantees of Origin in Europe. By entering into a PPA, companies directly support the creation of renewable energy sources and thereby contribute to a cleaner energy grid.

Generally, two type of PPAs are distinguished: Direct or Virtual. Under a Direct PPA, the buyer receives physical delivery of

electricity from a nearby renewable energy project. It usually requires the developer and consumer to participate in the same electricity bidding zone. In a Virtual PPA, no physical electricity supply is transacted as part of the agreement. Instead, generated renewable energy is injected and sold into the local grid/market.

## key details of our Spanish VPPA

number of solar plants involved:

**5**

expected total annual production:

**515 GWh**

(approx. 132,000 households annual consumption)

expected date of completion, first electricity generated:

mid

**2026**

tenure:

**15**  
years

status of the project:

**ready to build after signing the VPPA**

Ahold Delhaize share of the total production: approx.

**90%**

## How does a VPPA work?

