Sligro Food Group N.V.

Stronger together

2024 annual report
Sligro Food Group

Translation of the original version in Dutch

Highlights

Contents

Disclaimer
This copy of the Sligro Food Group N.V. annual report for the 2024 financial year is not the version compiled in accordance with the ESEF requirements as put together by the European Commission in the ESEF Regulatory Technical Standard. These financial statements are an English translation of the financial statements prepared on March 26, 2025. In case of any discrepancies or possible differences in interpretation between the English translation and the original financial statements prepared in Dutch, the latter prevails.

The ESEF report and the original financial statements in Dutch are available at https://jaarverslag.sligrofoodgroup.nl

Key figures for 2024

x € million

2,890
Revenue ▲ 1.1%
2023: 2,859

138
EBITDA[1] ▲ 0.9%
2023: 137

24
Net profit ▲ 273.8%
2023: 6

43
EBIT ▲ 183.2%
2023: 15

29
Free cash flow[1]
2023: 34 ▼ -10.0%

0.40
Dividend per share (x €1)
2023: 0.30 ▲ 33.3%

27,348
Scope 1 GHG emissions ($ton\ CO_2eq$)

28,828
Scope 2 GHG emissions (market-based) ($ton\ CO_2eq$)

4,541
Number of employees[2] (FTEs)
2023: 4,524 ▲ 0.4%

71/29
Male/female ratio[2] (%)
2023: 69/31

1) This is an alternative performance measure. For the definition and a reconciliation with the most directly comparable IFRS measure, see ‘Definitions and alternative performance measures’ on page 164 onwards.

2) As at year-end.

Foreword

We succeeded in achieving a pleasing improvement in our result in a difficult market characterised by volume pressures and high cost inflation.

A great deal of attention was focused on meeting the required standard in our basic operations and making improvements wherever possible.

Operations and market

At the start of the year, it was quickly apparent to us that market conditions would remain challenging, meaning that a strong focus on efficiency and cost reduction would be needed. Last year, after the summer, we decided to change how we managed our Belgian operations and this year we optimised the logistics infrastructure in Belgium. We also retained customers by extending current contracts and our sales colleagues focused on customer acquisition and upselling. Our employees worked on numerous improvements with great passion. The operating result increased this year to €43 million.

Consumer confidence was low and inflation, while dropping slightly, was still substantial in comparison to previous years. That long-term high inflation led to restraint in consumer spending, which in turn put pressure on our customers' volumes and, by extension, our volumes. Cost inflation was steep, but through enhanced efficiency and focus, we succeeded in absorbing the substantial increases in our procurement costs that we faced during the course of the year. With declining volumes on the one hand and cost inflation on the other, we had to somewhat adjust the expectations regarding our targeted improvement in profitability.

Due to pressure on their revenue model, our customers understandably looked even more closely at our performance as a supplier. So a great deal of attention was focused this year on meeting the required standard in our basic operations and making improvements wherever possible. As a result, we were able to retain our customers, although they did purchase less individually due to market conditions. On balance, we actually gained customers in the Netherlands. The processes to integrate and optimise the logistics of our overall infrastructure in Belgium that we started in the autumn of 2023 continued into 2024, finally reaching completion at around the mid-year mark. Our operational performance suffered in this phase, costing us customers and revenue in Belgium. We do now have an infrastructure in place that allows us to operate, control and manage at the same high level as the approach we have been successful with in the Netherlands for many years. Based on the feedback we received from customers after the summer, we can be confident about 2025.

The cost of logistical services, energy, building leases and wages increased by over 5% on average, so we already faced a cost challenge at the start of the year. Our plan to improve profitability already included several actions aimed at reducing costs. We intensified them and succeeded in implementing all of them in 2024, more than offsetting the cost increase.

As a result of the new law on tobacco products, which came into effect in 2024, supermarkets are no longer allowed to sell tobacco to consumers. As of 1 July 2024, even though there was no legal obligation to do so, we stopped selling tobacco products at our cash-and-carry wholesale sites and stopped offering this product category in our delivery service operations.

> We now have an infrastructure in Belgium of the same high level that we have been successful with in the Netherlands for many years.
>
> **Koen Slippens, CEO**

As of 2025, tobacco product deliveries to this group of delivery service customers also stopped and they have found alternative sources of supply for tobacco products. Fortunately, these customers have decided to continue to buy the other product ranges from Sligro Food Group for several years to come.

Integration project in Belgium

Last year, after the summer, we decided to change how we managed our Belgian operations and move toward a BeNe organisation. That rationalisation allowed us, on balance, to eliminate more than 150 positions across the Netherlands and Belgium. In addition, we optimised the logistics infrastructure and migrated almost all sites to the systems that we have also used successfully in the Netherlands for many years. The product ranges and prices, where relevant, are geared towards the Belgian market and fully harmonised within Belgium so that the supply chain can respond quickly to customer needs within the national borders. The supply of products is largely centralised through our central distribution centre in Veghel, which works well geographically for both countries. The result of these actions is that central group management now has a more accurate understanding of and control over the Belgian operation than before, we can apply internal benchmarks and we can exploit synergies in the areas of procurement and systems more effectively than in the past. For our customers in all business units, there is now a unified view of what we have to offer and we can achieve logistics efficiencies by using the entire network to fulfil customer orders. All transitions in this area were completed in 2024 and are now operating as planned.

Harmonisation of the product range in the first half of the year caused particular concern among our customers. Although, on balance, we now offer a much wider range of mostly specifically Belgian products, supplemented by attractive international product ranges, a number of familiar products are no longer offered to customers. Suitable alternatives are definitely available, but the process of adapting and changing old habits takes time. Our Belgian product range managers continue to fine-tune the range to suit customer needs and supplement it where necessary, but the basis that has now been established is being embraced by our customers.

ERP and digital development

In terms of our IT transition, 2024 was a year of consolidation. On the one hand, after pausing the SAP roll-out, we focused on creating operational stability and switched in most of our network to the technology we have been using in the Netherlands for many years. That led to a stable situation in which we could evaluate and rethink the route forward in relative calm, without having to cope with the pressures of an inadequate operational systems landscape in our Belgian operation. Part of this included the further roll-out of our SAP Hybris-based digital platform that is now successfully operational for the entire organisation.

We and SAP jointly assessed the content of and process used for our previous ERP implementation project - an exercise that identified areas requiring attention and led to a clear list of lessons learned. Together we have created a new plan going forward in which SAP acts as a strong and reliable partner and has committed to making the follow-up programme a success. The goal is to convert the central functions and four cash-and-carry wholesale sites in the Netherlands to the new solution in phases over the next two years. Within that framework, 2025 will still largely be devoted to researching, designing and constructing the solution, with the actual roll-out following from 2026 onwards.

ESG

In 2024, we worked with a large number of colleagues and several external consultants to implement the requirements of the Corporate Sustainability Reporting Directive (CSRD) in our reporting. We chose the themes most relevant to Sligro Food Group based on our double materiality analysis and stakeholder engagement and adapted our reporting structure accordingly. The Sustainability Statement reflects the results of these efforts.

In addition to the huge amount of focus and time devoted to complying with the reporting requirements, Sligro Food Group's operation fortunately also continued to make improvements in sustainability in real terms. That, after all, is what serves society best. Based on the KPIs and measurements used until last year, we once again made significant progress in making our buildings more sustainable, installed further solar panels, invested in another 26 electric trucks and implemented sustainability-related changes to our product range in terms of animal welfare, biodiversity and the choice of packaging materials.

Revenue growth

The first half of the year was characterised by a strong focus on operational stability and cost control. Despite operating in a market where volumes are under pressure, we are also eager to achieve growth, although we realise that is difficult under these market conditions. Even so, contrary to the overall picture in the market, we believe that the measures we have put in place during 2024 will definitely open up growth prospects for us.

The majority of our larger customers still have long-term agreements with us, and we even agreed to renew the current contracts with some of our key customers this year. In addition, we instructed our sales colleagues, also in collaboration with our partner Heineken, to focus on customer acquisition and upselling, in order to achieve growth in the regions.

To boost revenues in cash-and-carry as well, we launched a campaign on the radio and on social media. Through this new campaign, we are reaching a very broad audience and, based on data related to social media behaviour, are successfully targeting food professionals in our communication in order to interest them in our cash-and-carry offer. With additional events and (local) campaigns such as the new Sligro Wine Club, we encourage existing customers to visit our outlets more often.

Results

The operating result (EBIT) increased by €28 million to €43 million. We succeeded in achieving a pleasing improvement in our result in a difficult market characterised by volume pressures and high cost inflation. In both the Netherlands and Belgium, the improvement in the result was mainly due to cost savings. In Belgium, we did incur one-off costs for integration activities needed to build a base for further growth and profitability improvement. Part of the group's improvement in results can be explained by the impairment of software and assets that we recognised last year.

Market growth and inflation did not yet develop in line with our multi-year expectations in 2024. When the market has fully recovered and inflation levels have returned to normal, we are confident that we can achieve our target EBITDA of 7.5% of sales.

We had a positive free cash flow of €29 million in 2024. This was used to pay an interim dividend for 2024 of €13 million and to further reduce our debt position.

Dividend

In accordance with our dividend policy, we pay a dividend of 60% of the result after tax, excluding the non-recurring result. Based on our policy, the result for the financial year and upward rounding, a dividend of €0.40 per share is proposed for 2024. An interim dividend of €0.30 per share was paid previously in 2024 meaning that a final dividend of €0.10 per share remains.

Risk management

Our International Board and Supervisory Board regularly examine the opportunities and threats in the market in which we operate, and the impact they have on our business model. In 2024, the main risks and focus areas were reassessed against our strategic aims. The impact of economic developments in our market areas has been significant in recent years. We have now recognised that risk more explicitly and implemented more targeted compensatory measures to mitigate its effect.

Outlook

Due in part to rising international tensions and political uncertainty, the economic outlook is not yet reliably predictable. When faced with that kind of uncertainty, consumers generally cut back on spending across the board, including in the 'out of home' food channel. However, since the second half of 2024, we also see that consumers are gradually becoming more accustomed to the sharp price inflation of recent years and, in addition, purchasing power has increased due to wage increases and low unemployment. The trends we see in the market now and the market information available at year-end 2024 indicate a modest positive volume trend, moving from slight decline to a small plus. Inflation is expected to be around 3% in 2025.

For Sligro Food Group, a market with relatively high inflation and only limited volume increases means that we must closely monitor and manage costs and reduce them where possible. Managing inflation in our pricing in a competitive environment is also an important matter in the Netherlands and Belgium.

The cost-saving interventions we implemented in 2024 will have a positive effect in 2025 as well, and we will continue this approach in the coming year. Operations are running smoothly and we have our costs under control, so revenue growth will be the main driver for improved profitability in the coming years.

In the Netherlands and Belgium, we are focusing intensively on customer acquisition, based on a uniform approach. Where applicable, we do this in conjunction with our partner Heineken. We are making it even easier for our new customers to quickly get started with Sligro and using our online environment to encourage customers who already know us, but do not yet order everything from us, to expand the package they have with us.

> Over the past year, we made significant progress and built a robust base for the profitability improvements we envision.
>
> **Koen Slippens, CEO**

Providing excellent service to our customers is paramount, but we of course have to keep cost control in our supply chain in mind when doing so. Avoiding distractions in our operations is also an important prerequisite for this, and we have therefore avoided planning major changes in the operational environment in 2025. In 2025, we can retain and grow our customer base in an environment without operational distractions.
We continue to work on delivering a pleasant customer experience by improving our customer communications and increasingly make it possible for our customers to arrange practical matters and access information through the self-service functionalities in our online environment. Our drivers are the point of contact between customers and our company, and we are committed to continually educating and training our drivers in joint collaboration with our transport partners.

In the cash-and-carry environment, our plans focus specifically on acquiring new customers and also retaining existing customers and expanding our volumes with them. Through widely deployed radio campaigns combined with targeted follow-up through social media, we are concentrating on a broad audience of existing and new young business owners who are less familiar with Sligro. In 2025, we will expand the commercial initiatives in the Netherlands and Belgium to include seasonally driven activities and a large event linked to Amsterdam's Sail 2025, where we have an opportunity to profile ourselves as a Presenting Partner.

In terms of sustainability, we will continue to work on increasing employee engagement and development in 2025. Through a series of remodelled training and talent programmes, we are investing in knowledge and quality at all educational levels and strengthening the bond we have with our people. Sustainability in the broader context also remains firmly on our agenda. In addition to complying with the numerous formal requirements under the different sustainability laws applicable to us, we remain especially committed to initiatives that are beneficial for our environment and that contribute to improved profitability (in the long run).

In 2025, we will follow up on the replacement of our IT landscape. With SAP as a partner and all the lessons learned from previous years firmly in mind, we will confidently set to work to renew the landscape step by step.

Results count!

Over the past year, we made significant progress and built a robust base for the profitability improvements we envision. This is true in the Netherlands, but above all in Belgium, where the entire infrastructure is now the same as the successful model we have been using in the Netherlands for years. Huge improvements have been made in terms of both our grip on operations and cost control. That robust base means that we can enter 2025 with a great deal of confidence. With tight cost control in place and no distractions in the supply chain, boosting revenue is the main driver for improving profitability.

So this will have our full attention in 2025. Healthy revenue growth, sometimes against the trend, because we want to outperform general market growth in both countries. The basics are in place but, at the end of the day, the financial result is what counts. This is appropriately reflected in our theme for this year: **Results count!**

Koen Slippens
CEO

Key data

x € million	2024	2023	Change (%)[4]
Result			
Revenue	2,890	2,859	1.1
EBITDA[1]	138	137	0.9
EBITA[1]	69	70	(1.1)
EBIT	43	15	183.2
Net profit (loss)	24	6	273.8
Net cash flow from operating activities	97	142	(30.0)
Free cash flow[1]	29	34	(10.0)
Dividend paid	13	24	(45.6)
Closing capital balance			
Shareholders' equity	471	461	2.0
Net invested capital[1]	883	866	2.0
Net interest-bearing debts[1]	459	450	2.1
Total equity	1,531	1,482	3.3
Employees			
Number of employees (FTEs)	4,541	4,524	0.4
Workforce male/female ratio	71/29	69/31	
Senior management male/female ratio	65/35	68/32	
Executive Board male/female ratio	100/0	100/0	
Supervisory Board male/female ratio	60/40	67/33	
Employee satisfaction	67	66	
Other			
Scope 1 GHG emissions (ton CO_2eq)	27,348		
Scope 2 GHG emissions (market-based) (ton CO_2eq)	28,828		
Scope 3 GHG emissions (ton CO_2eq)	1,695,950		
'Eerlijk & heerlijk' product range as % of revenue	14.4	14.3	
Customer satisfaction	70	71	
Investments			
Net investments[1]	38	78	(49.9)
Depreciation and amortisation[3]	(54)	(63)	(13.3)

	2024	2023	Change (%)
Ratios[4]			
Revenue growth as %	1.1	15.2	(14.1)
Organic net sales growth[1] as %	1.1	8.8	(7.7)
Profit increase (decrease) as %	273.8	(83.4)	357.2
Gross profit as % of revenue	26.5	26.7	(0.2)
EBITDA[1] as % of revenue	4.8	4.8	0.0
EBITA[1]) as % of revenue	2.4	2.4	0.0
EBIT as % of revenue	1.5	0.5	1.0
Profit (loss) as % of revenue	0.8	0.2	0.6
Net profit (loss) as % of average shareholders' equity	5.1	1.4	3.7
EBIT as % of average net invested capital[1]	4.9	1.8	3.1
Net interest-bearing debts/EBITDA (ex IFRS 16)[1]	1.6	1.6	0.0
Shareholders' equity as % of total equity	30.9	31.1	(0.2)

Details per share with nominal value of €0.06 (x 1 €)	2024	2023	Change (%)
Number of shares in issue (x million)	44.11	44.19	(0.2)
Shareholders' equity	10.67	10.43	2.7
Profit (loss)	0.54	0.14	314.3
Dividend	0.40	0.30	33.3

[1] This is an alternative performance measure. For the definition and a reconciliation with the most directly comparable IFRS measure, see 'Definitions and alternative performance measures' on page 220 onwards.

[2] Salaries, social security costs and pension expenses.

[3] Excluding impairments and depreciation of other intangible assets and right-of-use assets.

[4] The changes and ratios have been calculated based on figures in the thousands.

Sligro Food Group

Wholesale outlets for food and beverage professionals

B2B foodservice companies in the Netherlands and Belgium

Cash-and-carry
Delivery

Wide product range
Food (dry groceries, fresh produce, frozen food)
Drinks
Non-food (food-related)

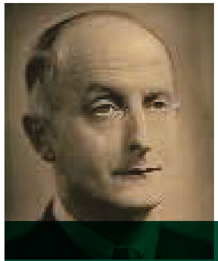
Our formats/ market approach
Sligro
De Kweker
Van Hoeckel
Bouter
Tintelingen
JAVA Foodservice
Sligro-M

Our production companies
SmitVis
Culivers

Our strategic group companies
Kaldenberg, Butchers
Ruig, Game & Poultry
Verhoeven, Bakery

Partnerships
Heineken

History



1935

Abel Slippens founds **'Slippens Groothandel'**, a wholesaler specialising in margarine, fats and oils.

1961
The **first Sligro cash-and-carry outlet** opened.

1987
Acquisition of the Jan Louwers cash-and-carry wholesale business in Eindhoven and the first foray into the wholesale market for entrepreneurs in the hospitality industry.

1989

Sligro Food Group is listed on **the Amsterdam stock exchange**

1992
The first wholesale outlet to combine cash-and-carry with delivery opened its doors.

With the acquisition of Van Hoeckel, the Group became active in the institutional segment of the foodservice market.

1996

2001
Start in food retail with franchise supermarkets **through the acquisition of Prisma Foodretail**.

2002
With the acquisition of EMTÉ, half of the Edah retail chain (2006), and Sanders Supermarkten (2010), **food retail operations continued to grow to over 130 EMTÉ supermarkets in 2018.** In that year, a decision was made to sell the food retail operations and focus solely on foodservice.

2004
The acquisition of VEN Groothandelcentrum **significantly reinforced the Sligro brand's position in the foodservice market**, especially in the Randstad area of the Netherlands.

The first Sligro 3.0-format cash-and-carry outlet opened in Maastricht.

2014

2016
Sligro entered the Belgian market by taking over JAVA (2016) and ISPC (2017).

2017

Start of the **strategic foodservice partnership with Heineken Nederland**.

2018

Sligro-ISPC in Antwerp opened its doors, the first Sligro-ISPC site in Belgium.

2019
Acquisition of the operations of De Kweker, a wholesaler in Amsterdam.

2022
Acquisition of the **Metro wholesale operation** in Belgium

2023

Start of **Sligro Food Group Transport**, bringing part of the group's transport in-house.

Our strategy

Sligro Food Group focuses specifically on the foodservice market in the Netherlands and Belgium with a comprehensive range of food and food-related non-food products and services. Our individual business units primarily focus on our professional customers. Each has its own distinctive profile in the market. Operating under centralised management and supported by an internationally integrated, professional and efficient back-office organisation, the business units work closely together across the border between the Netherlands and Belgium. Knowledge-sharing between the various operations is encouraged to maximise synergies across the Group.

Objectives:

Aim for profit to grow

EBITDA as a % of revenue to increase in the coming years to 7.5%

Scope 1 and 2 GHG emissions*:

20,000

tons of CO_2eq in 2030

* Scope 1 and 2 GHG emissions (market-based). Definition and scope in line with CSRD requirements.

We see **helping every professional in food truly get ahead** as our role. Increasingly, our business is not just about supplying our customers with food and food-related non-food products correctly, at the right price, on time and completely. Our customers expect more from us. They want maximum convenience through numerous services and insights. Data and digitalisation are increasingly an important basis for this.

In meeting this expectation, we try to strike an optimum balance between **customer intimacy** and **operational excellence**. We want to be an organisation in which everybody always goes the extra mile for a customer and understands how crucial our role is to our customers' operations and fully realises the responsibility that entails. At the same time, our customers demand an efficient and reliable supply chain and we see that data, (digital) platforms, systems and innovation are increasingly important.

The organisation is managed based on our results-oriented, entrepreneurial culture, which focuses consistently on building and maintaining long-term relationships with customers, employees, suppliers and other stakeholders. Our shared passion for delicious, good and honest food is anchored in our company's DNA.

In a growing organisation, preserving and further conveying our signature culture is a constant focus of attention for us. The influx of new talent, and therefore new experience, and the know-how of employees who have been working at Sligro Food Group for years create an engaging and powerful mix of people. We will further strengthen this in the coming years through our efforts in relation to themes such as diversity and inclusiveness. Building balanced, diverse teams and ensuring that they work together effectively are among the main priorities of our leadership programme.

Sligro Food Group operates in a highly competitive environment where rising costs can only be passed on in part to customers. We absorb the remaining cost impact by continually improving the efficiency of our operations with measures such as effective logistics and communication, data and information systems.

The Group handles most of its own procurement for both the Dutch and the Belgian business units. Bundling volumes internationally where possible and purchasing locally where desired gives us a nice mix of synergy and local fit within this process. Being a member of the Superunie procurement cooperative also allows us to benefit from economies of scale through joint procurement with our fellow members.

> We see helping every professional in food truly get ahead as our role.
>
> **Dries Bögels**
> **Chief Commercial Officer**

We aim to increase our market share in the markets in which we operate by growing organically at a faster rate than the market as a whole. We expect to accelerate our growth through acquisitions, although this growth will be more sudden and sporadic in nature. We started reducing our tobacco revenues on 1 July 2024. As of 2025, we will completely stop selling tobacco products. We will strive to increase profitability over the next few years and reach EBITDA of 7.5% of revenue

Given the current level of fragmentation of the Dutch foodservice market, further acquisition opportunities are likely to arise in the coming years. As the benefits of an acquisition need to outweigh the complexity of the integration, we will primarily target relatively large players or (local) specialists. In Belgium, where the foodservice landscape is even more fragmented, we aim to achieve a leading position in the foodservice market through a combination of organic growth and acquisitions. Our focus for the coming years will be on these two countries.

Our strategy focuses on being able to offer shareholders attractive long-term returns. In achieving this, we are committed to our corporate social responsibility and we report on our CSR performance in line with the valid European directives. Starting this reporting year, we have reviewed and modified the objectives most important to us in terms of definitions and targets in accordance with these guidelines. These new reporting rules relating to sustainability will lead to even greater transparency. In our business, financial and social returns have gone hand in hand for years, underpinning an independent position in the market that Sligro Food Group aims to hold on to for many years to come.

Our company, the purpose for Sligro Food Group

Our ambition is to be the undisputed market leader in foodservice and set the tone in good food in the Benelux countries. By combining our customer intimacy (extreme customer focus) with operational excellence, we aim to help **every professional in food truly get ahead**. Through our core values, the power of our people, our infrastructure and collaboration with our partners, we create long-term value for all stakeholders.

Helping every professional in food truly get ahead

What will help us along?

- Intense focus on the customer
- Operational excellence

What do we stand for?

- Gutsy enterprise
- Stronger together
- Strength in simplicity
- Better every day
- Pride arising from passion

Where are we active?

- Netherlands
- Belgium

How do we add value?

- Intense focus on the customer
- Operational excellence
- Long-term value creation

Strategies for 2022-2025

- Reaping, growing, improving returns
- Intense focus on the customer
- Digital ambition
- Uniform working method
- People and organisation
- Sustainability

Strategy for 2020-2025

Sligro's strategy policy contributes positively to the impact for its stakeholders in the value chain.

Resources

Central in-house procurement department
combined with partnerships through Superunie and fresh partners.

Centralised IT infrastructure
with integrated online and data capabilities.

Integrated network
of cash-and-carry outlets and delivery service sites in the Netherlands and Belgium, supported from a central distribution centre in Veghel.

ZiN Inspiration platform, Sligro Solutions
that allow us to offer our customers relevant services and inspiration.

Committed employees
united in our entrepreneurial culture.

Long-term partnership
with Heineken.

Trends & developments

Digitalisation
Digitalisation and its effects on the foodservice market.

Labour market
Businesses must formulate an answer to changes in the labour markets between now and 2025.

Sustainability
The influence and impact of sustainability issues is increasingly a factor in business success.

Markets
In the post-COVID era, the foodservice market will be driven by changed consumer behaviour and market conditions will continue to consolidate further.

Helping every professional in food truly get ahead

Strategies

Reaping, growth, and returns
Reaping, growing organically and improving our returns by capitalising on the initiatives of recent years, organically and with the right acquisitions

Uniform working method
Ensuring one way of working, internationally (in a scalable model) through the successful implementation/acceptance of the new ERP environment.

Intense customer focus
Intense focus on the customer across the entire market by offering the right combination of good, honest, tasty food and drinks, services and new and existing solutions

People and organisation
Set for further domestic and international growth by implementing our people and organisation strategy, with a focus across all of Sligro Food Group on the further development of leadership, management model, operational excellence, competencies and core values.

Digital ambition
Significantly improving the whole of our proposition to customers, by delivering our digital ambition and the conditions required to make it work.

Sustainability
The demonstrable achievement of our sustainability objectives, by adding initiatives with linked internal and external communication.

Outcomes in 2025

Customers
Customer satisfaction - Cash and Carry
Customer satisfaction - Delivery Service
Increase Solutions offer and impact
Improvements in digital proposition and preconditions

Employees
Employee satisfaction
Complete digital ambition 2 preparations
Ready for 'country 3'
ERP roll-out in the Netherlands and Belgium ready

Suppliers and partners
Supplier satisfaction
Upsell Heineken
Increase JAVA Foodservice market share

Society
Carbon reduction (compared to 2010)
Sustainable product range NL
Sustainable product range BE

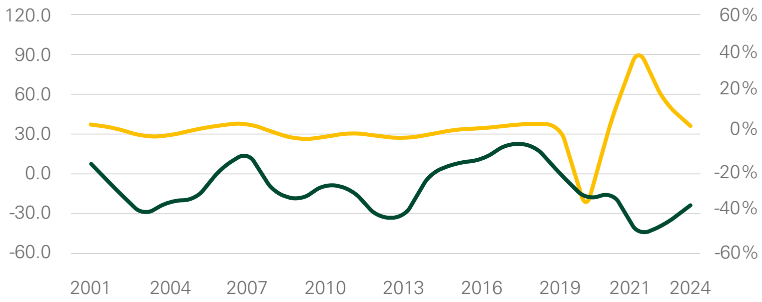
Shareholders
Organic revenue growth
Return + Revenue Growth
> overhead growth

Market approach

Sligro Food Group focuses on the market for food and drink. Sligro Food Group is active in all key foodservice market segments in the Netherlands and Belgium – from restaurants to fast food, from hospitals to hotels, from caterers to convenience stores, from amusement parks to sports clubs, from SMEs to multinationals, from bars to cinemas. This market is known as the ''out-of-home'' channel.

Relationship between consumer confidence and foodservice growth

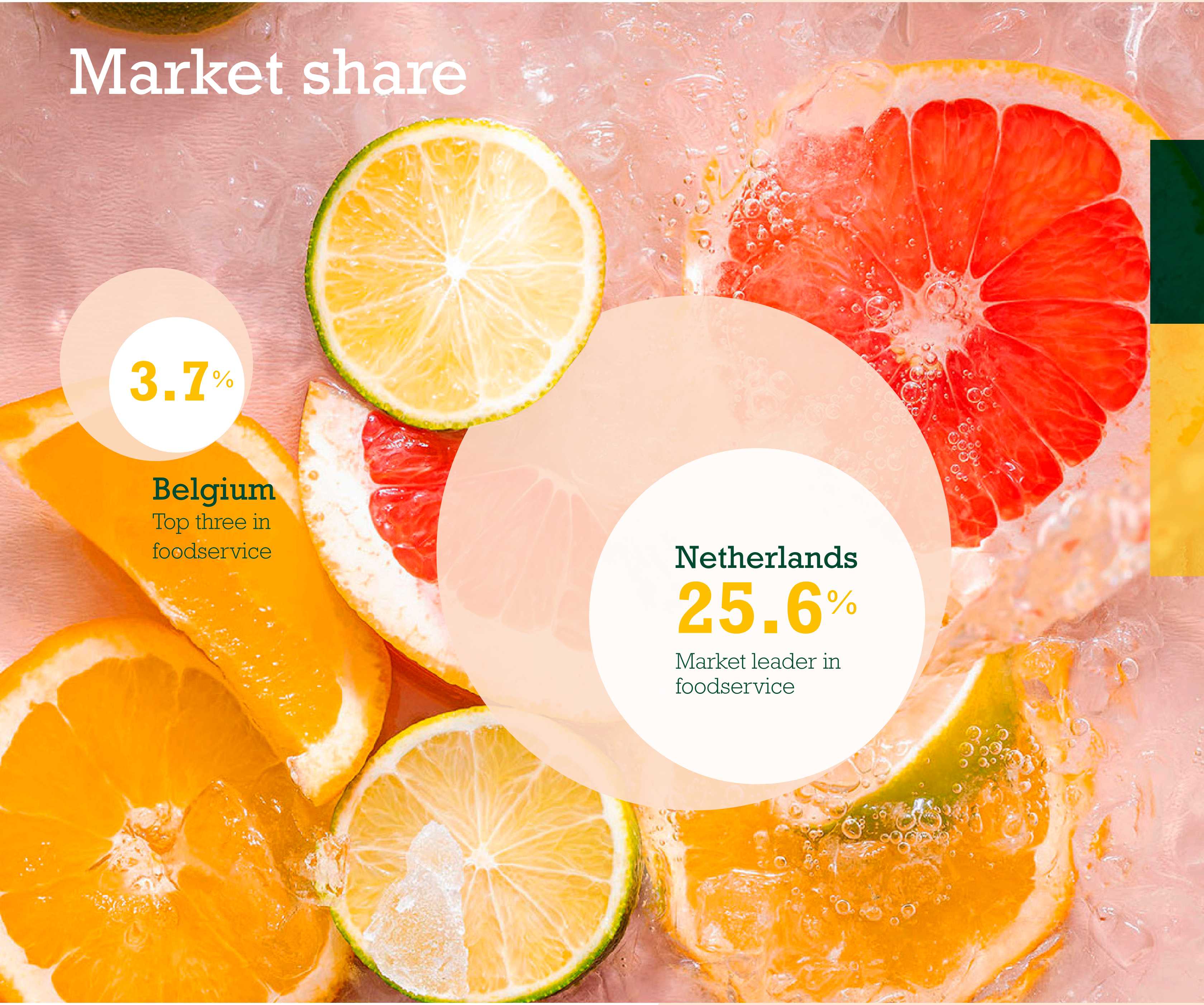
Consumer confidence
foodservice revenue growth (as %)



We are indirectly dependent on the food spending of consumers. Economic indicators such as consumer confidence and the unemployment rate are important indicators for developments in our markets. FoodService Instituut Nederland (FSIN) traditionally plots the correlation between consumer confidence and the development of foodservice revenue in the Netherlands over a period of several years. This correlation has become less clear over the past years.

Through the Group's various formats, we target various segments of the foodservice market. Our primarily customer-oriented operations are separated so that we can respond to and anticipate customer needs in each specific segment to the maximum degree possible, while operations behind the scenes are managed centrally as much as possible. We have adopted this structure in both the Netherlands and Belgium and manage the business as a whole as one BeNe organisation. This synergy gives us a distinctive profile, helps us learn as an organisation and makes us highly efficient. We only use individual systems and processes where shared solutions are undesirable or not feasible. In this way, we aim for maximum synergy, while also focusing on the customer and the market situation for each business unit and in each country.

Market share



3.7%

Belgium
Top three in foodservice

Netherlands
25.6%
Market leader in foodservice

In tracking the development of the foodservice market in the Netherlands, we use data from FoodService Instituut Nederland (FSIN).

In Belgium, we use information from Foodservice Alliance to monitor developments in the market. The definitions used to determine the scope of the foodservice market in Belgium are different to those used in the Netherlands, making the scope not directly comparable.

Sligro Food Group
Central distribution centre and head office in Veghel (NL)

Netherlands		Belgium	
Sligro / De Kweker	Van Hoeckel	Sligro / Sligro-M	JAVA Foodservice
National network of cash-and-carry outlets, delivery service sites and Heineken distribution hubs.		Cash-and-carry outlets and delivery service sites, delivery service site with pick-up option and delivery from the Netherlands.	

Sligro Fresh Partners (participation in three fresh food suppliers): specialist production sites for convenience (Culivers), fish (SmitVis); industrial kitchens (Bouter), Christmas gifts (Tintelingen)

> 70% of our delivery customers visit the cash-and-carry twice per month on average for inspiration and advice, or for a forgotten purchase.
>
> **Dries Bögels, CCO**

We believe in the power of a strong network consisting of an integrated group of cash-and-carry and delivery service wholesale outlets, combined with a digital environment, where our people make the difference. The power of the network lies in mutual collaboration. For example, 70% of our delivery customers visit a cash-and-carry outlet twice per month on average for inspiration and advice, or for a last-minute or forgotten purchase. The cash-and-carry outlets are ideally suited as a source of inspiration. They also function as showrooms and inventory and cash-and-carry centres for smaller foodservice customers, who can easily switch to delivery as they grow and if they wish to do so.

There are also relatively large cash-and-carry customers who prefer to do their own purchasing and select their fresh and other products themselves. They also enjoy having the opportunity to talk shop and bounce ideas off our specialists. As such, while the operations are separate in the interests of efficiency and meeting customer demands, collaboration on a commercial level is solidly anchored in our business. This is also reflected in the unified pricing, loyalty offers and management information structure for our customers, which makes purchasing through both channels equally convenient for them.

In the Netherlands, we are the market leader in foodservice with a market share of 25.6% (source: FSIN). In Belgium, we are in the top three with a market share of 3.7% (in-house estimate, based in part on data from Foodservice Alliance).

Foodservice market parties[1)]

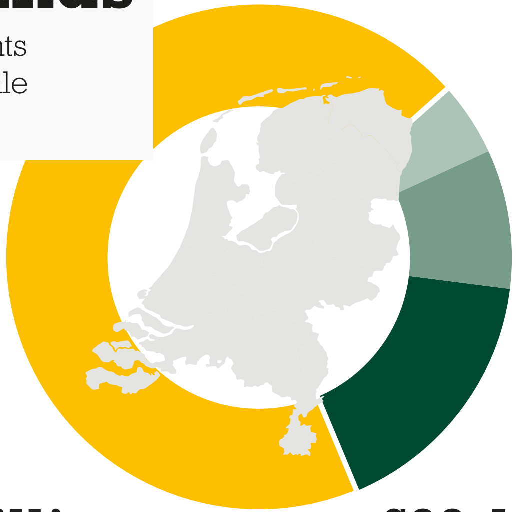
as %	2024	2023	2022
Sligro Food Group	25.6	25.7	25.6
Hanos	11.2	11.2	11.1
Bidfood	11.7	11.2	10.9
Pascal Groep	11.0	10.7	10.2
Makro	4.4	4.6	5.1
Drinks wholesalers	10.9	11.8	12.7
Other wholesalers	12.3	12.0	11.8
Subtotal wholesalers	**87.1**	**87.2**	**87.4**
Logistics service providers	6.5	6.6	6.5
Supply via retailers	6.4	6.2	6.1
	100.0	**100.0**	**100.0**

1) Source: FSIN

Netherlands

18.0 million residents
€7.9 billion wholesale market size

Source: FoodService Instituut Nederland (FSIN)



At-home channels[1)]

€52,356 million

+ 2.7%[3)]

Out-of-home channels

€22,176 million

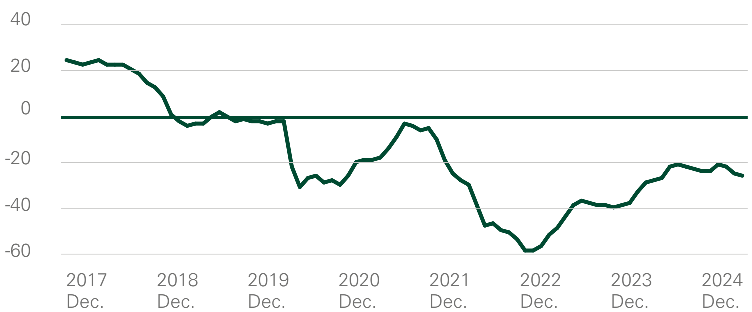
+ 4.1%[3)]

% growth 2023-2024

Traditional hospitality	Catering	Convenience
€11,967	€3,893	€6,316
+ 4.3%	+ 7%	+ 1.9%

1) Excluding non-food and supplies to hospitality
2) Consumer spending incl. VAT
3) FSIN has corrected the 2023 figures retroactively

Consumer confidence, Netherlands
Source: CBS



Market and market size in the Netherlands

In tracking the development of the foodservice market in the Netherlands, we use data from FoodService Instituut Nederland (FSIN). This institute makes its market estimates based on consumer spending and also expresses the market in terms of wholesale prices, which is our benchmark. The difference between consumer spending and wholesale prices lies in VAT and the value added (incl. general price trends) by parties purchasing from wholesalers, i.e. our customers. The revenue development in consumer spending and wholesale value will, therefore, not necessarily be in sync, seeing as they involve different units. In recent years, that gap has widened due to high inflation. The value added as part of consumer spending differs greatly from one foodservice market segment to the next (healthcare institutions, restaurants, corporate catering, canteens at sports clubs).

For 2024, FSIN estimates that the foodservice market in terms of consumer spending has grown by 4.1% on the previous year, measured based on a calendar year. This puts market size in terms of consumer spending at approximately €22.2 billion. On that basis, FSIN estimates the value of the wholesale market at roughly €7.9 billion, which would represent a 2.6% increase on the previous year. Market growth was driven entirely by inflation as volumes fell in most market segments.

FSIN estimates the total net revenue from food and drink sales by wholesalers to their business customers in the Netherlands, i.e. not including revenue from SMEs, excluding the following components:

- VAT
- Tobacco products
- Non-food
- Proprietary production companies

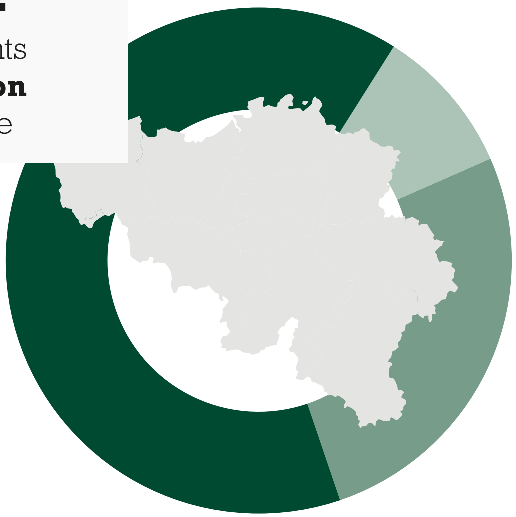
In total, the FSIN market definition excludes over 19% of our net revenue.

In the first half of the year, our growth in the Netherlands still lagged slightly behind the market, partly due to the phased exit, initiated by us, of one of our largest customers from mid-2023 on. In the second half of the year, we clearly outperformed the market, regaining market share. On balance for the year, the final result was nevertheless a small decrease in our market share.

Belgium

11.8 million residents
approx. €11.0 billion
wholesale market size

Source: FoodService Alliance



Out-of-home channels

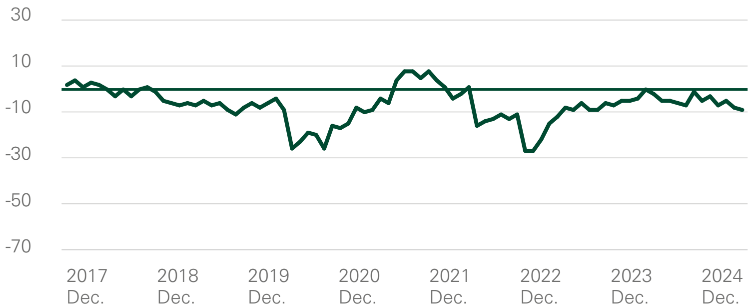
€24,399 million

- 1.0%

% growth 2023-2024

Traditional hospitality	Catering	Convenience
€15,306	€2,466	€6,627
- 2.9%	+ 4.3%	+ 1.6%

Consumer confidence, Belgium
Source: NBB.stat



Market and market size in Belgium

In Belgium, we use information from Foodservice Alliance to monitor developments in the market. The figures are not updated as frequently as those for the Netherlands. Foodservice Alliance does, however, produce a growth figure for the foodservice market using information available on the market and its own interpretations. The definitions used to determine the scope of the foodservice market in Belgium are different to those used in the Netherlands, making the scope not directly comparable.

For 2024, Foodservice Alliance estimates for Belgium that the foodservice market in terms of consumer spending has reduced by 1% relative to the previous year, measured based on a calendar year. This puts market size at approximately €24.4 billion. On that basis, Foodservice Alliance estimates the value of the wholesale market at roughly €11.0 billion, which would represent a 0.9% increase. The divergence between the development in consumer spending and that for wholesale value is still large and remarkable in terms of its direction since, as in the Netherlands, added value in the hospitality industry has risen sharply due to high inflation. However, these are the figures that Foodservice Alliance presents and we will keep to them.

The market shares and players have not been measured consistently in recent years, meaning that there is no clear picture of market gainers and losers. The picture becomes even less clear if you consider, as Foodservice Alliance suggests, that almost 60% of the market is still supplied through traditional retailers and fresh produce and other specialists, including all specialist wholesalers that do not offer a 'full' product range, meaning that 40% of the market is left for wholesalers that do offer a full product range.

In Belgium, our market share based on 2024 market figures is around 3.7%.

Synergies

Instead of a group of companies, Sligro Food Group is a single integrated company with overlapping customer groups and distribution channels. Although the specific taste preferences in the Dutch and Belgian foodservice markets sometimes vary and we of course cater to those differences in our product ranges, we also see many similarities and opportunities for synergy.

We serve a large number of customers in both countries through our full network. We can apply the knowledge and skills of our employees broadly throughout the organisation, and we apply the same basic principles to similar processes throughout the organisation.

Our central distribution centre in Veghel plays an important role in the efficiency and effectiveness of the Group's logistics operations, helping us make the most of the increased scale created by the use of different routes to market. Maximum supply chain efficiency is not only beneficial from a cost and service quality perspective, it also offers opportunities for sustainability. Geographical proximity means that this network can also be used for our foodservice activities in Belgium. The same synergies are achieved in the centralised structure and systems, with departments and processes set up in a way that enables them to serve the Group as a whole wherever useful. These joint activities are precisely what enables us to invest in people and systems wherever it can make a difference.

Our commercial systems and data can be deployed across all channels, although there are clear differences in how we implement this in each segment in response to our customers' demands. We constantly see new opportunities for development in this area by using internal benchmarking, as well as successes from other markets. The supporting technology and data management are centrally organised. We believe that data-driven business is a crucial factor in remaining competitive.

We organise product range management close to our customers in each country and combine procurement centrally across the national borders. Being a member of the Superunie procurement cooperative furthermore gives us access to significant savings on the part of our foodservice product range that overlaps with the retail market. In combination with the in-house procurement department, Sligro Food Group thus creates a strong procurement block in the market, whereby we define 'strong' in terms of 'strength' and not in terms of 'power'. We believe in creating value rather than diminishing or destroying it. We believe in sustainable partnerships with supply-side partners. Together with our own production companies and fresh partners, we are able to offer distinctive products to all our customers. The wide range of high-quality, innovative Exclusive Brands gives our formats a distinctive profile in the market. Our Exclusive Brands are generally developed in close collaboration with our suppliers on the basis of long-term partnerships.

The power of our unique company culture is an important factor that differentiates us from our competitors in the market. Given that our passion for food and beverages, as well as our customer focus, is in our DNA, and not something we have acquired, it is 'genuine' and virtually impossible to copy, and our customers experience it that way. This is something that we are immensely proud of. We call it our 'Green Blood'.

Our exclusive brands

Sligro's product range consists of well-known leading brands and exclusive brands.

These exclusive brands are a combination of own brands and exclusive imports. Specially developed for and by food professionals, they offer the very best quality and are 25% cheaper than leading brands on average.

more than
15,000
items

in more than
100
item groups

Developments in 2024

Operations and market

At the start of the year, it was quickly apparent to us that market conditions would remain challenging, meaning that a strong focus on efficiency and cost reduction would be needed. Consumer confidence was low and inflation, while dropping slightly, was still substantial in comparison to previous years. That long-term high inflation led to restraint in consumer spending, which in turn put pressure on our customers' volumes and, by extension, our volumes. Cost inflation was high, but through enhanced efficiency and focus, we successfully absorbed the substantial increases in our procurement costs that we faced. Nonetheless, it soon became apparent that we had to somewhat adjust the expectations regarding our targeted improvement in profitability.

Due to these challenging market conditions and the pressure on their revenue model, our customers understandably looked even more closely a t our performance as a supplier. So a great deal of attention was focused this year on meeting the required standard in our basic operations and making improvements wherever possible. Timeliness of delivery and product availability were priorities. In the Netherlands, we achieved stable performance during the year. As a result, we successfully retained our customers, although they did purchase less individually due to market conditions. On balance, we also succeeded in winning new customers in a market where customers increasingly wanted to stay with and concentrate their procurement with their existing supplier. In Belgium, the picture in the second half of the year differed significantly from the first half. The processes to integrate and optimise the logistics of our overall infrastructure in Belgium that we started in the autumn of 2023 continued into 2024, finally reaching completion at around the mid-year mark. Our operational performance suffered in this phase, costing us customers and revenue. Since the summer of 2024, our operations in Belgium have run smoothly and effectively and we are seeing a steady recovery in customer satisfaction and revenue. However, as we have so often seen, trust is fragile and time will be needed to regain customers' confidence and build revenue.

As previously mentioned, cost inflation was high. The prices of logistics, energy, rents and wages increased by more than 5% on average. The market conditions did not allow us to pass on these additional charges in the price of our products and services, so additional measures were implemented to mitigate the increase in costs. Our plan to improve profitability already included several actions aimed at reducing costs, and we succeeded in implementing all of them in 2024, more than offsetting the cost increase. Of course, we would have liked to benefit more from these cost-cutting measures in the form of improved profitability, but the circumstances in 2024 did not allow this.

> Through enhanced efficiency and focus, we were able to absorb the substantial increase in our procurement costs.
>
> **Rob van der Sluijs, CFO**

As a result of the new law on tobacco products, which came into effect in 2024, supermarkets are no longer allowed to sell tobacco to consumers. Although Sligro Food Group is still allowed to sell tobacco, we decided to take advantage of this moment to withdraw from this product category ourselves. Our withdrawal had to be phased, because we of course wanted to respect ongoing agreements with our customers. As of 1 July 2024, we stopped selling tobacco products at our cash-and-carry outlets and stopped offering this product category in our delivery service operations. We did continue deliveries and contracts with some of our major delivery service customers until the end of the year. Because of all the shifts in the market, this still led to a substantial net increase in tobacco product sales in 2024. As of 2025, tobacco product deliveries to this group of delivery service customers will also stop and they have found alternative sources of supply for tobacco products. Fortunately, these long-standing customers will still continue to buy the other product ranges from Sligro Food Group.

Integration project in Belgium

Last year, after the summer, we decided to change how we managed our Belgian operations and move toward a BeNe organisation. Group functions such as IT and Finance have been centralised, as has management of Cash-and-Carry Wholesale, Sales and Procurement and Product Range Management. That rationalisation allowed us, on balance, to eliminate more than 150 positions across the Netherlands and Belgium. Policies are now harmonised company-wide and only deviate at individual country level when this is meaningful or required by laws and regulations. In accordance with our business principles, day-to-day operations are close to the customer, so the face we present to the customer is Belgian and the operational team consists entirely of Belgians. In addition, we optimised the logistics infrastructure and migrated almost all sites to the systems that we have also used successfully in the Netherlands for many years. The product ranges and prices are fully harmonised within Belgium and the supply of products is largely centralised and controlled through our central distribution centre in Veghel. As a result of these changes, we now have more insight into and control of the Belgian operation at central level than before, we can benchmark between the countries, we are more effectively able to exploit synergies in procurement and systems than before, our customers clearly understand what all our business units have to offer, and we can achieve logistics efficiency benefits by serving customers from the entire network. These transitions were all completed in 2024 and our operations are now running smoothly and effectively, so we can start 2025 with a lot of confidence.

Stronger together

We aspire to be an or ganisation where teams of satisfied, engaged and professionally strong employees work together to achieve the Group's ambitions. Our employees stand out for their professional skills, which they display full of passion.

READ MORE ABOUT OUR SOCIAL IMPACT ON PAGE 112

Harmonisation of the product range in the first half of the year caused particular concern among our customers. Although, on balance, we now offer a much wider range of mostly specifically Belgian products, supplemented by attractive international product ranges, a number of familiar products are no longer offered to customers. Suitable alternatives are definitely available, but the process of adapting and changing old habits takes time. Our Belgian product range managers continue to fine-tune the range to suit customer needs and supplement it where necessary, but the basis that has now been established is being embraced by our customers.

Maintaining service levels in a transition phase is challenging, and while we have done everything we can to not let our delivery service customers suffer as a result, there has been a noticeable impact. As a result, delivery service sales in Belgium were down substantially compared to a year earlier until the beginning of the third quarter, but that trend reversed during the fourth quarter. Although the volumes still showed a decline, the increasing inflow of new customers and growing satisfaction among existing customers indicate a slow but sure turn for the better.

ERP and digital development

In terms of our IT transition, 2024 was a year of consolidation. On the one hand, after pausing the SAP roll-out, we focused on creating operational stability and switched in most of our network to the technology we have been using in the Netherlands for many years. That led to a stable situation in which we could evaluate and rethink the route forward in relative calm, without having to cope with the pressures of an inadequate operational systems landscape in our Belgian operation. Part of this included the further roll-out of our SAP Hybris-based digital platform that is now successfully operational for the entire organisation.

We and SAP jointly assessed the content of and process used for our previous ERP implementation project - an exercise that identified areas requiring attention and led to a clear list of lessons learned. Together we have created a new plan going forward in which SAP acts as a strong and reliable partner and has committed to making the follow-up programme a success. The scope of what we want to accomplish together was jointly agreed and the preconditions for success were identified. Much of 2024 was devoted to getting those preconditions right and this will continue in early 2025 to ensure full preparedness for the launch. This work involves not only the organisational set-up and attracting people with the right competencies, but also completion of our data infrastructure and data governance implementations as prerequisites for a successful roll-out. We also anticipate being able to use the solution developed in recent years as a basis for the future solution to a large extent. The elements that are not suitable for reuse were written off previously in 2023. The goal is to convert the central functions and four cash-and-carry outlets in the Netherlands to the new solution in phases over the next two years. Within that framework, 2025 will still largely be devoted to researching, designing and constructing the solution, with the actual roll-out following from 2026 onwards. In view of the operational consistency needed to achieve revenue growth, that is an excellent timeline for us.

ESG

In 2024, we worked with a large number of colleagues and several external consultants to implement the CSRD guidelines in our reporting. We chose the themes most relevant to Sligro Food Group based on our double materiality analysis and stakeholder engagement and adapted our reporting structure accordingly. The Sustainability Statement reflects the results of these efforts.

In addition to complying with reporting requirements, Sligro Food Group's operation also continued to make improvements in sustainability in real terms. Based on the KPIs and measurements used until last year, we once again made significant progress in making our buildings more sustainable, installed further solar panels, invested in another 26 electric trucks and implemented sustainability-related changes to our product range in terms of animal welfare, biodiversity and the choice of packaging materials. Although the CSRD allows for voluntary reporting of additional KPIs, we have chosen not to do this. We feel that the additional effort and cost involved is disproportionate to the information that this would provide to the readers of our report. While we will obviously take action to make this possible in the coming years, we fortunately do not need formally audited management information about all aspects to know whether or not we are doing the right things. Common sense and the will to achieve the right things for society as a whole are also important factors, and that fits perfectly with the culture in our company.

Stronger together

Learning and performance are inextricably linked in our approach to developing our people and teams. We ensure that employees can quickly make a useful contribution and stay employable thanks to our focus on their development and vitality.

READ MORE ABOUT OUR POLICY ON PAGE 113

Revenue growth

The first half of the year was characterised by a strong focus on operational stability and cost control. Despite operating in a market where volumes are under pressure, we are also eager to achieve growth, although we realize that is difficult under these market conditions. Even so, contrary to the overall picture in the market, we believe that the measures we have put in place during 2024 will definitely open up growth prospects for us. We already saw the first signs of this in the second half of the year.

The majority of our large customers still have long-term agreements with us, and we even agreed to renew the current contracts with some of our key customers this year. This creates a stable foundation for maintaining revenue and growth as soon as the markets pick up again. In addition, we instructed our sales colleagues, also in collaboration with our partner Heineken, to focus on customer acquisition and upselling, in order to achieve growth in the regions. In doing so, we significantly lowered the ‘administrative’ barriers that sometimes still existed and once again carefully examined the combinations of supply and price in order to arrive at the right proposition for different segments.

To boost revenues in cash-and-carry as well, we launched a campaign on the radio and on social media. In the past, we were able to use Chamber of Commerce registrations as a tool for identifying potential customers, but privacy laws now prevent this, making it more difficult for us to win customers among new and younger client groups. Through this new campaign, we are reaching a very broad audience and, based on data related to social media behaviour, are successfully targeting food professionals in our communication in order to interest them in our cash-and-carry offer. With additional events and (local) campaigns such as the new Sligro Wine Club, we are encouraging existing customers to visit our outlets even more often.

Netherlands

Sligro/De Kweker
Cash-and-carry outlets
51

Culivers/SmitVis
Production companies
2

Sligro/Van Hoeckel
Delivery service wholesale outlets
9

Sligro distribution hubs
3

Specialists

Bouter
Institutional kitchen specialist

Tintelingen
Online gift concepts and Christmas gifts

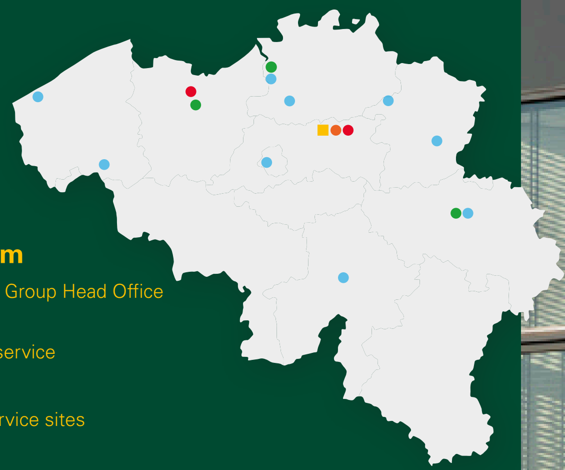
ZiN
Inspiration lab

Stores in the Netherlands
- Sligro Food Group head office
- Central distribution centre
- Production sites
- Cash-and-carry outlets
- Delivery service sites
- Sligro distribution hubs
- Bouter
- Van Hoeckel
- ZiN Inspiration Lab
- Tintelingen

Belgium

Sligro/Sligro-M
Cash-and-carry outlets[1]
12

Sligro/Sligro-M/JAVA Foodservice
Delivery service wholesale outlets[2]
3



Stores in Belgium
- Sligro Food Group Head Office Belgium
- JAVA Foodservice
- Sligro
- Delivery service sites
- Sligro-M

1) Includes one outlet operating as a pop-up store pending a definitive permit
2) Including delivery to Belgium from the delivery service operation in Maastricht

Cash-and-carry sites with pick-up option

	Number of sites at financial year-end		x 1,000m² sfa[1)] as at financial year-end	
	2024	2023	2024	2023
Cash-and-carry	50	50	339	339
De Kweker	1	1	12	12
Netherlands	**51**	**51**	**351**	**351**
Cash-and-carry	12	11	49	41
Delivery site with pick-up option	0	1	0	11
Belgium	**12**	**12**	**49**	**52**
Total	**63**	**63**	**400**	**403**

In the Netherlands, the revenue excluding tobacco products realised by the cash-and-carry outlets showed a limited decline. The pressure on volumes was still offset to some extent by inflation. In the second half of the year, due in part to our integrated radio and social media campaign, we saw revenue pick up. In the delivery service domain, there was modest revenue growth, which was also due to inflation on balance.

In Belgium, revenue in the cash-and-carry domain increased, driven in part by the Sligro-M outlets. Further challenges arose during the remodelling work in Ghent and Liège in 2024, but after completion we are seeing pleasing revenue growth at both locations. The pressure on the revenue in Belgium was fully apparent in the delivery service domain where the revenue suffered from the effects of all the changes in the network. Since the summer, we are seeing that the return to smooth-running operations is slowly leading to recovery there as well.

1) Sales floor area.

x € million

Revenue	EBIT
2,890	**43**

EBITDA	EBITDA as % of revenue
138	**4.8**

Net profit	Shareholders' equity
24	**471**

Free cash flow	Net investments
29	**38**

Dividend per share (x €1)
0.40

Financial results

We believe in the strength of the Group as a whole, and encourage knowledge sharing and the optimisation of group synergies based on that conviction. The individual results of the underlying business units are of secondary importance. To facilitate this, Sligro Food Group has a high degree of (back-office) integration.

Governance model and policy

We stimulate a Group-based approach and try not to undermine it with complicated internal charging, accrual and approval procedures. Central costs in the service office and the costs of logistics services provided by the group distribution centre are allocated to the various business units in an appropriate yet pragmatic manner.

The Executive Board is actively involved in policy-making at all business units, as well as in policy implementation. We govern our organisation based on a medium-term strategic plan with a three to five-year horizon. To convey those strategic plans to the rest of the organisation, we capture them in specific goals and result areas that are clear and easy to understand for everyone. We challenge our people to come up with (creative) plans themselves to achieve those goals and results.

An annual plan and annual budget are put together, based on the strategic multi-year plan. On a quarterly basis, we review planning progress and make a monthly projection based on KPI reports to assess whether the targeted results will or will not be achieved if we continue along the course we have charted. Forecasts of the financial results for the remaining months of the current year are prepared on a quarterly basis. If the expectation is that we will not achieve our targets, we proceed to adjust our business operations. This involves looking at progress in relation to the annual plans and consideration of how external (market) factors are developing.

In governing our business operations, we draw on detailed reports that view the developments from multiple perspectives. The focus when doing so is not on financial indicators but rather on clearly defined process-related key performance indicators (KPIs) that relate to operations within the recipient's direct control. Given that we have similar operations at many different sites, we make widespread use of internal benchmarking to create focus and encourage the feeling of continuous improvement and healthy competition to which we aspire. On several occasions every year, we establish the correlation between the performance indicators and our financial results.

As we grow, we develop and maintain unequivocal international standards, which we communicate clearly and openly. Our Corporate Control and Internal Audit departments supervise compliance with the standards, helping us maintain the quality of our information and ensure a consistent reporting speed. The implementation of a new IT and data landscape also provides a positive impulse in this respect.

To keep improving the service we provide to our customers, we permanently invest in improvements to our online environment, data quality, logistics and store networks, and our retail brands.

We finance investments through long-term and short-term credit facilities, and aim for a comfortable margin in respect of the financing covenants we have negotiated. By reducing capital lock-up in working capital, we are able to free up funds for our investments. Only if, as a result of (major) acquisitions, the margin on the financing covenants is deemed to be inadequate, we may decide to use the option of issuing shares to raise funds for investments. In the long term, the Group's net investment scope totals approximately 2.5% of revenue.

Results

The abridged statement of profit or loss can be presented as follows:

			As % of revenue	
x € million	**2024**	**2023**	**2024**	**2023**
Revenue	2,890	2,859	100.0	100.0
Cost of sales	(2,125)	(2,097)	(73.5)	(73.3)
Gross profit	**765**	**762**	**26.5**	**26.7**
Other operating income	4	8	0.1	0.3
Total operating costs excluding depreciation, amortisation and impairments	(631)	(633)	(21.8)	(22.2)
Gross operating result (EBITDA)	**138**	**137**	**4.8**	**4.8**
Depreciation of property, plant and equipment and right-of-use assets	(69)	(65)	(2.4)	(2.3)
Impairment of property, plant and equipment and right-of-use assets	0	(2)	0.0	(0.1)
Operating result before amortisation (EBITA)	**69**	**70**	**2.4**	**2.4**
Amortisation of intangible fixed assets	(26)	(38)	(0.9)	(1.3)
Impairment of goodwill and other intangible assets	0	(17)	0.0	(0.6)
Operating result (EBIT)	**43**	**15**	**1.5**	**0.5**
Financial income and expenses	(14)	(9)	(0.5)	(0.3)
Profit (loss) before tax	**29**	**6**	**1.0**	**0.2**
Income taxes	(5)	0	(0.2)	0.0
Net profit (loss)	**24**	**6**	**0.8**	**0.2**

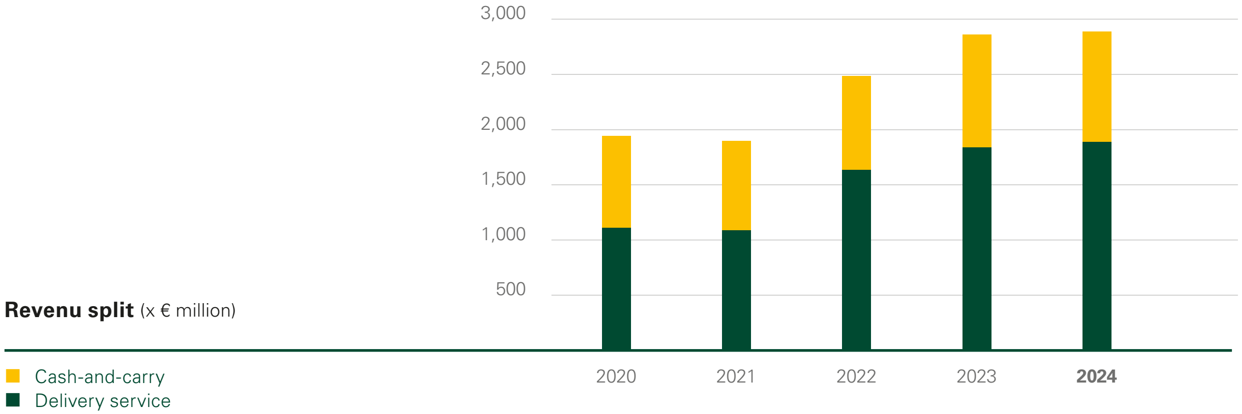
Development of revenue

In 2024, we generated €2,890 million in revenue, up 1.1% on last year, and that increase was fully organic. In the Netherlands, revenue was up by 2.6%. In Belgium, revenue fell by 7.8%.

The increase in revenue was driven by inflation, which was still historically high at around 3%. The overall volume in the market fell and this was also reflected in our volumes. In the Netherlands, after a weak first six months with high rainfall, we saw an improvement in revenue development in the third and fourth quarters. Internally, we mainly look at the revenue excluding tobacco products. Indeed, due to the effects of the amended legislation, tobacco product revenue increased substantially in all quarters and reached €267 million; an increase of 26.6% compared to last year. In Belgium, there is no revenue from tobacco products.

The revenue in Belgium, particularly in the delivery service domain, was strongly influenced by the operational changes we implemented in the period between the summer of 2023 and the summer of 2024. The IT system transition, product range harmonisation and changes in management and staffing of the organisation affected the service to our customers in that phase, resulting in a loss of revenue. Following completion of that transition in the summer of 2024, we saw a recovery in the quality of our services, which in turn led to a tentative recovery in customer satisfaction and revenue. Winning back customer confidence and trust will of course take some time but we are on the right track. In the cash-and-carry domain, we saw pleasing increases in revenue for both Sligro and Sligro-M.

Revenu split (x € million)



Gross profit

Gross profit as a percentage of revenue fell 0.2% to 26.5%.

That decline was caused by strong growth in the revenue from tobacco products, which had a negative effect on the overall gross profit margin due to the very low gross profit margin on these products. If we disregard the revenue from tobacco products, we actually see a slight increase in gross profit as a percentage of revenue.
This is partly due to improvements in our procurement conditions, supported further by additional centralisation and combined procurement for the Netherlands and Belgium. We used part of that improvement to cushion price increases to our customers in times of high inflation.

Costs, depreciation and amortisation

Costs, including depreciation and amortisation, reduced to 25.1% of revenue, a decrease of 0.7% of a percentage point relative to the previous year. Here too, the decrease in the percentage was influenced by the sharp increase in tobacco product sales, but even after applying a correction for that distortion, we still saw a decrease in costs.

High inflation right from the start of the year meant that keeping our costs in check was even more challenging. On average, collective labour agreement and wage increases and price increases for rent, energy and outsourced services including transport, led to a cost increase of over 5%. There is no scope for passing those increases on to our customers, so we have focused robust management attention on controlling and reducing our costs.

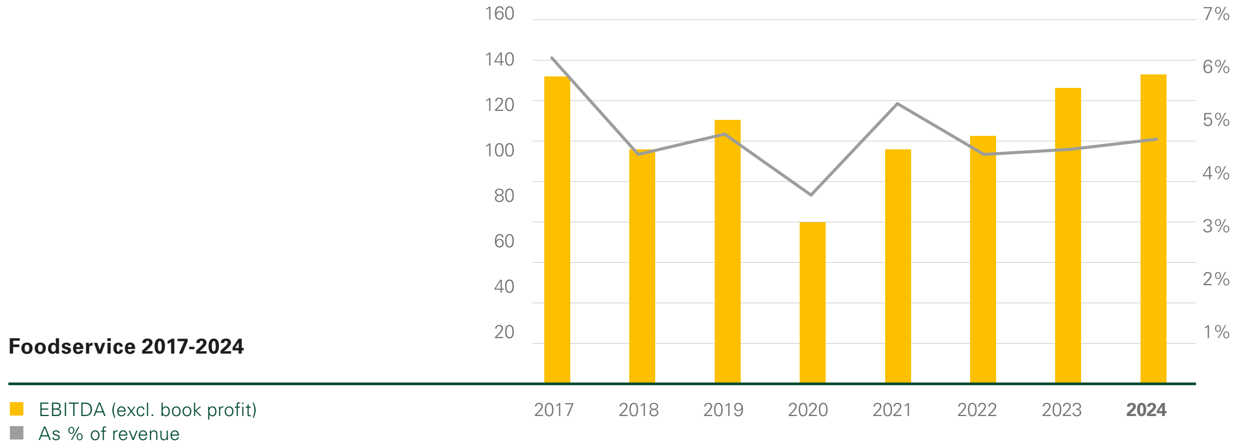
In particular, further integration of Belgium and the Netherlands into a BeNe sales management model allowed us to eliminate more than 150 positions in our service office. This led to unavoidable redundancy costs. Due to phasing of the redundancies over the year, the full savings potential was not yet visible in 2024. At the start of 2024, the Sligro Food Group transport activities handled previously by Simon Loos were brought in-house. As a result, we directly control a larger portion of our transport to customers and therefore employ our own drivers. This resulted in a €20-million increase in employee expenses.

Our premises expenses increased primarily due to increases in the cost of energy. At the end of 2023, our multi-year procurement contract for energy expired and we had to enter into a new contract. Although we managed well through the huge energy cost bubble of the past few years, the level for our renewed contract in absolute terms was considerably higher.

Our selling expenses are lower because we made keen choices in our campaigns and especially in the split between physical and online media, which allowed us to reduce costs. In addition, the cost of doubtful debts was lower than a year earlier.

Our profit and loss statement shows a significant decrease in the total distribution expenses. As explained under employee expenses, bringing transport in-house from Simon Loos has led to a shift. This meant our distribution expenses decreased by €24 million, €20 million of which was attributed to employee expenses and €4 million to depreciation and interest.

Foodservice 2017-2024



In the Netherlands, our transport costs as a percentage of delivery service revenue remained flat, due to improvements in our transport planning process and better usage of the available load space in our trucks. This allowed us to fully offset the significant price increase. The arrival of a further 26 new electric trucks led to an increase in costs, which we were also able to offset on balance. In Belgium, we deployed additional transport to minimise the impact of the operational disruptions caused by our system integration for our customers. This additional effort was phased out during the second half of the year. Although reassignment of customers across the delivery service network in Belgium was fully completed in 2024, this exercise did not lead to noticeable and material savings in 2024.

Depreciation increased compared to last year, mainly due to additional depreciation of our own vehicle fleet, which partly resulted from bringing the transport assets of Simon Loos in-house. Amortisation expenses decreased considerably due to the impairment recognised on software in 2023 and the economic life estimate for the SAP development, based on new plans.

Other operating income

Other operating income decreased by €4 million compared to the previous year. This year we sold some real estate positions that we either no longer actually use as a business, or no longer intend to use in the future, resulting in a book profit of €4 million. In the previous year, similar but somewhat larger transactions resulted in a book profit totalling €8 million.

EBIT

The operating result increased by €28 million to €43 million. Part of this increase is explained by the €19-million impairment on software and assets in Antwerp that we recognised last year. Despite limited market growth and robust inflation, we managed to improve the operating result by €10 million, mainly through cost savings.

EBITDA

Our ambition of achieving an EBITDA of 7.5% of revenue remains intact, although this will take somewhat longer than anticipated in our plan. As explained during our Capital Markets Day, this is because we need an element of recovery in our sales markets and also a normalisation of the inflation levels. This was not yet the case in 2024, which means that the improvement in our result this year falls short of the amount we anticipated in our plan. In the definition of our ambition (revenue excluding tobacco products and the result excluding book profit), the EBITDA percentage in 2024 was 5.2%, representing an increase of 0.3 of a percentage point relative to last year.

Financial income and expenses

The result from participations was €3 million lower than in the previous year. Largely due to increased interest rates, the finance costs increased by €2 million compared to last year.

Taxation

The tax expense increased by €5 million compared to last year due to better operating results.

Contributing towards society by paying taxes in line with the (statutory) rules that we have all agreed on as a society is something we take extremely seriously and consider part of decency in business. Although we do use tax breaks and incentives, we neither take these practices to the limit, nor use tax avoidance routes through 'tax havens' to optimise our tax position. As we operate in both the Netherlands and Belgium, we pay attention to the allocation of our taxable profit over the two countries. The basic idea is to align the allocation of operating result (and the tax payable or receivable on it) with the responsibilities and relevant operations in each of the two countries. Budgeting and long-term planning are never driven by tax options either, and we always observe the intention of the relevant tax legislation. Aside from that, we make sure we stay up to date with the latest changes in tax laws and regulations and apply them correctly by regularly consulting with and seeking advice from tax advisers.

Our aim is to have all our stakeholders see us as a company that adheres to the rules of decency in business, and we are more than happy to render account on our corporate social responsibility as and when asked, such as through meetings with investors or in presenting and explaining our figures to the Works Council. Tax is also a topic that is regularly addressed by the Executive Board and it is a fixture on the Audit Committee's agenda. The latter committee checks tax advice and returns for compliance with Sligro Food Group's policy. Aside from that, the taxation item is not part of the KPIs that our company uses to monitor performance.

Where appropriate, we proactively engage with the relevant tax authorities. Since 2020, we have formalised this liaison with the Dutch tax authorities in an Individual Monitoring Plan with the Tax Administration, which includes mutual agreements on how to ensure a transparent relationship. This plan furthermore includes specific arrangements on the efforts the company will go to in making tax controlling part of its overall control measures, which is something we are continuously working on. In doing so, we make use of the Group's Internal Control Framework and data analyses using samples to monitor correct application of tax legislation. Progress in this respect is monitored through regular meetings with the tax authorities, which includes a continued focus on making sure we pay our fair share of taxes and do not push the limits of tax legislation. During our last meeting, the Individual Monitoring Plan for 2025 was discussed with the Dutch Tax Administration.

Although the concept of an Individual Monitoring Plan does not exist in Belgium, we are proactively engaging with the relevant bodies there as well. As we aim to avoid potential tax risks relating to our Belgian operations, while also building the kind of relationship with Belgian tax authorities that we already have with Dutch tax authorities.

The justification and definition of the transfer pricing method used is an integral part of our tax control practices. We therefore comply with current additional documentation obligations as part of country-by-country reporting and in submitting the group file and local file. In 2022, in the context of the MLC (Multilateral Control), the Group reached an agreement with both tax authorities on the proposed Bilateral Advanced Pricing Agreement (BAPA) between the fiscal unity in the Netherlands and Sligro Food Group Belgium N.V., as submitted for the period from 2020 to the end of 2025.

Net profit

As a result of the above, net profit came in at €24 million in 2024. Earnings per share are calculated on the average number of shares in issue (externally) and amount to a profit of €0.54 (2023: €0.14) per share.

Investments

Net investments reduced to €38 million or 1.3% of revenue in 2024. In the Netherlands, we invested in sustainability improvements for our cash-and-carry wholesale outlets and their conversion to our 3.0 concept, and in modifications, sustainability improvements and replacements at our delivery service and production sites. We also purchased our first 26 new electric trucks at a total cost of €11 million. In Belgium, we invested a total of €8 million in converting our Ghent site to the 3.0 concept. The €7 million investment in software and intangible assets went mainly to our online platform and software used in the existing systems.

The divestments related mainly to sale & leaseback of part of the transport-related assets acquired from Simon Loos, various De Kweker buildings and the Sligro-M premises in Liège.
The other receivables include €7 million in commitments entered into and paid for transport-related assets and refrigeration equipment to be delivered at the beginning of 2025. They are not specified in the investment summary below, but are similar in nature.

x € million	2024	2023
Software	7	13
Intangible assets in progress	2	3
Property, plant and equipment	46	65
Divestments	(17)	(3)
Net investments	**38**	**78**
Depreciation of property, plant and equipment	(40)	(38)
Impairments	0	(18)
Amortisation of software	(14)	(25)
Amortisation and depreciation	**(54)**	**(81)**
Net change in non-current assets	**(16)**	**(3)**

Working capital and cash flow

Our net working capital position increased compared to the previous year, and working capital also increased slightly when measured as days of revenue. This is mainly due to a number of specific positions in our working capital, which, due to calendar timing at the turn of the year, have a strong influence on that position.

On the one hand, this relates to commitments entered into and paid in respect of transport-related equipment and refrigeration systems of €7 million, as also explained under Investments. On the other hand, higher bonus advances were provided with an impact of €13 million. Free cash flow for 2024 amounted to €29 million and was used for the acquisition of transport-related assets, the interim dividend payment and debt repayment.

Development of working capital

x € million	**2024**	**2023**	**2022**	**2021**	**2020**
Current assets	630	590	605	407	345
Minus: cash	(78)	(32)	(59)	(12)	(13)
Minus: derivatives	0	0	0	0	0
Minus: current liabilities	(701)	(651)	(610)	(382)	(364)
Plus: current portion of long-term borrowings	43	0	30	0	0
Plus: short-term borrowings	124	100	55	1	18
Plus: current lease liabilities	29	26	21	20	19
	47	**33**	**42**	**34**	**5**
As days of revenue	6	4	6	7	1

Abridged statement of cash flows

x € million	2024	2023	2022	2021	2020
Net cash flow from operating activities	97	142	91	73	101
Lease instalments paid	(36)	(33)	(25)	(23)	(23)
Net cash flow from investing activities	(41)	(119)	(41)	(35)	(10)
Minus: acquisitions of subsidiaries	9	44	0	0	0
Minus: proceeds from sale of subsidiaries	0	0	(1)	0	(1)
Minus: other receipts from sale of interests in associates	0	0	(18)	0	0
Free cash flow	**29**	**34**	**6**	**15**	**67**
For comparison, net profit (loss) from continuing operations	24	6	39	20	(70)
Cash conversion as %	127	530	16	75	
Free cash flow has been used as follows:					
Net acquisitions	(9)	(44)	19	0	1
Dividend payment and share repurchase	(14)	(24)	(13)	1	1
Balance of change in debt and liquidity	(6)	34	(12)	(16)	(69)
	(29)	**(34)**	**(6)**	**(15)**	**(67)**

Financing

For our financing, we use both the capital market (for long-term financing) and the bank market (for long-term and short-term financing). Note 22 to the financial statements gives an overview of the loans and short-term borrowings from credit institutions and our bank facilities.

Results in the Netherlands and Belgium

x € million	Netherlands 2024	Netherlands 2023	Belgium 2024	Belgium 2023
Revenue	2,493	2,429	397	430
Organic net sales growth[1] as %	2.6	8.6	(7.8)	11.3
Gross profit as % of revenue	26.9	27.1	24.1	24.1
Gross operating result (EBITDA)[1]	147	146	(9)	(9)
Operating result before amortisation (EBITA)[1]	91	93	(22)	(23)
Operating result (EBIT)	70	45	(27)	(30)
Net profit (loss)	47	31	(23)	(25)
Net investments[1]	31	60	7	18
Free cash flow[1]	69	79	(40)	(45)
EBITDA[1] as % of revenue	5.9	6.0	(2.4)	(2.1)
EBIT as % of revenue	2.8	1.9	(6.8)	(7.0)
Average net invested capital[1]	703	726	171	107
EBITDA as % of average net invested capital[1]	20.9	20.0	(5.5)	(8.3)
EBIT as % of average net invested capital[1]	9.9	6.2	(15.7)	(28.2)

1 This is an alternative performance measure. For the definition and a reconciliation with the most directly comparable IFRS measure, see ‘Definitions and alternative performance measures’ on page 220 onwards.

Outlook

General

Due in part to rising international tensions and political uncertainty, the economic outlook is not yet reliably predictable. When faced with that kind of uncertainty, consumers generally cut back on spending across the board, including in the 'out of home' food channel. However, since the second half of 2024, we also see that consumers are gradually becoming more accustomed to the sharp price inflation of recent years and, in addition, purchasing power has increased due to wage increases and low unemployment. The trends we see in the market now and the market information available at year-end 2024 indicate a modest positive volume trend, moving from slight decline to a small plus. Inflation showed a downward trend during the second half of 2024, but picked up again somewhat toward the end of the year. Inflation is expected to be around 3% in 2025. With that in mind, in combination with the modest increase in volume, the market in the Netherlands is projected to grow by between 3% and 4% in 2025. The growth projection in Belgium, is slightly lower at between 2% and 3%.

> Operations are running smoothly and we have our costs under control, so revenue growth will be the main driver for improved profitability in the coming years.
>
> **Rob van der Sluijs, CFO**

For Sligro Food Group, a market with relatively high inflation and only limited volume increases means that we must closely monitor and manage costs and reduce them where possible. We have been working on this since the summer of 2023 and it will continue to be an area of explicit focus in the coming years. Managing inflation in our pricing in a competitive environment is also an important issue in the Netherlands and Belgium. In combination with clear choices in product ranges, promotions and our Exclusive Brands, we provide appropriate solutions for our customers who also face these challenging market conditions.

Annual plans

The basis of our plans for 2025 is our medium-term strategy and ambition, as presented during our Capital Markets Day in late 2023. The profitability target presented on that day remains in place, although, as indicated at the time, the stagnant market and rising inflation in recent years are delaying realisation. The cost-saving interventions we implemented in 2024 will have a positive effect in 2025 as well, and we will continue this approach in the coming year. Operations are running smoothly and we have our costs under control, so revenue growth will be the main driver for improved profitability in the coming years.

In the Netherlands and Belgium, we are focusing intensively on customer acquisition, based on a uniform approach. This involves implementing targeted plans for the different sub-segments in the market, which are appropriate to both the needs and size of the customers. Where applicable, we do this in conjunction with our partner Heineken. We are making it even easier for our new customers to quickly get started with Sligro and using our online environment to encourage customers who already know us, but do not yet order everything from us, to expand the package they have with us.

Providing excellent service to our customers is paramount, but we of course have to keep cost control in our supply chain in mind when doing so. Avoiding distractions in our operations is also an important prerequisite for this, and we have therefore avoided planning major changes in the operational environment in 2025. In Belgium in particular, we have improved the infrastructure and product ranges substantially in recent years. However, implementing those changes also caused disruption for our customers. In 2025, we can retain and grow our customer base in an environment without operational distractions. We continue to work on delivering a pleasant customer experience by improving our customer communications and increasingly make it possible for our customers to arrange practical matters and access information through the self-service functionalities in our online environment. Our drivers are the point of contact between customers and our company, and we are committed to continually educating and training our drivers in joint collaboration with our transport partners.

In the cash-and-carry environment, our plans focus specifically on acquiring new customers and also retaining existing customers and expanding our volumes with them. Through widely deployed radio campaigns combined with targeted follow-up on social media, we are concentrating on a broad audience of existing and new young business owners who are less familiar with Sligro. We are making the process of registering and becoming a customer more user-friendly and helping new customers more easily navigate the world of Sligro, both online and physically in our stores. Our customers are very enthusiastic about Sligro's programme of different events and campaigns. In 2025, we will expand the commercial initiatives in the Netherlands and Belgium to include seasonally driven activities and a major event linked to Sail 2025, where we have an opportunity to profile ourselves in our role as Presenting Partner.

In terms of sustainability, we will continue to work on increasing employee engagement and development in 2025. Through a series of remodelled training and talent programmes, we are investing in knowledge and quality at all educational levels and strengthening the bond we have with our people. Sustainability in the broader context also remains firmly on our agenda. In addition to complying with the numerous formal requirements under the different sustainability laws applicable to us, we remain especially committed to initiatives that are beneficial for our environment and that contribute to improved profitability (in the long run).

In 2025, we will follow up on the replacement of our IT landscape. With SAP as a partner and all the lessons learned from previous years firmly in mind, we will confidently set to work to renew the landscape step by step. In 2025, this mainly requires a great deal of preparation and will only lead to limited changes at the front end of our business. In addition, given our focus on revenue, there is limited scope in our agenda for change.

Stronger together

We want ours to be a broad, diverse and inclusive workforce, which requires a focus on this in our recruitment and selection, pay and benefits, and internal career opportunities.

READ MORE ABOUT DIVERSITY ON PAGE 56

Barring legal requirements and some replacements that are necessary for technical reasons, we will primarily address issues that have a direct positive impact on costs or the customer experience. To find out about our financing, please see Note 22 Loans and Note 31 Events after the reporting period in the financial statements.

Results count!

Over the past year, we made significant progress and built a robust base for the profitability improvements we envision. This is true in the Netherlands, but above all in Belgium, where the entire infrastructure is now the same as the successful model we have been using in the Netherlands for years and huge improvements have been made in terms of both our grip on operations and cost control. That robust base means that we can enter 2025 with a great deal of confidence. With tight cost control in place and no distractions in the supply chain, boosting revenue is the main driver for improving profitability.

So this will have our full attention in 2025. Healthy revenue growth, sometimes against the trend, because we want to outperform general market growth in both countries. The basics are in place but, at the end of the day, the financial result is what counts. This is appropriately reflected in our theme for this year: **Results count!**

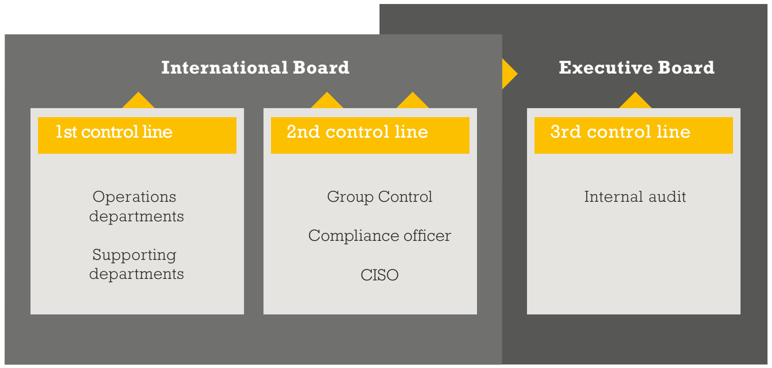
Risk management

Risk management responsibility

Identifying and responding to potential events and risks that may significantly affect the Group's strategy or continuity is something that we focus on continuously. This shapes how we identify and manage risks associated with the Group's strategy, activities and objectives. It is our conviction that risk management needs to be part of all our employees' day-to-day thinking and working, not because the law requires it to be, but because it feels natural and is the right thing to do.

The Executive Board has ultimate responsibility for being in control of the Group, and therefore also for risk management. In this respect, the Executive Board is supported by the International Board, Group Control, the Compliance Officer, the Corporate Information Security Officer, the Data & Privacy Officer and the Internal Auditor. The Supervisory Board and Executive Board jointly identify and assess opportunities and threats in the markets in which we operate, and how they impact on our business model.

The operations and support departments focus on the delivery of goods and services to our customers, and are also the first line of defence for risk management. The second-line positions provide additional expertise, support and supervision to the operations and support departments in relation to risk management and internal control, and challenge them when necessary.



Group Control supports the International Board with the definition of risks, the operational implementation of the associated control measures and the overall handling of strategic, tactical and operational risk management. The team manages Sligro Food Group's Internal Control Framework, assesses whether the design and implementation of the control measures it contains are sufficiently secured by the first line of control and reports on this to the International Board. In addition, Group Control provides support in the development and expansion of risk management within the Group.

The ESG reporting team within Group Control supports the Executive Board in defining the material impacts, risks and opportunities linked to the Group's sustainability objectives and strategy. For further explanation, please refer to the Sustainability Statement.

The Compliance Officer is the officer in charge of ensuring compliance with laws and regulations. He ensures that the company's operations and the conduct of its employees are in line with requirements set by the legislator, and that new laws and regulations are implemented on time and in full.

The Corporate Information Security Officer (CISO) supports the Executive Board with the definition and monitoring of the information security policy.

Internal audit is an independent and objective function that supports the Executive and Supervisory Boards, enhancing and protecting the value of the organisation by providing risk-based and objective assurance and insight. The internal audit function helps Sligro Food Group achieve its objectives by applying a systematic and disciplined approach to evaluating and improving the effectiveness of governance, risk management and control processes.

Group Control, Internal Audit, the Compliance Officer and the CISO work closely together in supporting departments such as Legal, IT, Finance, and Programme and Process Management.

Risk management and control systems

In recent years, we have taken steps towards professionalising our risk assessment and monitoring processes, appropriate to our international growth, in order to stay in control. Such formalisation must, however, be balanced with the (informal) hands-on entrepreneurial spirit that exists across our company. After all, we want our people to keep thinking for themselves and identify both risks and opportunities, instead of blindly going by lists. Thankfully, this is embedded in our culture, and we therefore consider our culture the main soft control that protects us from the inside against many risks and forms of fraud. In these times of relatively high staff turnover across the market and as the Group grows and becomes more international, we therefore continue to focus heavily on preserving the strength of our culture.

Risk management

We approach risk management from a strategic perspective, and subsequently translate risk management efforts to processes, people and systems on a tactical and operational level. During the past year, Group Control provided support to the Executive Board to identify and securely embed risk management in relation to strategic risks, operational risks, reporting risks and fraud, based on the principles of the COSO ERM framework.

The periodic re-evaluation of the process for identifying and assessing the main risks and their translation into measures and concrete actions was performed under the supervision of the risk owners. The risk owners periodically review the status and progress of these measures and actions, and their impact on risk mitigation, and report their findings to the International Board and the Audit Committee.

Fraud risks

The key fraud risks for our organisation are reassessed annually through a company-wide inventory of internal and external risk factors and considerations, including corruption and bribery.

In the area of fraud risk management, theme sessions were again used in 2024 to conduct the annual review of fraud risks and the related control measures, both in our Internal Control Framework and in the other areas where we exercise control. Recommendations for improvements were made to the International Board based on the outcomes. The follow-up of recommendations and action points from last year's evaluation session was also reviewed.

Internal Control Framework

The Internal Control Framework (ICF) contains the financial, fiscal, compliance, fraud and reporting risks and related control measures for the Group's primary and supporting business processes in relation to the reliability of the Group's financial reporting. Last year, the ICF was further optimised and rolled out within the Group, with Group Control providing support in demonstrating and assessing the existence of the control measures in the Netherlands and Belgium. The responsible Executive Board members and their teams created implementation plans for the control measures that were not yet in place.
In addition, the risks within the ICF were further categorised in line with the COSO ERM framework[1], refined and reviewed last year. This also involved evaluating the existing measures against the estimated gross risk and desired risk appetite within the scope of the ICF.

For the coming year, the focus is on further optimisation and international coverage of the key control measures and we will start periodic demonstration of the operation of these key measures in the ICF.
As before, the basic premise will be that controls should be integrated into or form part of daily business processes, and that people should continue to think about and understand why individual controls matter and what roles and responsibilities they themselves have in this regard. In addition to monitoring and assessment, Group Control will also support management and the Executive Board in demonstrating the contribution of the measures to the desired coverage of the identified risks and advise them on effective adjustments within the primary business processes.

[1] The Committee of Sponsoring Organizations' (COSO) Enterprise Risk Management (ERM) Integrated Framework

The International Board and the Audit Committee are periodically informed of the assessment of key strategic and fraud risks and the action taken to mitigate them, as well as progress and areas for improvement in respect of the assessed control measures as part of the ICF reporting cycle. Among other matters, the Supervisory Board is informed about fraud and strategic risk management, progress regarding the ICF and fraud reporting by the Group Control department. In addition, the Group Controller periodically organises individual meetings with the chair of the Audit Committee.

Tax Control Framework
Based on the identified tax risks and the risk appetite associated with the tax policy, the internal controls for the applicable processes were laid down in the Tax Control Framework (TCF) and implemented in practice. In principle, the TCF includes all taxes applicable to us, the most important of which are corporation tax, VAT, payroll tax, import duties and excise duties. In recent years, further action was taken to optimise and monitor the TCF. We use data analysis and sample testing of administration and tax process to ensure compliance with laws, regulations and internal procedures.
In recent years, in open dialogue with the Dutch Tax and Customs Administration, further follow-up steps have been taken in the design and implementation of VAT and payroll tax monitoring.

Internal audit
The 2024 Internal Audit plan was approved by both the Executive Board and the Audit Committee in December 2023. The execution of some assignments was started but not completed because the position of Internal Auditor became vacant at the beginning of May 2024.
In consultation with the former Internal Auditor, the Executive Board and the Chair of the Audit Committee, a recruitment procedure was initiated with the goal of filling the vacant position from April 2025. In the first half of the year, periodic feedback was given regarding follow-up in relation to the findings identified in previous reports. During the first half of 2024, the Internal Auditor attended all the meetings of the Audit Committee and held regular discussions with the external auditor.

Corporate Information Security Officer
In 2024, the CISO devoted additional attention to standardising risk and management processes for and with the IT organisation. This will be continued in 2025. Besides the operational security arrangements, relationships with key suppliers have also been strengthened, measurably increasing the maturity of risk management. This course of action will continue in 2025 and the importance of collaboration with strategic partners will feature even more prominently on the management's agenda. Again, in the past year, there was a prominently noticeable increase in outside attempts to obtain confidential information and this trend appears to be linked to technological advances such as AI.

Our main risks

On several occasions during the past year, the International Board explicitly evaluated and monitored key risks that might have an impact on the achievement of the strategic objectives.
This involved looking at the control measures and actions that need be implemented to manage these risks on the one hand and, on the other hand, developing strategies to take advantage of possible opportunities that these risks might open up if they were to occur.

Issues relating to sustainability, the transition to a circular economy and increasing legislation and regulations in the area of sustainability have been integrally included in the assessment of the risks. For an explanation of the material sustainability topics and the related impacts, risks and opportunities with regard to achieving the sustainability objectives, please refer to the Sustainability Statement.

Development of the risk profile

The risk profile did not change significantly in 2024. Some changes have occurred with respect to our most important risks:

- The estimate of the probability and potential impact of the 'Control of change programmes' risk on our strategic objectives has reduced slightly, mainly due to tighter ownership and control in the area of programme management. In addition, active efforts are being made to reduce the number of change programmes and control ongoing programmes.
- We have slightly lowered the risk acceptance for cyber and data security and slightly increased our influence on the control of this risk, due to the increasingly rapid developments in cybercrime.
- In line with the tactical plans, we implemented preventive and reactive measures to ensure continuity across our logistics framework during the past year, including bringing part of our transport activities in-house. In view of this, we are confident that the probability of a disruption within our logistics framework, which can have a significant impact on the continuity of our business operations, has reduced sufficiently. As a result, we no longer count this risk as a key aspect of the risk of business interruption.
- Last year, sensitivity to economic developments was not recognised as a risk in its own right, but rather as an aspect of the 'Unpredictable developments in society' risk. Changes in the economic climate and their influence on consumer confidence can have an impact on our sales markets and thereby affect achievement of our targets, which is why we consider it important to separately identify this risk as one of our key risks and take specific action to mitigate it.

The assessment of other key risks is in line with the previous year.

Events in 2024

As a result of a critical review of the overall change portfolio that took place during this year, adjustments were made to a number of ongoing change programmes and the timeline and approach for the planned SAP implementation for the Group were changed. In consultation with stakeholders and software vendors, we decided on a phased approach, with reuse of software that has already been developed as the starting point.

In addition, centralisation of activities took place in some departments in 2024 to respond to changing market conditions and ensure the availability of competencies. This has resulted in effective anchoring of Sligro Food Group's strong culture and improved control over operational and financial processes.

In respect of the risk areas, no other significant events occurred in 2024 that led to concrete actions.

Taking into account developments in the market and internal changes, eleven key risks have been identified. The International Board determined the risk appetite and degree of its own influence for these risks, as well as the probability and impact. Aside from that, an assessment has been made of the extent to which we, as a Group, can influence these risks. The resulting picture is shown in the following table.

Our responsibility is to set up control measures and perform internal audits to reduce known risks (including the eleven risks specified here) to a level that we consider acceptable.

Sligro Food Group risk areas

Strategic	Change based on likelihood and impact	Likelihood	Impact	Influence	Risk acceptance
Loss of the Sligro Food Group culture		●●●	●●●●	●●●●●	●
New business models and diversification		●●●●●	●●●●	●●●	●●
Control of change programmes	↓	●●●	●●●●	●●●●●	●●
Sensitivity to economic developments	new	●●●●	●●●●	●●	●●●

Operational	Change based on likelihood and impact	Likelihood	Impact	Influence	Risk acceptance
Availability of competencies and sustainable employability		●●●●	●●●	●●●●	●●
Raw materials and commodities shortages		●●●●●	●●●●●	●●●●	●●
Cyber security and data security		●●●●●	●●●●●	●●●●	●
Interruption of business operations		●●●●●	●●●●●	●●●●	●

Finance and compliance	Change based on likelihood and impact	Likelihood	Impact	Influence	Risk acceptance
Increasing regulatory burden		●●●●	●●●●	●	●●●
Unpredictable developments in society		●●●●	●●●	●	●●●
Food safety		●●	●●●●●	●●●	●

● Low ●●●●● High ↑ Increase ↓ Decrease

Strategic risks

Loss of the Sligro Food Group culture

Risk
The Group has traditionally had a strong culture in which flexibility, entrepreneurship, trust, collaboration and high consideration for our colleagues in operational roles feature prominently. The important thing is to maintain the good balance between culture and structure. Internationalisation and the influx of new employees can lead to dilution of the culture.

Control measures
Besides being the driving force behind our company, our culture is also an important control measure in our risk management efforts. In a growing and increasingly international organisation, preserving this culture is something we focus on heavily. The international roll-out of Sligro's core values, reinforcement of the transition at management level to a BeNe structure, our 'Green Blood', the code of conduct and the onboarding programme for new employees contribute to securing the culture. Our People Strategy offers a solid basis for assuring continuation of these measures both now and in the future. This includes exemplary behaviour on the part of the Executive Board and management, as well as the mutual collaboration between the teams.

Opportunities and possibilities
Our growing, international organisation calls for new skills and changes to responsibilities. We have a constantly improving mix of experienced staff members steeped in our culture and relatively new employees, working together in a healthy balance to transform Sligro Food Group into an organisation that is ready to fulfil our international foodservice ambition while also preserving our culture. We pay close attention to the development and engagement of both experienced and new employees, including through the focus on competencies development and the leadership development programme.

New business models and diversification

Risk
In the markets in which we operate, competition continues to be fierce and the market landscape is becoming increasingly complex and challenging. We see that the boundaries between foodservice and food retail are blurring and that new forms of customer loyalty are emerging, as more and more new (online) players enter the market and existing ones broaden their horizons by moving into adjacent (niche) markets.

Control measures
We closely monitor the various initiatives, assessing to what extent they impact on the course we have charted as a Group. By benchmarking against new concepts and using monitoring tools, we obtain insights on which we can take further action. We have opted to primarily follow our own path and develop initiatives that suit us, such as looking for strategic partnerships, further extending our online platform and investing in further digitalisation for the benefit of our customers.

Opportunities and possibilities
When market developments progress faster than expected, we have sufficient flexibility and financial muscle to react accordingly. We are proactively establishing contacts with industry peers and foodservice operators and progressively adopting new technologies to perfect the customer experience and customer intimacy.

Control of change programmes

Risk
The pace of developments in the market is becoming more and more frenetic. Digitalisation, mechanisation and developments in the area of sustainability are just some examples of things that are going on in the market. We are also simultaneously implementing several major changes that have an impact on our current processes and way of working, or introducing completely new concepts and working methods. Effective control of change programmes is important to achieving our strategic goals.

Control measures
In recent years, we have taken steps in respect of leadership and skills management in order to strengthen the organisation. Selecting, monitoring and evaluating programmes and projects more critically, keeping the scope and size of individual programmes manageable through central control and effective collaboration between the programme teams and operations will help ensure better control and embedding of the future changes.

Opportunities and possibilities
Strengthening competencies and methods as prerequisites for achieving greater proficiency in managing transitions will also make us increasingly agile in a changing society and competitive environment, and help us adapt ever better and faster to new circumstances.

Operational risks

Sensitivity to economic developments

Risk
Periods when the economic climate is more challenging and inflation is persistent can affect consumer confidence, leading to an actual or perceived decline in purchasing power and thus putting pressure on volumes in our traditional sales markets.

Control measures
We continue to monitor market developments and anticipate by adopting new market approaches designed to achieve further growth, even in a challenging economic environment. We also continue to closely monitor and manage our costs and pricing policy.

Opportunities and possibilities
We respond to challenges as they arise in the market. We adapt our product range and offering to suit changing demand patterns and provide new solutions to help our customers overcome their challenges. We take steps to keep our operations and service provision reliable and monitor our pricing within the framework of our pricing policy.

Availability of competencies and sustainable employability

Risk
We are experiencing a tight labour market across the board and limited availability of specific competencies (in IT in particular). In addition, the average age of our workforce is continuing to increase. Given the physically strenuous work carried out in large parts of our organisation, the ageing of our workforce is a matter that will continue to demand a great deal of attention.

Control measures
We are preparing for a future in which finding staff will become more and more challenging. We are increasingly automating and mechanising our supply chain, standardising our IT systems and processes and using alternative forms of transport. In addition, we are alert to the need to constantly attract and retain sufficient drivers. We are also making our HR policy, labour market communications and recruitment & selection activities more target-group-oriented, to ensure better alignment with specific needs in different segments of the labour market. Our proactive policy on vitality, sustainable employability and succession planning is an example of this.

Opportunities and possibilities
We focus on solutions that allow us to securely retain employees in a tight market and simultaneously offer our customers continuity in the form of valued familiar faces, in the area of transport for example, where we have brought some of the activities in-house. Using smaller (electric) vehicles helps us appeal to a larger pool of people who can play a role in localised delivery of the product flows going to our customers. We are working to continue improving our attractiveness as an employer. However, this will require a target group-oriented approach.

Raw materials and commodities shortages

Risk
Climate change, macroeconomic developments and structural global population growth are factors that increase the likelihood of raw material and commodity scarcity, thereby negatively affecting the availability of our items, packaging materials or building materials. Globalisation and new sustainability laws and regulations may also lead to shortages in the longer term.

Control measures
A clear procurement strategy, including in terms of geographical diversification and supplier selection, increases our flexibility. In addition, long-term collaborative relationships with our strategic suppliers are of great importance. Good coordination between the procurement and supply chain departments ensures the right inventory levels of critical products and materials. Through vigilant monitoring of external developments and their impact on the availability of raw materials and products and good communication with customers about possible alternatives, we can maintain or increase customer satisfaction.

Opportunities and possibilities
Where necessary, we will adjust or refine the procurement strategy to minimise the risk of not obtaining certain items. We will continue to devote attention to spreading this risk, both geographically and within our supplier network, and to increasing our understanding of how our suppliers and the macro environment respond to future developments.

Cyber security and data security

Risk
Information availability, integrity and reliability in respect of our products, services, and sites are extremely valuable for our operational activities and reputation. The increasing digital dependence of our organisation also has a direct impact on the development of risks associated with these aspects. Both internal and external threats to our data connections and data integrity demand increasing attention. The transfer and consolidation of services to third parties makes management control more important, and this is now a priority.

Control measures
We pay continuous attention to implementing operational and tactical security technologies and services on/in our platforms, connections and data. By making our architecture and principles more uniform, we limit the complexity of technology and thereby actively reduce our risk. We have these technologies and security measures, which focus on governance, control, detection and response, reviewed internally and externally in order to check their adequacy. This is an area where we increasingly include our partners who play a role in the digitalisation of our communications and supply chain. In addition to technology, we also pay explicit attention to awareness in respect of cybersecurity risks in the business operations.

Opportunities and possibilities
This offers opportunities to maintain good relationships with the suppliers crucial to us, and the measures result in more reliable data that allows us to come to better decisions.

Interruption of business operations

Risk
Breakdowns of or disruptions in our online platforms can threaten the continuity of daily operations. The continuity of both digital and physical business processes has a major impact on the business activities of customers and partners, making it a prerequisite for delivering products and services. The threats themselves and the speed at which they are evolving require increasing attention for resilience and alternative ways to maintain full continuity at all times.

Control measures
In line with the tactical plans, we have formulated approaches over the past year to strengthen the operational stability of the systems and connections that support critical processes in our organisation. Implementation of these plans will continue unabated in the coming year. We are supervising and implementing aspects of this transition through consolidation and collaboration with key IT/cloud partners.

Opportunities and possibilities
In the event of unexpected developments, preventive plans and measures in the area of business continuity also enhance flexibility and allow rapid adaptation to a changing situation. This will be more important in the future.

Financial and compliance risks

Unpredictable developments in society

Risk
Regularly and to an increasing greater extent, governments in the countries where we operate, or the authorities at European level, implement far-reaching and sometimes unpredictable measures that can have a major impact on our business operations or results. Furthermore, interest groups, stakeholder groups or society as a whole, each with its own diverse interests, may also form opinions to which we as an organisation must adjust our policies, plans or practices. These interests are not always aligned with economic justification and may affect the priorities of our change programmes.

Control measures
Although our control over developments in society and government measures is limited, we try to track these developments as closely as possible, identify the consequences of legislation and regulations at an early stage and then initiate appropriate action. We do this by joining trade associations and by obtaining external advice. Aside from that, we aim to maintain an open dialogue with legislators and regulatory authorities to be able to manage any developments proactively. Having an agile organisation model allows us to change faster. We strive to clearly establish our own position and stay close to our own strategy and vision.

Opportunities and possibilities
Opportunities may also arise if the measures or standards apply to the entire industry and are enforced for all competitors (level playing field). The changes often require competencies and access to investment funding that we as a market leader can provide. As a result, we can strengthen our position in relative terms.

Food safety

Risk
Given that the Group primarily sells and processes food, food safety plays a key role within our organisation. Food safety issues can seriously damage our company's reputation and therefore have a major impact on business continuity.

Control measures
The measures we take in the area of food safety are primarily focused on avoiding risks for our customers and staff. We have defined food safety as a standard from both a process perspective and a product perspective within the various parts of the organisation. Through our international quality policy and well-equipped Group quality assurance department, we make sure we work professionally in the area of quality control and set the same high requirements for the quality delivered by our suppliers and partners and their quality assurance processes. We directly and indirectly monitor this, through specialist bodies and further certification requirements. Moreover, constant attention is given to process synergies, the expertise of our employees and the culture of high quality and high safety.

Opportunities and possibilities
Knowledge of food safety and quality is also very important for our customers. In our opinion, inspiring customer trust by delivering products with a guaranteed high level of quality and giving our customers the right attention fast in emergencies are among our specific strengths. Commitment to quality is part of our culture, something which makes a positive contribution to the Group's reputation and the trust people place in us.

Increasing regulatory burden

Risk
Laws and regulations continue to increase in numbers and complexity, requiring sufficient capacity and expertise to respond to the changes and ensure that we as an organisation meet new requirements in a timely manner. The capacity required for this, and the associated costs, may have an effect on the business operations and results. In the coming years, we will have to devote considerable attention to developments in the area of sustainability, and the proliferation of laws and regulations in that sphere, such as the CSRD and CSDDD, and also national laws and regulations on various sustainability themes.

Control measures
Timely identification, impact analysis and implementation of new laws and regulations is a competency that is becoming more important for various departments within our organisation and for management. Where necessary, we will develop these competencies by training employees as in-house experts or by temporarily using external expertise or support. In addition, management and the central staff departments are more alert to the need for central coordination, clear assignment of responsibilities for new laws and regulations, communication about changes and training courses for employees who will have to deal with the changes that this entails.

Opportunities and possibilities
We will increasingly seek collaboration with industry peers, local business owners or networking groups in the coming years to jointly develop affordable solutions by sharing knowledge and costs. We will also continue to monitor regulatory developments and the government's ambition relating to electric transport in order to anticipate them appropriately.

Specific financial risks, estimation risks and contingent liabilities

In the accounting policies under D. 'Accounting policies applied in the preparation of the consolidated financial statements' in the 'Judgements, estimates and assumptions' paragraph, in notes 25 'Risk management' and 27 'Contingent liabilities to the financial statements' and in the notes to the sustainability statement, 'General' chapter in the 'Main judgements, estimates and assumptions' paragraph, we analyse a number of specific financial and other risks, contingent liabilities and estimation risks applicable to the Group. The notes give further insight into the Group's credit, liquidity and market risk, while also providing a sensitivity analysis of these factors. In addition, they also explain how the Group deals with the reporting risks related to estimates.
Incidentally, we do not consider these risks to our company to be special, neither in terms of their nature, nor in terms of their scope. Where appropriate, the Group takes out insurance to cover a number of usual risks, so as to ensure, among other things, that the financial consequences of major disasters can be absorbed as much as possible. It is also stated that preparing a sustainability statement requires the Executive Board to make judgements, estimates and assumptions that affect disclosure of several items of ESG data.

Statement of the Management

With reference to best practice provision 1.4.3. of the 2022 Corporate Governance Code, the Management states that:

- the report provides sufficient insight into shortcomings in the operation of the internal risk management and control systems with respect to, among other things, strategic risks, operational risks, compliance risks and reporting risks (best practice provision 1.2.1);
- the aforementioned systems provide reasonable assurance that the financial statements are free from material misstatement;
- it is justified based on the current state of affairs that the financial statements were prepared on a going concern basis; and
- the report specifies the material risks within the meaning of point a) and the uncertainties, insofar as they are relevant to the expectation of continuity of the company for a period of twelve months after preparation of the report.

2024 is the first year in which we will prepare our sustainability statement in accordance with ESRS standards. This first year comes with a lot of uncertainty due to the lack of historical information, industry-specific standards and reliable (market) data. With that in mind, we have included an explanation of the inherent limitations in the internal control system in the specific context of preparing the sustainability statement. For further explanation, please refer to the paragraph on 'Limitations to our sustainability statement', in the 'General' chapter of the sustainability statement. In performing our double materiality assessment, we drew on the experience and knowledge of internal employees and also validated the outcome with external stakeholders. Again, this was the first time we conducted this kind of assessment, meaning that it, too, is subject to the aforementioned inherent limitations. For further explanation, please refer to the paragraph on 'Limitations of the double materiality analysis process', in the 'General' chapter of the sustainability statement.

Although there are no separate provisions in the 2022 Corporate Governance Code on tax-related risks and control measures, we as the Executive Board confirm that the aforementioned statement also applies to tax topics.

Corporate governance

Executive Board member details

Executive Board

Koen Slippens (57)
Chief Executive Officer (CEO)
Employment start date: 29 July 1998
Current position since: 21 September 2008
Education: Business economics

Rob van der Sluijs (48)
Chief Financial Officer (CFO)
Employment start date: 1 October 2007
Current position since: 18 March 2015
Education: Business Economics, Registered Controller

Dries Bögels (52)
Chief Commercial Officer (CCO)
Employment start date: 1 October 2014
Current position since: 27 March 2024
Education: Economics, Management & Organisation

Company secretary

Gerrie van der Veeken (63)
Company secretary
Employment start date: 1 March 2005
Current position since: 1 March 2005
Education: Dutch Law and Tax Law

International Board

Anja de Bree (53)
Chief Human Resources Officer (CHRO)
Employment start date: 1 March 2023
Current position since: 1 March 2023
Education: Industrial Engineering & Management

Gerrit Buitenhuis (60)
Chief Supply Chain Officer (CSCO)
Employment start date: 1 May 2016
Current position since: 1 January 2019
Education: National Diploma in Business Studies/Economics

Bart Luijten (56)
Chief Information Officer (CIO)
Employment start date: 1 January 2023
Current position since: 1 January 2023
Education: Industrial Engineering & Management

Bert Vanmoortel (43)
Chief Buying & Merchandising Officer (CBMO)
Employment start date: 1 November 2019
Current position since: 1 January 2021
Education: Applied Economic Sciences

Dirk van Iperen (50)
Sales Director
Employment start date: 16 August 2013
Current position since: 1 October 2023
Education: Business economics

Kees Kiestra (56)
Executive Managing Director for Cash-and-Carry Wholesale
Employment start date: 1 June 2012
Current position since: 1 October 2023
Education: Logistics Management

Supervisory Board member details

From left to right: Gert van de Weerdhof, Angelique de Vries, Dirk Anbeek, Inge Plochaet, Aart Duijzer.

The composition of the Supervisory Board is in line with the profile. All members are independent as set out in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code.

Dirk Anbeek, Chair (61)
Supervisory Board member, Dutch nationality (m). Appointed for an initial four-year term in 2023. Chair of the Supervisory Board of Sandy HoldCo B.V. (Roompot and Landal) and member of the Supervisory Board of AFC Ajax N.V.

Gert van de Weerdhof (58)
Supervisory Board member, Dutch nationality (m). Appointed in 2017 for four years and then reappointed to a second and final four-year term in 2021. CEO of Mercy Ships International and Non-Executive Director at Safestore Ltd.

Angelique de Vries (56)
Supervisory Board member, Dutch nationality (f). Appointed for an initial four-year term in 2022. President of EMEA at Workday.

Inge Plochaet (56)
Supervisory Board member, Belgian nationality (f). Appointed for an initial four-year term in 2022. Chair of the Board of B-Steel, Chair of the Board of CSM, Non-Executive Director of What's Cooking, Non-Executive Director of Colmar Restaurants and Non-Executive Director of Faber Group.

Aart Duijzer (61)
Supervisory Board member, Dutch nationality (m). Appointed for an initial four-year term in 2022. Member of the Supervisory Board of Royal Barenbrug (from 1 January 2025: Chair), Non-Executive Director of What's Cooking en Non-Executive Director/Chair of SKG.

Executive Board changes

The Supervisory Board has appointed Dries Bögels to the Executive Board and vested in him the powers of a Sligro Food Group director under the articles of association after providing further details on the notice to shareholders regarding this appointment at the Annual General Meeting held on 27 March 2024.

Supervisory Board changes

The second term of office of Mr Freek Rijna as a member of the Supervisory Board of Sligro Food Group ended during the Annual General Meeting held on 27 March 2024. As of the aforementioned date, he was succeeded as Chair of the Supervisory Board and as a member of the Remuneration and Appointments Committee (R&AC) by Mr Dirk Anbeek.

The second term of office of Mr Gert van de Weerdhof as a member of the Supervisory Board of Sligro Food Group will end during the Annual General Meeting held on 14 May 2025. As of the aforementioned date, he will be succeeded as Chair of the Remuneration and Appointments Committee (R&AC) by Ms Angelique de Vries.

At the Annual General Meeting to be held on 14 May 2025, Mr Jan van Dam (53, Dutch nationality) will be nominated for appointment to the Supervisory Board of Sligro Food Group. Mr Van Dam has held the position of CEO of Dutch Flower Group since January 2021. From 1996 to 2019, he held various national and international positions at Ahold Delhaize.

Corporate governance

Main points regarding the corporate governance structure

Sligro Food Group is a company incorporated under Dutch law with a two-tier management structure comprising an Executive Board and an independent Supervisory Board. Sligro Food Group N.V.'s management under the articles of association is referred to as the Executive Board or Management in this annual report. Balancing the interests of all stakeholders involved in the Group, as required under Dutch law and the corporate governance code, has long been a key cornerstone of corporate policy. The main points of the current structure are set out below.

Executive Board

The Executive Board is responsible for managing the company, for its strategy, and for the deployment of its people and resources. The Executive Board is supported by the International Board in this regard. The Executive Board keeps the Supervisory Board up to date on progress and developments, consults the Supervisory Board on all substantial matters, and submits important decisions to the Supervisory Board and/or the Annual General Meeting for approval. The Supervisory Board notifies the Annual General Meeting of proposed appointments to the Executive Board.

The Supervisory Board appoints the Executive Board and may suspend or dismiss an Executive Board member at any time. The remuneration and other terms and conditions of appointment of each Executive Board member are set by the Supervisory Board, based on the policy adopted by the Annual General Meeting. Decisions on material matters are always made jointly, and all members have shared responsibility.

Supervisory Board

The Supervisory Board reviews the policy of the Executive Board and supervises the general affairs of the company. In addition, the Supervisory Board supports the Board of Directors in an advisory capacity. In fulfilling their duties, the members of the Supervisory Board are always guided by the company's interests. The Executive Board promptly provides the Supervisory Board with the information it needs to perform its duties.

Supervisory Board members are appointed by the Annual General Meeting following nomination by the Supervisory Board. Supervisory Board members step down at the latest at the close of the first Annual General Meeting following the day marking the fourth anniversary of their most recent appointment, and may be reappointed once. The remuneration for each member of the Supervisory Board is approved by the Annual General Meeting. The Supervisory Board appoints a Chair and a deputy Chair from among its members. It also appoints a secretary who may, but need not, be one of its members.

The Supervisory Board has set up two committees: the Audit Committee (AC) and the Remuneration and Appointments Committee (R&AC). Each committee is made up of two Supervisory Board members. The plenary Supervisory Board remains responsible for all decisions, even where these have been drafted by one of the Supervisory Board committees. The committees are never chaired by the Chair of the Supervisory Board.

The Audit Committee advises the Supervisory Board and prepares its decision-making concerning the supervision of the integrity and quality of the company's financial and sustainability reporting, and the effectiveness of the company's internal risk management and control systems.

The Remuneration and Appointments Committee advises the Supervisory Board and prepares its decision-making regarding the remuneration policy and the selection and appointment of members to the Executive Board and Supervisory Board.

Diversity policy and reporting on diversity

When selecting members of the Executive Board and the Supervisory Board, Sligro Food Group aims to choose the best candidate and achieve a balance of age, gender, work experience and educational background, while observing its general diversity policy and the applicable statutory target for gender balance.

As at year-end 2024, Sligro Food Group's Executive Board comprised three men, while the Supervisory Board at year-end 2024 comprised two women and three men.

The composition of the Executive Board has arisen through a combination of long-term employment which leads to relatively few vacancies, a preference for recruiting from within the company, and the result of recruitment and selection based on the recruitment and selection policy applied in the past, which was largely in line with the policy described above.

Sligro Food Group regards the recruitment and selection of members of the Executive Board and Supervisory Board as important matters and so, in addition to making use of its own network, engages specialist consultants. The attention paid by the Executive Board, the Supervisory Board and the Remuneration and Appointments Committee to the recruitment and selection processes and outside professional assistance are the primary means of ensuring that the best candidate is selected.

General Meeting

The Annual General Meeting is held within six months of the end of each financial year. Extraordinary general meetings may be convened as necessary by the Supervisory Board, the Executive Board, or one or more shareholders jointly representing at least 10% of the issued share capital.

The agenda of the Annual General Meeting covers the items stipulated by the articles of association and other resolutions proposed by the Supervisory Board, the Executive Board, or shareholders jointly representing at least 1% of the issued share capital.

The principal powers of the Annual General Meeting comprise the right to:
- appoint Supervisory Directors and approve the remuneration policy;
- adopt the financial statements and grant the Executive Board discharge from liability in respect of its management and the Supervisory Board in respect of its supervision during the previous year;
- resolve to amend the company's articles of association or wind up the company by a two-thirds majority of the votes cast, representing more than half of the issued share capital;
- issue shares (the Executive Board has been designated as the authorised body to issue shares not yet issued, subject to the approval of the Supervisory Board, up to 10% of the issued share capital, to be increased by 10% if the issue is made in the context of a merger or acquisition and to limit or exclude pre-emptive rights of shareholders up to a maximum of 10% of the issued share capital - this authority has been granted until 27 September 2025);
- repurchase and cancel shares (following approval by the Supervisory Board, the Executive Board has been granted the authority to purchase paid-up shares either on the stock exchange or privately up to a maximum of 10% of the issued share capital, as stipulated in the articles of association, for a price of no more than 10% above the market price at the time of the transaction - this authority has been granted until 27 September 2025);
- approve decisions by the Executive Board on any substantial change to the identity or character of the company or the business.

Anti-takeover measures

Sligro Food Group respects the one share/one vote principle and does not have any anti-takeover defences or other protection measures.

Conflicts of interest

In 2024, there were no material transactions involving possible conflicts of interest with any member of the Executive Board or Supervisory Board, nor were there any transactions with shareholders owning more than 10% of the shares.

Compliance with the Dutch Corporate Governance Code

The Dutch Corporate Governance Code (hereinafter the Code) focuses on the governance of listed companies. Governance is about managing and controlling, about responsibility and control, and about supervision and accountability.

The Code was first officially adopted in 2003 and amended in 2008, 2016 and 2022. The 2022 version of the Code came into effect on 1 January 2023 and is available on the following website: www.mccg.nl. The amendments to the Code have been incorporated in Sligro Food Group’s corporate governance structure. Compliance with the Code is based on the ‘comply or explain’ principle. Sligro Food Group complies with the Code, but deviates from the following best practice provisions:

The Code was first officially adopted in 2003 and amended in 2008, 2016 and 2022. The 2022 version of the Code came into effect on 1 January 2023 and is available on the following website: www.mccg.nl. The amendments to the Code have been incorporated in Sligro Food Group's corporate governance structure. Compliance with the Code is based on the ‘comply or explain’ principle. Sligro Food Group complies with the Code, but deviates from the following best practice provisions:

- **Best practice provision 2.2.1 (Terms of appointment and reappointment for Executive Board members’)**
  Members of Sligro Food Group’s Executive Board are appointed for an indefinite period, meaning that Sligro Food Group departs from best practice provision 2.2.1. This is because Sligro Food Group aims for long-term employment relationships with all its staff, including Executive Board members. Sligro Food Group prefers to appoint members of the Executive Board from within the company.

- **Best practice provision 3.2.3 (‘Severance payments’)**
  Sligro Food Group has not entered into agreements on the level of severance pay with any members of the Executive Board. This should be seen in the light of the fact that Executive Board members are appointed for an indefinite period and that such appointments may follow employment with Sligro Food Group in a position other than one at Board level.

Neither deviation is new or of a temporary nature: Sligro Food Group also deviated from these parts of the equivalent provisions in the previous Corporate Governance Codes. Both deviations are appropriate to the culture of Sligro Food Group.

Corporate governance statement

The Dutch Corporate Governance Code requires businesses to publish a statement on their approach to corporate governance and their compliance with the Code. This is referred to in Article 2a of the Decree on additional requirements for directors' reports (Decree on the Content of Directors' Reports – Besluit inhoud bestuursverslag), last amended on 1 July 2022 (the 'Decree'). The information that must be included in this Corporate Governance statement as described in Sections 3, 3a and 3b of the Decree, which is incorporated herein and repeated here by way of cross-reference, can be found in the following sections of this annual report:

- information on compliance with the Dutch Corporate Governance Code, as required under Section 3 of the Decree, is provided in the paragraph 'Compliance with the Dutch Corporate Governance Code' (page 57);
- information on the principal features of the management and control system in connection with the Group's financial reporting process, as required under Section 3a(a) of the Decree, is provided in the paragraph 'Risk management and control systems' (page 43);
- information on the functioning of the Annual General Meeting and its principal powers, and on the rights of shareholders and how they can be exercised, as required under Section 3a(b) of the Decree, is provided in the paragraph 'General Meeting' (page 56);
- information on the composition and performance of the Executive Board, as required under Section 3a(c) of the Decree, is provided in the paragraphs 'Executive Board member details' (page 55), 'Executive Board' (page 52) and 'Executive Board conditions of employment' (page 63);
- information on the composition and performance of the Supervisory Board and its committees, as required under Section 3a(c) of the Decree, is provided in the paragraphs 'Supervisory Board member details' (page 53) and 'Report of the Supervisory Board' (page 60);
- information on the policy on diversity in the composition of the Executive and Supervisory Boards, as required under Section 3a(d) of the Decree, is provided in the paragraph 'Diversity and inclusiveness' (page 114);
- information on the inclusion of information required under the Decree implementing Article 10 of the Takeover Directive, as required under Article 3b of the Decree, can be found in the section on the Decree implementing Article 10 of the Takeover Directive.

Decree implementing Article 10 of the Takeover Directive

Insofar as applicable, references are given below to information included pursuant to the Decree implementing Article 10 of the Takeover Directive [Besluit artikel 10 overnamerichtlijn]:

- information on the capital structure, the existence of different types of shares and the associated rights and obligations and the percentage of issued share capital represented by each type is provided in Note 19 'Shareholders' equity' on page 189 of the financial statements;
- information on limitations imposed on the transfer of shares or depositary receipts issued with the Group's cooperation is provided in the paragraph 'Anti-takeover measures' (page 56);
- information on the mechanism for auditing the scheme that assigns rights to employees to take or acquire shares in the capital of the company is provided in Note 5 'Employee Benefits' on page 172 of the financial statements;
- information on limitations on voting rights, deadlines for exercising voting rights and the issue of depositary receipts with the Group's cooperation is provided in the paragraph 'Corporate Governance' on page 55;
- information on the regulations regarding appointment and dismissal of Executive Board and Supervisory Board members and changes to the articles of association is provided in the paragraph 'Supervisory Board' (page 55);
- information on the powers of the Executive Board, in particular to issue shares in the Group and to repurchase Group shares, is provided in the paragraph 'Executive Board' (page 55) and in the paragraph 'General Meeting' (page 56);
- information on important agreements to which the Group is party and that are made, altered or dissolved subject to a change of control over the Group is provided in Note 22 'Loans' on page 191 of the financial statements.

Statement of directors' responsibilities

The Directors declare that, to the best of their knowledge:

1. the financial statements, as shown on pages 153 up to 202 of this report, give a true and fair view of the assets, liabilities, financial position, and profit or loss over the financial year of Sligro Food Group N.V. and the undertakings included in the consolidation taken as a whole; and
2. the Management Report, as shown on pages 4 up to 70 of this report, is a true and accurate representation of the position at the balance sheet date, the development and performance of the business during Sligro Food Group N.V.'s financial year and of the undertakings associated with Sligro Food Group N.V. as included in the financial statements, together with a description of the principal risks and uncertainties faced by Sligro Food Group.

Veghel, 26 March 2025

Koen Slippens, CEO
Rob van der Sluijs, CFO
Dries Bögels, CCO

Report of the Supervisory Board

In our supervisory role, we on the Supervisory Board devoted attention during the past year to a number of recurring topics. To ensure that no important matter is overlooked in the discussions, we work with an annual calendar. In addition to items from the annual calendar, the meeting agenda includes matters arising from the figures for the period, market developments and opportunities, as well as key programmes and subjects such as Sustainable Business and the associated reporting, Digitisation and Employee Engagement.

Market and operations

The markets in which Sligro Food Group operates were under considerable pressure during 2024. There was limited growth, driven mainly by inflation. Volumes showed negative indices across the market.

Under these circumstances, the Executive Board was not able to fully realise the growth targets presented in our plans and focused its attention on absorbing cost inflation and implementing the cost-saving measures already planned and developed during the year. Good results were achieved in both the Netherlands and Belgium in this context, building a solid foundation for the coming years.

Specifically in the second half of the year, many new initiatives were also launched to boost revenue, against the market trend. A major radio and online campaign is attracting new customers and the initial results are encouraging. Also, thanks to renewed focus and good management of the field sales teams in the Netherlands and Belgium, our efforts to acquire new customers are gaining traction.

Belgium

In 2024, we frequently monitored and discussed progress in respect of the plans for Belgium with the Executive Board. The decision in 2023 to fully integrate Belgium into the Group's operations, as well as the choice to do so on the technology platform also used in the Netherlands, has proved to be right in our opinion.

The impact of this change on the operation, and thus customers, turned out to be greater than anticipated and resulted in lost revenue, particularly in the delivery service operation in Belgium. From the summer of 2024, however, we see that the interventions have been completed and that operations are settling back into a smooth-running routine. Due to better performance, we are seeing improved customer satisfaction and a gradual recovery in revenue.

That recovery is an important basic prerequisite for the plans for the coming years, in which further revenue growth in Belgium in a stable and cost-efficient operational system is going to lead to improved results.

ERP implementation

The ERP implementation was temporarily paused and our focus switched to stabilising the Belgian operation and harmonising the ERP landscape with the environment used in the Netherlands. This brought greater calm and operational stability in Belgium and freed up capacity for detailing and preparing the remainder of the ERP project.

During the first half of the year, a comprehensive evaluation was conducted in consultation with SAP and plans were made to continue the roll-out of the new ERP landscape. That new plan is ready and, in 2024, consisted mainly of several preparatory steps for phased development and roll-out of the new landscape in the coming years.

We see the pause in this process as a wise choice and there is confidence in the new plan that will be worked on in the coming years in a renewed partnership between Sligro Food Group and SAP. The phased approach gives us greater control and reduces disruption to the operational process. Detailed plans are shared with the Board and reviewed frequently to assess progress.

Sustainability

Sustainability is an integral part of Sligro Food Group's operations and is embraced by the Executive Board and widely throughout the organisation. Once again, much progress has been made in numerous areas, including the purchase of electric trucks, additions to the solar farm, the sustainable product ranges and close attention for employees.

In 2024, a major step forward was also made in respect of sustainability reporting under the CSRD. Within Sligro Food Group, a large team has been working hard to meet the reporting requirements, based on the major issues identified in the double materiality analysis. The result of that work has been incorporated in this report.

As the Board, we are very happy with the manner in which this has been handled within Sligro Food Group. Like the Executive Board, we believe that the balance between the effort devoted to actually implementing improvements in the area of sustainability and the effort needed to meet the associated reporting requirements must be monitored, also in the coming years as regulations continue to evolve.

Supervision

In 2024, the Supervisory Board convened on its own for five sessions and together with the Executive Board and International Board for two additional sessions. The first additional session involved a coach tour in early November. The Supervisory Board, Executive Board and International Board boarded a coach on that day for a tour that took them to the Sligro-M site in Antwerp South, the Sligro Ghent cash-and-carry wholesale outlet and the Evergem delivery service site. As well as the information obtained from the visits to these Sligro locations, extensive informal discussions took place en route between the members of the three boards about current developments at Sligro Food Group. The second additional meeting in December was used to discuss the annual planning for 2025.

In addition to the scheduled meetings, the Chair of the Supervisory Board holds regular talks with the CEO, CFO, CCO and members of the IB, and the Chair of the Audit Committee meets with the CFO and the statutory auditor. The Supervisory Directors also held individual meetings with key company staff in consultation with the Executive Board. A member of the Supervisory Board was present as an observer at a meeting of the Dutch Works Council on one occasion in 2024. Based on this meeting, it can be concluded that consultation between the Works Council and the Executive Board continues on a constructive basis.

The Audit Committee (AC) held five regular meetings in 2024, during which financial and sustainability reporting, the internal risk management and control system, fraud reporting, refinancing, the statutory auditors' audit plan, the management letter, internal audit, investor relations and the 2025 budget especially were discussed at length.

The Remuneration and Appointments Committee (R&AC) held two regular meetings. The first meeting mainly concerned the assessment of whether the Executive Board bonus targets for 2023 had been met. The agenda for this meeting also included the setting of new bonus targets for the Executive Board for 2024, the remuneration report, the Supervisory Board's follow-up process and the three-yearly reassessment of Supervisory Board pay. The topics discussed during the second meeting included: the annual evaluation process for the Executive Board and Supervisory Board, the analysis of the performance and the potential of the International Board and management teams, as well as the three-yearly reassessment of Executive Board pay.

In 2024, all members of the Supervisory Board attended all the regular meetings of the Board and the meetings of the committees of which they were members. The table below shows the members' attendance rates at the regular Supervisory Board meetings.

Attendance at meetings

	Supervisory Board meetings	AC meetings	R&BC meetings
Mr Rijna	100% (1/1)		100% (1/1)
Mr Van de Weerdhof	100% (5/5)		100% (2/2)
Ms De Vries	100% (5/5)		100% (2/2)
Ms Plochaet	100% (5/5)	100% (5/5)	
Mr Duijzer	100% (5/5)	100% (5/5)	
Mr Anbeek	100% (5/5)		100% (2/2)

Relationship with the external auditors

The Supervisory Board is responsible for engaging the auditors and supervising their performance. The Supervisory Board's Audit Committee, along with the company's Executive Board, assessed the performance of the auditors during 2024. The Audit Committee discussed the 2024 audit plan, which includes the materiality and scope of the audit and the principal risks in the annual reporting, with the external auditors. It also discussed the findings and results of the audit and the content of the auditor's management letter. In the management letter for 2024, the auditor included its observations and recommendations with regard to activities at Group level, the two countries in which Sligro Food Group operates, and the IT environment.

From the observations and recommendations at Group level, it is evident that progress has been made in the areas identified in previous years. For the Netherlands and Belgium, the auditor has included a number of observations and recommendations to improve the processes of the IT management organisation and the further roll-out of the ICF. In comparison to one year ago, a number of observations relating to important processes have been added and last year's findings have either been resolved or are in progress.

During the year, the progress made in respect of sustainability reporting was monitored and reviewed in consultation with the auditor. This was a constructive process culminating in the result in this report.

The full Supervisory Board held a consultation session with the auditor without the Executive Board being present. The Supervisory Board notes that the consultation between the auditor and the Executive Board concerning the auditor's management letter and the follow-up to this is constructive and that appropriate progress in improvement initiatives has resulted from this. The Supervisory Board also notes, once again, that the auditor reported no material audit issues relating to the 2024 financial year requiring follow-up on the part of the Executive Board and/or the Supervisory Board. The Supervisory Board endorses the Executive Board's conclusions regarding risk management and control systems as set out on page 43.

On 1 January 2024, Sligro Food Group complied with its obligation to rotate its external auditor. EY is the new auditor of Sligro Food Group with effect from the start of 2024.

Executive Board conditions of employment

The remuneration report of the Executive Board is set out in the next section of the annual report.

A new Remuneration Policy was presented and put to the vote at the Annual General Meeting in 2023. The new policy was adopted and was implemented accordingly during 2024.

Executive Board and Supervisory Board changes

The Supervisory Board has appointed Dries Bögels to the Executive Board and vested in him the powers of a Sligro Food Group N.V. director under the articles of association after providing further details on the notice to shareholders regarding this appointment at the Annual General Meeting held on 27 March 2024.

The second term of office of Mr Freek Rijna as a member of the Supervisory Board of Sligro Food Group ended during the Annual General Meeting held on 27 March 2024. As of the aforementioned date, he was succeeded as Chair of the Supervisory Board and as a member of the Remuneration and Appointments Committee (R&AC) by Mr Dirk Anbeek.

The second term of office of Mr Gert van de Weerdhof as a member of the Supervisory Board of Sligro Food Group will end during the Annual General Meeting held on 14 May 2025. As of the aforementioned date, he will be succeeded as Chair of the Remuneration and Appointments Committee (R&AC) by Ms Angelique de Vries.

At the Annual General Meeting to be held on 14 May 2025, Mr Jan van Dam (54, Dutch nationality) will be nominated for appointment to the Supervisory Board of Sligro Food Group. Mr Van Dam has held the position of CEO of Dutch Flower Group since January 2020. From 1996 to 2019, he held various national and international positions at Albert Heijn, the last 1.5 years in the position of EVP for Specialty Stores and New Markets (Albert Heijn Board member).

Financial statements

The 2024 financial statements have been prepared by the Executive Board. They were discussed at a meeting attended by the external auditor, who provided further information on them. The financial statements have been audited by EY, whose unqualified report can be found in 'Other Information' on page 204.

The Supervisory Board has approved the financial statements as prepared by the Executive Board for the financial year 2024. Payment of a dividend of €0.40 per share is proposed in respect of 2024 (2023: € 0.30) per share.

We propose that the shareholders:
- adopt the 2024 financial statements;
- approve the profit distribution;
- grant full discharge from liability to the members of the Executive Board in respect of their management;
- grant full discharge from liability to the members of the Supervisory Board in respect of their supervision.

The Supervisory Board is very grateful to the Executive Board and all Sligro employees for their dedication, commitment and achievements in 2024. Great strides have been made organisationally and in terms of infrastructure. As a result, the focus in 2025 will centre to an even greater extent on adding profitable revenue and on continuous cost control in order to improve Sligro's structural profitability. The Board extends its thanks to all stakeholders for their support and commitment to Sligro.

Veghel, 26 March 2025

Dirk Anbeek, Chair
Aart Duijzer
Inge Plochaet
Angelique de Vries
Gert van de Weerdhof

Remuneration Report

This report explains how the remuneration policy approved by the Annual General Meeting of Shareholders has been put into practice over the past financial year (2024), and it details the remuneration that has been paid to or accrued by the individual members of the Executive Board. Members of the Executive Board and Supervisory Board are considered key Group staff members.

Composition and results of the remuneration policy

The remuneration policy[1] is published on the company website. There were no changes to this policy in 2024. The details of the Executive Board's remuneration are given each year in the financial statements. The key points of the remuneration policy are that:

- the policy extends to the remuneration of both the Executive Board and the Supervisory Board;
- the Supervisory Board drafts the policy and the Annual General Meeting adopts it;
- the remuneration policy must be put to the Annual General Meeting for re-adoption within four years of adoption of the existing policy;
- the Works Council is given the opportunity to provide its formal opinion to the Supervisory Board on the remuneration policy to be adopted;
- the policy provides the framework for attracting qualified candidates for the Executive Board;
- the remuneration policy must be competitive while also reasonable in comparison to that of the other members of management, and the pay and benefits package of the other employees in the company must also be taken into account, with the starting point being competitive remuneration for members of the Executive Board and other employees.

The remuneration package comprises:
- a fixed annual salary;
- a short-term bonus plan;
- a long-term bonus plan;
- pension accrual and other fringe benefits.

Remuneration of Executive Board members in office in 2024 that was charged to the result amounted to €2,691 thousand (2023: €2,011).

At the Annual General Meeting held on 27 March 2024, the Remuneration Report for 2023 was put to an advisory vote. 97% of the votes cast were in favour of the 2023 Remuneration Report. Given the contents of the Remuneration Report for 2024, it may be concluded that the total amount of remuneration is in line with the remuneration policy and contributes to the long-term performance of the company. The variable remuneration presented in this report includes an upper limit of 150% of the 'at target' amount. In the maximum outperformance scenario, a maximum payout of 150% of the 'at target' amount is considered appropriate.

There were no deviations from the remuneration policy or the decision-making process regarding the remuneration policy this year. Executive Board and Supervisory Board remuneration is not charged to subsidiaries.

[1] See website: www.sligrofoodgroup.nl – About > Corporate Governance > Codes and rules

The remuneration can be broken down as follows:

	Koen Slippens		Rob van der Sluijs		Dries Bögels		Total	
x € thousand	2024	2023	2024	2023	2024	2023	2024	2023
Fixed-variable remuneration[2]	**77%-23%**	**76%-24%**	**75%-25%**	**74%-26%**	**75%-25%**	**N/A**	**76%-24%**	**75%-25%**
Fixed pay	651	624	566	543	387	0	1,604	1,167
Short-term bonus	130	125	113	109	99	0	342	234
Long-term bonus[3]	114	142	99	123	69	0	282	265
Pension premium and compensation	206	206	119	115	102	0	427	321
Statutory social security costs	13	12	13	12	10	0	36	24
Total	**1,114**	**1,109**	**910**	**902**	**667**	**0**	**2,691**	**2,011**

Fixed pay
The fixed annual pay is reviewed in a three-year cycle, meaning that the remuneration package is benchmarked against a reference group of around twenty companies once every three years, with the help of an external expert. This was last done in 2021. The benchmark study performed was presented at the Annual General Meeting of 2022.
Based on the benchmark study results from 2021, the fixed remuneration for both Executive Board members was increased by 10% as per 1 January 2022)[4]. In the years 2023 and 2024, an increase was granted during the year as per the collective labour agreement/general pay increase (lowest increment used for employees in the 'above collective labour agreement' category). As a result, the average annual pay rise awarded over the 2022-2024 period is 6.17%. Given the development of the result, it was decided not to organise a review in 2024 to measure salary based on a reference group in the market. Consequently, in 2025, an increase will be granted as per the collective labour agreement/general pay increase (basic increment used for employees in the 'above collective labour agreement' category).

2022-2024	**Average**	**2024**	**2023**	**2022**
Increase	6.17%	4.50%	4.00%	10.00%

Short-term and long-term bonus

The Executive Board's variable remuneration comprises a short-term bonus paid in cash and a long-term bonus settled in shares.

The composition of half of the short-term bonus depends on the extent to which the annual budgeted profit target set by the Supervisory Board has been achieved and the other half depends on the achievement of specific, short-term targets set annually by the Supervisory Board on the recommendation of the Remuneration and Appointments Committee. The short-term bonus is awarded annually based on performance in the year in question, however quality-related targets do have a longer horizon, as they are linked to programmes that contribute to the company's long-term strategy and value creation. If and to the extent that the conditions for awarding the bonus have been met, the short-term bonus is paid out in the following year. On achieving 100% of the 'at target' level (where possible), a short-term bonus of 40% of the fixed gross salary as at 1 January of the year of granting is paid out in cash.

2) Fixed remuneration is the sum of fixed salary, pension contributions/compensation and statutory social security contributions. Variable remuneration is the sum of the short-term and long-term bonuses.

3) Concerns the cost of the long-term bonus based on IFRS and does not reflect the value of the long-term bonus when awarded or when made unconditional.

4) See website: www.sligrofoodgroup.nl – Investor relations > AGM > Previous Meetings of Shareholders > AGM of 23 March 2022 > Presentation > sheet 50 to 53

The objective in awarding a long-term bonus is to align the interests of the Executive Board with the long-term objectives of the Company's strategy, the interests of the shareholders and the interests of other stakeholders of the Company. It also serves as an incentive for members of the Executive Board to remain with Sligro Food Group. The composition of the long-term bonus depends on three targets, comprising two financial targets and one or some non-financial target(s), which are set in advance by the Supervisory Board on the basis of a proposal by the Remuneration and Appointments Committee. On achieving 100% of the 'at target' level, a long-term bonus of 60% of the fixed gross salary of the Executive Board member concerned is granted. This bonus is awarded in shares after deduction of tax.
The long-term bonus is conditionally granted annually in shares, based on performance over a three-year period commencing 1 January of the year in which the long-term bonus is conditionally granted (grant frequency: rolling; type of vesting: cliff). If and to the extent that the conditions for granting the long-term bonus are met, the grant of the shares becomes unconditional in the year after the three-year period referred to above has expired. A lock-up period of two years applies from the time that these shares have been unconditionally awarded. For an explanation of the treasury shares purchased, please see Note 20 - Earnings per share in the financial statements.

In the event of overachievement or underachievement of bonus targets, the short-term and long-term bonus will be determined in line with the percentages shown in the table below, with each bonus component assessed separately and, in the case of performance between 80% and 120% in relation to a component, the percentage will be calculated based on a linear ratio. The remuneration policy contains a more detailed explanation of the calculation method.

Variable remuneration	Bonus component	Threshold	Bonus 'at target'	Maximum
Short-term bonus (STB): cash	Budgeted profit target	10.0%	20.0%	30.0%
	Four qualitative targets	10.0%	20.0%	30.0%
Total STB		**20.0%**	**40.0%**	**60.0%**
Long-term bonus (LTB): shares	Financial target	9.0%	18.0%	27.0%
	Financial target	9.0%	18.0%	27.0%
	Non-financial target	12.0%	24.0%	36.0%
Total LTB		**30.0%**	**60.0%**	**90.0%**
Total		**50.0%**	**100.0%**	**150.0%**

Targets

For the year 2024, the four qualitative targets for the STB were set as follows (each 5% of fixed salary):
1. Ready for the first formal ESG report in 2025, relating to 2024, in accordance with the CSRD
2. Clear routes forward for SAP, as approved by the Supervisory Board
3. Successful implementation of the BeNe structure
4. Roll-out of the Belgium basic organisation structure programme as per plan

The following targets have been set for the 2024-2026 long-term bonus:
1. Financial target (18% of fixed salary): 2026 EBITDA: 7.5% of revenue
2. Financial target (18% of fixed salary): Total Shareholders' Return (TSR) based on 2026 AMX & AScX ranking[1)]
3. Non-financial target (24% of fixed salary): 42% decrease in CO_2 emissions in 2026 as % of revenue relative to 2010

The following targets have been set for the 2025-2027 long-term bonus:
1. Financial target (18% of fixed salary): 2027 EBITDA: 7.5% of revenue
2. Financial target (18% of fixed salary): Total Shareholders' Return (TSR) based on 2027 AMX & AScX ranking[1)]
3. Non-financial target[2)] (24% of fixed salary): Reduction of the Scope 1 and 2 greenhouse gas emissions (CO_2 emissions) to 39,200 tons CO_2eq in 2027

Short-term bonus result

In 2024, the short-term bonus was 50% (2023: 50%) of the 'at target' level, corresponding to 20% (2023: 20%) of fixed salary.

The main reason for the shortfall relative to the 'at target' level was non-achievement of the budgeted profit target. The qualitative targets were met.

In 2024, further action was taken to comply with the European CSRD, as a result of which we obtained an audit opinion in line with market practice. This objective has been achieved. The Supervisory Board approved the route forward for SAP and, as of year-end, implementation is on track. During 2024, phase 2 of the BeNe structure was successfully implemented. This led to a reduction in costs as a result of FTE downsizing. This goal was achieved. In addition, in 2024, the basic organisation structure programme for Belgium was also successfully rolled out. In 2024, JAVA and Rotselaar were integrated into the Group's existing systems and processes, and customers were redistributed across the sites.

The table below shows the bonus percentage achieved relative to the target. All percentages shown are percentages of fixed salary.

Target	Threshold	Bonus 'at target'	Maximum	Achievement
Net profit	10.0%	20.0%	30.0%	0.0%
Ready for ESG reporting	*	5.0%	*	5.0%
SAP route	*	5.0%	*	5.0%
BENE structure implementation	*	5.0%	*	5.0%
Belgium basic organisation structure roll-out	*	5.0%	*	5.0%
Total	*	**40.0%**	*	**20.0%**

1) Subject to application of the following scale: <25%: 0%; ≥25%-50%: 9%; ≥50%-75%: 18% (at target); ≥ 75%: 27%

2) For the 2025-2027 long-term bonus, the non-financial target has been adjusted relative to previous years. In 2024, we brought the way we calculate our CO_2 emissions in line with the CSRD and the Greenhouse Gas Protocol and thus set ourselves a new target for our Scope 1 and 2 GHG emissions.

* Each year, the Supervisory Board determines in advance whether there might be a threshold or maximum. This was not the case for 2024.

Long-term bonus

In 2024, 35,092 shares were conditionally awarded to the Executive Board under the 2024-2026 long-term bonus plan.
The number of conditionally awarded shares was determined by dividing the value of the bonus by the volume-weighted average share price for the 4th quarter of 2023, taking into account a 10% tax write-off in connection with a two-year resale ban.

The table below summarises the shares that have been conditionally granted to Executive Board members:

x €	Date of conditional award	Number of conditionally awarded shares net of tax (x1)	Market value per share on date of conditional award	Net market value at the time of conditional award	Date on which the award becomes unconditional	Lock-up period following unconditional award	Market value per share at the end of the financial year	Net market value at the end of the financial year	Gross fair value at the end of the financial year
Koen Slippens	22-3-2023	13,561	15.74	213,450	AGM 2026	2 years	10.14	127,878	253,223
Rob van der Sluijs	22-3-2023	11,790	15.74	185,575	AGM 2026	2 years	10.14	111,160	220,118
Koen Slippens	27-3-2024	13,228	13.86	183,340	AGM 2027	2 years	11.14	132,622	262,617
Rob van der Sluijs	27-3-2024	11,500	13.86	159,390	AGM 2027	2 years	11.14	115,299	228,315
Dries Bögels	27-3-2024	10,364	13.86	143,645	AGM 2027	2 years	11.14	103,914	205,770

Shares

Movements in Executive Board members' shareholdings break down as follows:

Shares

x 1	Koen Slippens	Rob van der Sluijs	Dries Bögels
Opening balance	114,151	17,867	5,455
Purchase	0	0	0
Sale	0	0	0
Closing balance	**114,151**	**17,867**	**5,455**

Long-term value creation
By using a performance period of three years for the long-term bonus followed by a lock-up period of a further two years on any shares acquired by exercising a share option, the remuneration structure is also geared towards forging a long-term mindset and encouraging long-term value creation. With this approach, a significant part of the remuneration is geared towards the longer term; this is in line with the company's strategic vision, which also focuses on long-term value creation.

Expense allowance
In addition to the above, members of the Executive Board also receive an expense allowance, as well as a kilometre allowance for driving a private car for business purposes. The breakdown of these allowances is as follows:

	Koen Slippens		Rob van der Sluijs		Dries Bögels	
x € thousand	2024	2023	2024	2023	2024	2023
Expense allowance	8	8	8	8	1	0
Kilometre allowance	37	36	28	25	25	0

Pay ratio
The pay ratio is the ratio between the pay of the CEO and that of the other employees of the Group. To calculate the pay ratio, we use the total remuneration, comprising fixed salary, bonuses, share options, and pension accrual, as well as the social security costs paid on this remuneration package. We compare the average pay of the CEO with the average pay of all other employees of Sligro Food Group. The table below shows the pay ratio over the last five years and how this was calculated:

x €1,000	2024	2023	2022	2021	2020
Koen Slippens, CEO	1,114	1,109	1,097	716	705
CEO					
Average number of FTEs	1.0	1.0	1.0	1.0	1.0
Average remuneration (A)	1,114	1,109	1,097	716	705
Other employees					
Average number of FTEs	4,591	4,578	4,016	3,974	4,115
Employee expenses	289,369	273,521	226,819	210,467	218,154
Average remuneration (B)	63	60	56	53	53
Total					
Average number of FTEs	4,592	4,579	4,017	3,975	4,116
Employee expenses	290,484	274,630	227,916	211,183	218,859
Average remuneration	64	60	57	53	53
A/B pay ratio	**17.6**	**18.6**	**19.4**	**13.5**	**13.3**

The calculation of the average remuneration of the other employees for 2020 and 2021 did not factor in the NOW and TWO[1] wage subsidy schemes provided by the Dutch and Belgian government respectively, because employees continue to be employed by the Group under these schemes.

The table below shows the development of the Group's financial and non-financial KPIs over the last five years:

x € million	2024	2023	2022	2021	2020
Revenue	2,890	2,859	2,483	1,898	1,946
EBITDA	138	137	126	109	75
EBIT	43	15	43	25	(76)
Dividend	18	13	24	0	0
Carbon reduction since 2010 as % of revenue	48.6	38.9	33.4	19.5	22.7
Scope 1+2 GHG emissions - ton CO_2eq	56,176				

Supervisory Board remuneration

The annual remuneration for the chair of the Supervisory Board amounted to €60 thousand (2023: €58) while the other Supervisory Board members were paid €46 thousand for a full year's service (2023: €40). Supervisory Board members also received compensation for attending Supervisory Board meetings amounting to €40 thousand (2023: €32). Supervisory Board chair and member remuneration does not depend on the company's results. Total remuneration amounted to €299 thousand (2023: €270). Supervisory Board members are not awarded shares and/or share options. No loans, advances and/or guarantees have been granted to Executive Board and Supervisory Board members. Total remuneration per Supervisory Board member can be broken down as follows:

x € thousand	2024	2023	2022	2021	2020
Dirk Anbeek, Chair	65	22	0	0	0
Gert van de Weerdhof	50	45	48	50	48
Aart Duijzer	59	50	44	0	0
Inge Plochaet	59	48	31	0	0
Angelique de Vries	49	40	31	0	0
Freek Rijna	17	63	68	73	65
Hans Kamps	0	2	55	53	50
Marianne van Leeuwen	0	0	0	31	50
Pieter Boone	0	0	0	40	22
Bart Karis	0	0	0	0	20
Total	**299**	**270**	**277**	**246**	**255**

[1] Tijdelijke Noodmaatregel Overbrugging Werkgelegenheid in the Netherlands (the Dutch temporary wage subsidy scheme) and Tijdelijke Werkloosheid door Overmacht in Belgium (the Belgian temporary wage subsidy scheme).

Sustainability Statement

At Sligro Food Group, sustainability and financial returns have been going hand in hand for many years now. The Corporate Sustainability Reporting Directive (CSRD) adds a new, regulated, dimension to our sustainability statement for 2024.

Sustainability

Being a listed family-run company, it goes without saying for us that we take responsibility for our employees, workers across our value chain and environment, with a constant focus on sustainable growth and future generations. This is also conditional on us generating acceptable financial returns, because without financial returns we will not be able to invest in sustainability. Sustainability is one of the Group's six strategic pillars, as also specified in the 'Our strategy' section of our management report.

Our double materiality assessment identified 14 sustainability topics that are material for Sligro Food Group. In line with our strategy, we have defined policies, targets and actions for each of these sustainability topics.

The material sustainability topics relating to **environment** are closely linked to our strategic efforts to decarbonise our activities. These efforts are focused not only on cutting our greenhouse gas emissions and decarbonising vehicles, but also on reducing waste and offering more sustainable alternatives in our product range.

The Group's activities also involve impacts at **social** level. This comes to the fore in the material sustainability topics we have identified with respect to jobs and the working conditions of both our own workforce and workers across our value chain, but also with respect to food safety and consumer health and nutrition. Our efforts in this domain are centred on diversity, good working conditions for workers across our value chain, and reducing the sugar, salt and saturated fat content in our Exclusive Brand products.

Governance is also important at Sligro Food Group, as partly reflected by the fact that business conduct is one of our material topics. While business conduct is primarily driven by our company's culture, we also focus on responsible business conduct across our organisation through our policies and concrete means such as our code of conduct, whistleblower scheme and e-learning modules.

In this sustainability statement, we will look back on our sustainability performance in 2024 and look ahead to our Environmental, Social and Governance (ESG) ambitions and actions.

Since this is the first year that we publish a sustainability statement in line with the standards set in the Corporate Sustainability Reporting Directive, this year's statement does not include comparative figures for previous periods. As a result, it is not yet possible to properly track developments in our sustainability performance over time. Over the coming years, however, we will be better able to track our sustainability performance and adjust our strategic choices as necessary.

CSRD's sustainability pillars

Environment

Social

Governance

Material sustainability topics

Environment

Climate change ESRS E1
- Greenhouse gas emissions
- Energy consumption

Pollution ESRS E2

Water and marine resources ESRS E3
- Management of fish species

Biodiversity and ecosystems ESRS E4
- Animal welfare
- Biodiversity
- Deforestation

Resource use and circular economy ESRS E5
- Waste and packaging materials

Social

Own workforce ESRS S1
- Employment and working conditions
- Employee satisfaction and development

Workers in the value chain ESRS S2
- Employment and working conditions in the value chain

Affected communities ESRS S3

Consumers and end users ESRS S4
- Consumer health and nutrition
- Food safety

Governance

Business conduct ESRS G1
- Business ethics and integrity
- Information security and privacy

Vision

Sligro Food Group's added value is not only expressed in terms of our financial performance; our integrated vision of entrepreneurship also extends to environmental, social and governance aspects. Our aim is to contribute to the health and well-being of stakeholders up and down our value chain by creating value with respect to ESG themes that are material for us. Given the growing interest in ESG among our customers, we believe that we, as a major player in the foodservice market in the Netherlands and Belgium, can help food professionals get ahead when it comes to sustainability as well.

Policy

The OECD guidelines are a natural reference for our international sustainability policy. Additionally, we draw inspiration from the societal impact we are able to make through our product range and the solutions we offer, as well as through our employees and our investments. We make that difference not by being a frontrunner in all domains, but rather by making carefully considered choices that are aligned with our stakeholders' expectations.

As a centrally managed organisation, we pursue a single sustainability policy for the whole Group. While our key focus areas cover all our activities in both the Netherlands and Belgium, we also align policy implementation with local circumstances or regulations where necessary. We share our sustainability policy with our subsidiaries, and also put it on their agendas. They subsequently pursue the policy targeting focus areas that are relevant both to them and to us.

Exclusive Brands

Our Exclusive Brands comprise our own brands and exclusive imports. Own-brand products are products that Sligro Food Group has developed itself and that are sold only at Sligro Food Group outlets. Exclusive imports where Sligro Food Group is the brand owner, are products that in the Netherlands or Belgium are sold only at Sligro Food Group outlets and where we can exert significant influence because we are also the brand owner.

As the brand owner for these Exclusive Brands, we have direct influence on product composition, product packaging and the required quality marks. This is why we are focusing our sustainability policy primarily on our Exclusive Brands, (not including customer-specific products), as those are the ones where we have the greatest direct influence. Our overall policy includes a drive to grow the share of our Exclusive Brand products in our product range.

When it comes to non-Exclusive Brand products, we largely depend on developments in the overall food industry. As an individual player in this industry, we have limited direct influence on the sustainability of our suppliers' products and quality marks. This is, however, still an important topic that we keep a close eye on in the market and address in all interactions with our suppliers, while also including it in our Suppliers' Manual. Depending on developments in the market and at our suppliers, we will in the future look into ways in which we can make a meaningful contribution to improving the sustainability of the non-Exclusive Brand products we sell and formulate policy for these products as well.

A more sustainable alternative

We have a large product range of around 75,000 items, for which we have a clear sustainability vision:
We encourage customers to make more sustainable choices. We do this by making sure that products that are produced with consideration for people, health and the environment are easily accessible and clearly recognisable. To be considered a more sustainable alternative, a product must at least carry one independent, transparent and audited quality mark as defined by Milieu Centraal. If it does, the product qualifies for inclusion in our 'eerlijk & heerlijk' range, which is intended to help customers choose more sustainability alternatives. We have included ten of Milieu Centraal's twelve top labels in our product range, along with several other quality marks from their 'Keurmerkenwijzer' (quality mark guide) that achieved adequate scores.

For more information about our 'eerlijk & heerlijk' range, see Eerlijk & heerlijk: a responsible choice | Sligro.nl.

About this sustainability statement

For many years now, we have adopted an integrated approach in our financial and sustainability reporting, as this is the best fit with our vision of sustainability. Since we are a listed company, the Corporate Sustainability Reporting Directive (CSRD) became applicable to us as of the 2024 financial year. The CSRD not only sets out the sustainability topics to be reported on but also the manner and the format in which the reporting must take place.

Approach and organisational embedding

Sustainability is one of the Group's six strategic pillars. This ensures the right level of attention and embedding of our sustainability development. The Executive Board is responsible for sustainability, and it is supported by the ESG Steering Committee. Chaired by the CEO, the ESG Steering Committee prepares policy-related resolutions and targets that are subsequently adopted by the Executive Board. The individual ESG Steering Committee members are responsible for the operational implementation and embedding of the policy within their respective departments or fields, as well as for annual planning actions aimed at achieving the targets. At their meeting every two months, the ESG Steering Committee as a whole monitors progress and makes adjustments where required.

Impacts, risks and opportunities are identified, assessed and adopted as part of the double materiality assessment. This process is the responsibility of the Group Control department, which relies partly on input from the ESG Steering Committee. The results of this process, i.e. the impacts, risks and opportunities (IROs) identified by the ESG Steering Committee, are assessed and adopted by the Executive Board, which subsequently discusses them with the Audit Committee and the Supervisory Board at least once a year as part of their regular supervisory role. The results are discussed in detail, combined with information and findings from the company's risk management process. The material impacts, risks and opportunities are detailed in the relevant theme-based sections under 'Environmental' (E), 'Social' (S) and 'Governance' (G).

Information about the composition, experience and background of the Executive Board, Supervisory Board members, and the governance structure is provided in the 'Executive Board member details' and 'Supervisory Board member details' sections of the 'Corporate governance' chapter of the management report. Information on the remuneration and bonus structure is provided in the 'Composition and results of the remuneration policy', 'Short-term and long-term bonus' and 'Supervisory Board remuneration' sections of the 'Remuneration report' chapter of the management report.

The Group Control department is responsible for the periodic ESG reports, as they monitor progress made on ESG targets and metrics together with the ESG Steering Committee. Over the coming years, the internal control environment of periodic ESG reports will be elevated to the same level as the internal control environment of our financial reporting, which will see ESG-related topics assessed and followed up on by the Executive Board on a periodic basis. The design of the internal controls is based on risk assessments (partly given the outcome of the double materiality assessment).

Our place in the value chain

The value chain in foodservice is long and we are present in relatively many business-to-business links of that value chain, as a result of which our sustainability efforts are broad in scope. Our foodservice brands - Sligro, De Kweker, Van Hoeckel, Bouter JAVA Foodservice and Sligro-M - are wholesale operations. As a result, we rarely, if ever, come into contact with end consumers, which reduces our scope for direct impact in certain areas.

Value chain transparency

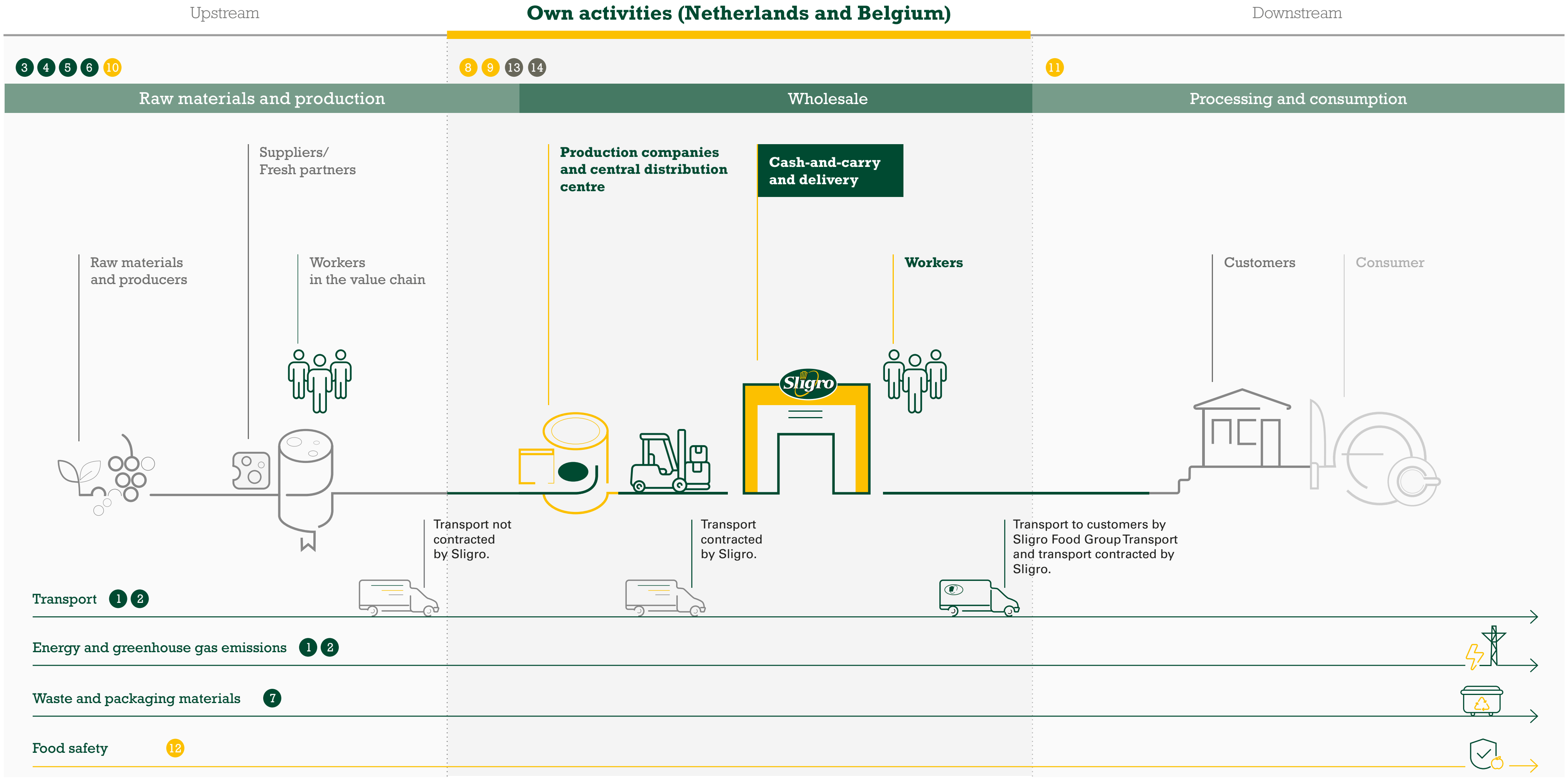
In the value chain, our influence is greatest with our direct suppliers. Our Suppliers' Manual identifies what operational information and data are required to be able to do business with us. In addition, the manual focuses on our vision of sustainability, our core values, quality and traceability, sustainable trading, audits and value chain transparency, as well as working conditions and human rights.

We require every supplier to be transparent with Sligro Food Group as to their value chain to at least the 'last point of assembly', i.e. the production sites that form the final link in the value chain behind the Tier 1 suppliers. By making our value chains more transparent, we can understand them better, which in turn allows risks to be identified and analysed. Every supplier with a producer based in a country classified as high risk by Amfori BSCI must provide transparency about how good working conditions are assured.

In the 'General' chapter, we will explain how we identify impacts, risks and opportunities using the double materiality assessment. For more details on each material topic, including policy, actions, targets and metrics, see the theme-based sections under 'Environmental' (E), 'Social' (S) and 'Governance' (G).

Value chain

Through our core values, the power of our people, our infrastructure and collaboration with our partners, we create value for our stakeholders.



Material sustainability topics

1 Greenhouse gas emissions
2 Energy consumption
3 Management of fish species
4 Animal welfare
5 Biodiversity
6 Deforestation
7 Waste and packaging materials
8 Employment and working conditions
9 Employee satisfaction and development
10 Employment and working conditions in the value chain
11 Consumer health and nutrition
12 Food safety
13 Business ethics and integrity
14 Information security and privacy

Environmental | Social | Governance

General

Policies applied in preparing the sustainability statement

Frameworks and data selection

The sustainability statement was prepared in compliance with the European Sustainability Reporting Standards (ESRS), as included in the Corporate Sustainability Reporting Directive (CSRD) adopted by the European Commission. Pre-empting transposition of this framework into Dutch law, we have decided to apply it already. The sustainability statement is divided into Environmental, Social and Governance chapters. These chapters cover all sustainability matters that are relevant to the Group and that our double materiality assessment (DMA) has shown to be material. The scope of our DMA and the methodology and assumptions we used are further explained in the 'Double materiality assessment' section. Our GHG emission data (GHG Scope 1, 2 and 3) is reported based on the Greenhouse Gas Protocol.

Given Sligro Food Group's firm belief that it can make a direct impact on the targets within our own activities, the goals set are geared towards those impacts, risks, and opportunities that are within Sligro Food Group's direct sphere of influence. Wherever the company also has some influence on the impacts, risks and opportunities within Sligro Food Group's value chain and the related objectives, this has been recognised explicitly in this statement and notes have been included to detail why objectives have been formulated for that.

Measurement basis

The methodologies and assumptions adopted for the financial year are based on the aforementioned ESRS, meaning that ESG metrics as reported in previous years have, as of the 2024 financial year, been adapted to comply with the compulsory definitions under the ESRS. The definitions, assumptions and emission factors used are listed in the 'Methodologies and assumptions' appendix, along with references. Since the 2024 financial year is the first financial year for which we publish a report under the ESRS, a number of metrics have not yet been included, as permitted under transitional provision 10.3 of ESRS 1. The metrics for which we have applied this transitional provision are detailed in the 'Appendices and disclosure requirements' chapter on page 133.

Consolidation and scope

The data in the sustainability statement has been consolidated by applying the same accounting policies as those used for the financial statements (see the 'I. Consolidation principles' section of the financial statements). As a result, the consolidated ESG data comprises the data of Sligro Food Group N.V. and the subsidiaries over which Sligro Food Group has control. Intragroup data is, to the extent applicable and possible, eliminated in preparing the sustainability statement.

Data of associates is not included in the consolidated ESG data. Associates' greenhouse gas emission data must be included in the consolidated ESG data to the extent to which the Group has operational control of the associates. Owing to the fact that the Group does not have operational control over any of its associates, greenhouse gas emissions are consolidated on the basis of the same organisational boundaries as those used for the other ESG data.

All quantitative ESG data is consolidated as per the above principles, unless stated otherwise.

The sustainability statement also covers activities in the Group's upstream and downstream value chain. The frameworks of the details disclosed in this statement are included in the theme-based sections of this statement, i.e.: Climate change (E1), Water and marine resources (E3), Biodiversity and ecosystems (E4), Resource use and circular economy (E5), Workers in the value chain (S2) and Consumers and end-users (S4).

Limitations to our sustainability statement

The 2024 sustainability statement marks our first year of reporting sustainability information based on the European Sustainability Reporting Standards (ESRS). This first year comes with a lot of uncertainty due to the lack of historical information, industry-specific standards and reliable (market) data. In addition, implementation guidelines and other regulations are still in the works and the Corporate Sustainability Reporting Directive (CSRD) has as yet not been transposed into Dutch law. This meant that we had to work around the following relevant inherent limitations in preparing this sustainability statement:

- Due to this being our very first sustainability statement, we used assumptions, estimates and judgements for any information presented that contained some level of uncertainty. While the utmost care and effort went into making our calculations and estimates, the outcome of the calculations and estimates presented in our sustainability statement may turn out differently as additional information, interpretations and/or insights emerge in the future.

- We are constantly working to bolster our internal management system for sustainability information. These efforts will help make future sustainability statements consistent and reliable.

- For this reporting year, we were also limited by the lack of sufficient data from across our value chain. Given that a large part of our value chain was not yet subject to the sustainability reporting obligation in 2024, many parties are lagging behind when it comes to making relevant information available. As parties across the value chain develop their reporting processes, we expect to be able to recognise more comprehensive and accurate data in our sustainability statement.

- Due to the lack of historical information for sustainability reporting that is making it impossible to compare our performance to that of other companies, as well as the lack of industry-specific standards, the interpretations, metrics and estimates we use may not be the same as those used by other companies.

Despite the limitations outlined above, the results of our processes, calculations and estimates, as presented in this sustainability statement, give a faithful representation in accordance with the ESRS and are based on our best assessment given the information currently available.

Limitations of the double materiality assessment process

In performing our double materiality assessment, we drew on the experience and knowledge of internal employees. We also validated the outcome with external stakeholders. Again, this was the first time we conducted this kind of assessment, meaning that it, too, is subject to the aforementioned inherent limitations. Over the coming years, we will further refine our double materiality assessment and embed it into our ongoing due diligence processes and stakeholder dialogue. On top of that, we will enrich this process with any industry-specific information, information from similar companies and other experiences, which may end up influencing the outcome of our double materiality assessment in the long term.

Despite these inherent limitations, the results of the double materiality assessment process, as presented in this sustainability statement, give a faithful representation in accordance with the ESRS and are based on our best assessment given the information currently available.

Main judgements, estimates and assumptions

Preparing a sustainability statement requires the Executive Board to make judgements, estimates and assumptions that affect disclosure of several pieces of ESG data. Estimates and assumptions that are significant to the Group relate to the calculation of emission factors, Scope 3 GHG emissions, soya credits, packaging material recyclability and waste. Further details of these estimates and assumptions are provided with the ESG data and methodologies in question. Estimates and assumptions are made based on prior experience, the development of ESG reporting standards and expectations for the future that, given the circumstances, can be deemed relevant. The actual results may differ from these estimates.

Changes in estimates will be recognised in the period during which the estimate in question is revised. Additionally, we make estimates in applying the methodologies. For details of the most important estimates, judgements and assumptions we have applied, see the pages of tables listing quantitative ESG data.

Comparative figures

Adjustments to comparative figures as part of our ESG data are made by performing an assessment on individual data level as to whether figures need adjusting. Whenever data has been adjusted, this will always be clearly stated in the explanatory notes.

In line with ESRS 1.136, Sligro Food Group has used the exemption from having to include comparative figures for the first year it prepares a sustainability statement based on the CSRD, unless such figures were already reported in prior years.

Reference and other EU legislation

The appendix to the sustainability statement includes a list of sections of the sustainability statement that must be made public but have been included by reference only. The appendix provides a list of data points in cross-cutting and topical standards that derive from other EU legislation.

Targets

Targets have been set by the ESG Steering Committee and adopted by the Executive Board. Targets were set based on internal measurements for the 2023 and 2024 financial years, the knowledge and experience of subject-matter experts working at Sligro, and calculation of the implications of actions going forward. We have not liaised with external stakeholders in setting our targets.

Double materiality assessment

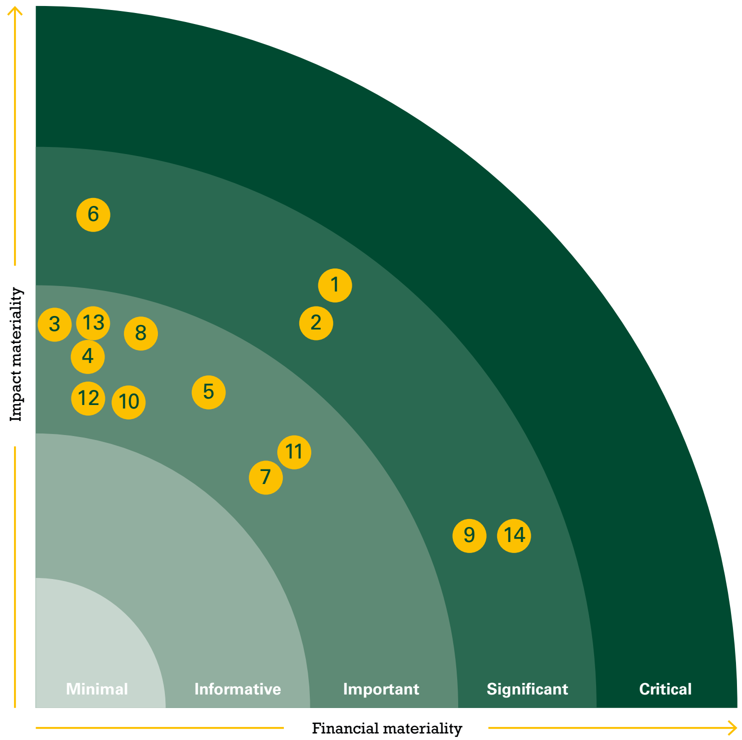
Introduction

We conducted our double materiality assessment (DMA) based on the ESRS.

While we are convinced that the result presented below provides a true and fair view of our impacts, risks and opportunities, we also recognise that the methodology has its limitations. With this in mind, we will recalibrate our DMA over the coming years based on interpretations and experiences from the market.

Results

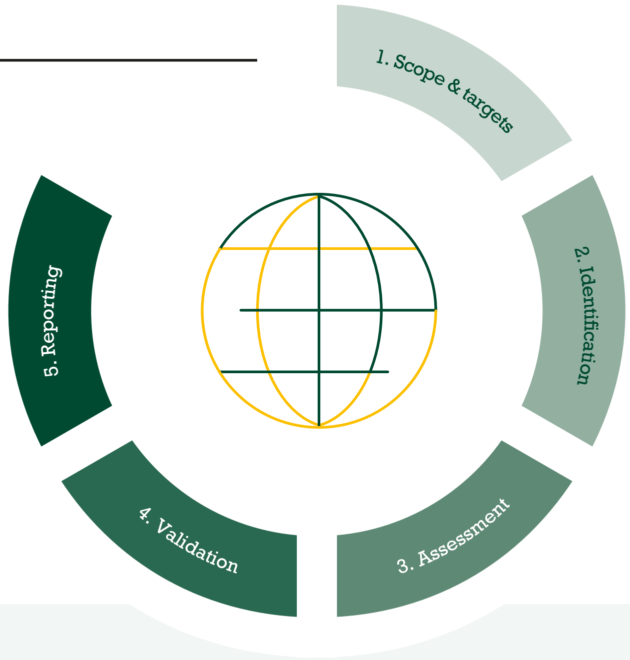
On the one hand, we identified Sligro Food Group's impact on the environment and society (impact materiality), while on the other we identified the sustainability-related risks that we are exposed to as a company and the opportunities this offers, both from the perspective of financial materiality (outside-in). The chart below shows the assessment result for each material topic.



Material sustainability topics

1. Greenhouse gas emissions
2. Energy consumption
3. Management of fish species
4. Animal welfare
5. Biodiversity
6. Deforestation
7. Waste and packaging materials
8. Employment and working conditions
9. Employee satisfaction and development
10. Employment and working conditions in the value chain
11. Consumer health and nutrition
12. Food safety
13. Business ethics and integrity
14. Information security and privacy

Double materiality assessment



1. Scope and targets
What materiality means for Sligro Food Group and what our targets are.

2. Identification
Identify and define potential material topics.

3. Assessment
Perform an assessment to investigate which topics are likely to be material from an impact perspective and/or financial perspective.

4. Validation
Validate the results of step 3 with external stakeholders.

5. Reporting
Document the results and process of the materiality assessment.

Material sustainability-related impacts, risks and opportunities

As apparent from the chart on page 80, we have identified 14 sustainability topics as being material for Sligro Food Group. Further details on each material sustainability topic are provided in the relevant theme-based ‘Environmental’, ‘Social’ and ‘Governance’ chapters, where we specify for each material sustainability topic the sub-topics to which our material impacts, risks and opportunities relate.
In this statement, we have detailed policy, actions, targets and metrics for the material impacts, risks and opportunities.

Methodologies and assumptions

Process
We have defined process steps for the performance of the double materiality assessment.

Process steps
1. Define ‘materiality’
The first phase saw us define what ‘materiality’ means for Sligro Food Group, which included determining which business units are in scope for the sustainability statement. As part of this step, we set and adopted thresholds for the various criteria for both impact materiality and financial materiality.

2. Identify risks, opportunities and impacts
In preparation for the workshops for the materiality assessment, we compiled a longlist of potential and actual negative and positive impacts and financial risks or opportunities. This longlist was discussed and validated by the ESG Steering Committee.

3. Assess which topics are material
Based on the longlist from step 2, we organised an interactive work session to assess the materiality of each ESRS topic based on the threshold set in step 1. Those who took part in the workshop provided input on each of the topics, based on which the ‘degree of materiality’ of each topic was determined.

4. Align and validate with external stakeholders
Our policy reinforces our commitment to actively listening to and working together with our stakeholders. Insights resulting from such stakeholder engagement serve as information for our double materiality assessment.

This saw us discuss the provisional results of the materiality assessment from step 3 with external stakeholders. We engage in stakeholder dialogue in various ways, including through talks, interviews and surveys among various external stakeholder groups. The outcome of our stakeholder dialogue was discussed with the Executive Board and did not lead to significant changes to the results of the materiality assessment from step 3. The table below shows how we engaged in dialogue with external stakeholders.

5. Evaluate and adopt results
The results of steps 1 to 4 were discussed with the ESG Steering Committee and Sligro Food Group's Executive Board. All aspects were validated and the Executive Board proceeded to adopt the results of the materiality assessment, as included on page 80. The assessment with the aforementioned materiality threshold ultimately resulted in a final list of 14 themes that were assessed as being 'important' or higher. This final list was discussed and adopted by the Supervisory Board.

Stakeholder	How we engaged in stakeholder dialogue	Target
Shareholders	- Discuss initial DMA outcome - Direct dialogue and discussion with major shareholders (>3%) - Explanation and discussion at AGM and capital market day	- Insight into expectations with respect to sustainability - Attract responsible investors - Increase transparency
Strategic partners	- Discuss initial DMA outcome	- Build trust - Offer sustainable solutions
Other suppliers	- Engagement through surveys	- Build trust - Offer sustainable solutions
Customers	- Engagement through surveys	- Offer sustainable solutions - Make customers aware of sustainable choices
Finance providers	- Inform on initial DMA outcome - Questionnaire provided - Discussion with additional explanation for specific finance providers	- Insight into representatives' views - Attract responsible investors - Increase transparency
Employees	- Discuss initial DMA outcome - Explanation and discussion with works council	- Understand employees' perceptions and experiences - Contribute to a sustainable work environment
Other	- Discuss initial DMA outcome - Explanation and discussion with Supervisory Board	- Understand perceptions and experiences - Gain insight into views

Scope
For our own activities, we have identified and assessed the impact on the environment and people, as well as potential risks and opportunities.

We have also assessed the impacts, risks and opportunities from our value chain, whereby we looked at both our upstream and our downstream activities. The assessment of our value chain is based on internal knowledge and focused primarily on our direct suppliers and customers, especially in the identification and assessment of the effects on 'Climate change' (E1), 'Resource use and circular economy' (E5), 'Workers in the value chain' (S2), and 'Consumers and end-users' (S4).

In our assessment of impact materiality, we looked at positive and negative impacts, as well as at current and potential impacts in respect of sustainability issues.

In our assessment of financial materiality, we looked at potential and actual sustainability-related risks and opportunities that may have a negative financial impact on Sligro Food Group.

For potential impacts, risks and opportunities in terms of both impact materiality and financial materiality, we estimated the likelihood of the risk or opportunity materialising.

Scoring
Impacts *(inside out -> impact materiality)*
As per the ESRS guidelines, the three parameters of 'scale', 'scope' and 'irremediable character' were used jointly to determine the severity of the actual impacts.

1. In scoring the 'Scale' of an impact, we assessed the extent of both the positive and negative impact on the environment and/or people.
2. We scored the 'Scope' of an impact by assessing how widespread the impact is, based on parameters such as the number of sites and the number of employees.
3. The 'irremediable character' score is based on our assessment of how difficult, in terms of costs and time, it will be to reverse the damage.

Each of the above three parameters had the same weighting in determining the actual negative and positive current impacts. When it comes to negative and positive potential impacts, these parameters were qualified based on the degree of likelihood of the impact materialising. This means that low likelihood will result in a lower impact score, except for human rights impacts, where the seriousness of the impact takes precedence over likelihood. The 'irremediable character' score was used only to classify negative impacts.

Risks and opportunities *(outside in -> financial materiality)*
Sligro Food Group expresses the extent of financial impact as a percentage of EBITDA, ultimately classifying the impact as low, medium or high. The likelihood of a potential risk or opportunity materialising is also weighed in the classification, meaning that low likelihood will result in a lower score.

Thresholds

We have set the materiality thresholds at 'important', which means that impacts, risks and opportunities scored as being 'important' or higher are deemed material. The table on page 84 lists the topics that have come out of this classification process as material topics for Sligro Food Group.

Connectivity matrix

	Material theme	Material topics	Impact materiality	Financial materiality	Main impact, risk and/or opportunity	Place in the value chain	Time horizon	Link to SDG	Reference, from
Environmental	Climate change	Greenhouse gas emissions	✔	✔	The effects of climate change, such as rising temperatures and extreme weather events, resulting in, for example, crop failures or reduced harvests, may affect the availability of certain products or procurement costs through higher raw material or procurement prices.	Upstream, Own activity, Downstream	Medium term, Long term	7, 13	p. 87
					Sligro Food Group has a negative impact on climate change through the greenhouse gas emissions from its own energy consumption (Scope 1 and 2) and across the value chain (Scope 3) from activities such as agriculture and transportation.	Upstream, Own activity, Downstream	Medium term, Long term		p. 87
					There is a financial risk with respect to greenhouse gas emission reduction efforts as a result of shortages of available power in the market, higher-than-expected investments for rebuilds, rising material prices for refrigeration systems and electric vehicles, unexpected regulation of diesel-powered vehicles, and possible fines for emissions from chemical refrigerants.	Upstream, Own activity, Downstream	Medium term, Long term		p. 87
		Energy consumption		✔	Scaling back energy efficiency measures and subsidy schemes is a way to achieve further cost reduction. This can also be achieved by way of contractual arrangements with our energy suppliers.	Upstream, Own activity, Downstream	Medium term, Long term		p. 87
	Water and marine resources	Deforestation and management of fish species	✔		Purchasing marine resources such as fish products may have a potential negative impact on water and marine ecosystems.	Upstream	Medium term, Long term	14	p. 100
	Biodiversity and ecosystems	Animal welfare	✔		Sligro Food Group may have a negative impact on animal welfare by procuring and selling animal products such as eggs, meat and dairy products.	Upstream	Short term, Medium term, Long term		p. 102
		Biodiversity	✔		Through its supply chain, Sligro Food Group may have an indirect impact on biodiversity and ecosystems due to the procurement of (unprocessed) agricultural products and packaging materials. Sligro Food Group has identified a risk in the loss of biodiversity because it may reduce the availability of foodstuffs.	Upstream	Medium term, Long term	15	p. 102
		Deforestation	✔		In Sligro Food Group's supply chain, agricultural activities may lead to conversion of natural ecosystems due to deforestation.	Upstream	Medium term, Long term		p. 102
	Resource use and circular economy	Waste and packaging materials	✔	✔	Sligro Food Group contributes to food safety and reduction of wastage by using sustainable product packaging. Within the legal frameworks, we look for ways to reduce the environmental impact of the packaging we use.	Upstream, Own activity, Downstream	Medium term, Long term	12	p. 106
					Our activities involve a negative impact on (food) waste because there will always be products left over that cannot be used for alternative purposes, thus generating food waste.		Medium term, Long term		p. 106
					Besides food waste, Sligro Food Group also has a negative impact on non-food waste resulting from our operational processes. Sligro Food Group stands to gain financially by separating waste so that it can be processed into new raw materials.		Medium term, Long term		p. 106

Upstream Own activity Downstream Short term (< 1 year) Medium term (1-5 years) Long term (> 5 years)

	Material theme	Material topics	Impact materiality	Financial materiality	Main impact, risk and/or opportunity	Place in the value chain	Time horizon	Link to SDG	Reference, from
Social	**Own workforce**	Employment and working conditions	✔		Sligro Food Group may have a negative impact on its employees' well-being, especially when it comes to the work-life balance	Own activity	Short term (< 1 year); Medium term (1-5 years)	4 Quality Education; 8 Decent Work and Economic Growth; 10 Reduced Inequalities	p. 112
					Sligro Food Group brings about positive impact by promoting employee training and development by offering career development opportunities, including internal and external training and regular performance reviews.				p. 112
					Offering equal opportunities and preventing discrimination within its own activities can have a positive impact for Sligro Food Group.				p. 112
		Employee satisfaction and development	✔	✔	Ensuring fair pay, social security and freedom of association (works council) has a positive impact on employee satisfaction and retention. Rising employee satisfaction is expected to improve well-being and contribute to a more positive work environment.	Own activity	Short term (< 1 year); Medium term (1-5 years)	8 Decent Work and Economic Growth	p. 112
	Employees in the value chain	Employment and working conditions in the value chain	✔	✔	Sligro Food Group is in a position to have a positive impact in this respect by procuring products from companies that pay their workers adequate wages.	Upstream	Short term (< 1 year); Medium term (1-5 years)	4 Quality Education; 8 Decent Work and Economic Growth	p. 119
					Sligro Food Group sees potential financial risks caused by unhealthy working conditions and violations of safety standards that may damage our reputation and lead to financial penalties. In addition, there are potential negative impacts on health issues in industries where workers are exposed to pesticides and/or chemicals.				p. 119
	Consumers and end-users	Consumer health and nutrition	✔		Sligro Food Group can reduce the negative impact on consumer health through its product range by making customers aware of the health effects of products and suggesting healthy options.	Downstream	Short term (< 1 year); Medium term (1-5 years)	3 Good Health and Well-being	p. 123
		Food safety	✔	✔	Product safety and quality within Sligro Food Group's supply chain is essential. Products that cause serious health risks to customers may lead to potential (financial) risks such as reputational damage, recalls or, in very serious cases, legal prosecution.	Upstream; Own activity; Downstream	Short term (< 1 year); Medium term (1-5 years)		p. 123
Governance	**Business conduct**	Business ethics and integrity	✔		Ethical issues such as bribery, corruption and competition-disrupting practices may occur in both Sligro Food Group's upstream and downstream value chain. Within its own activities, similar problems may occur, such as unfair competition and insider trading.	Own activity	Short term (< 1 year); Medium term (1-5 years)	16 Peace, Justice and Strong Institutions	p. 128
		Information security and privacy	✔	✔	Sligro Food Group may be exposed to a financial risk or have a negative impact on the data protection and privacy of business partners in the value chains, which may also involve a financial risk. Insufficient or ineffective data security and privacy controls potentially increase these partners' vulnerability. Within its own activities, Sligro Food Group is also responsible for the security and privacy of the company's own and employees' data; inadequate security measures may end up increasing the vulnerability of people working in the Group's direct operations.	Own activity	Short term (< 1 year); Medium term (1-5 years)		p. 128

Upstream | Own activity | Downstream | Short term (< 1 year) | Medium term (1-5 years) | Long term (> 5 years)

Environmental

27,348 ton CO_2-eq
Scope 1 GHG emissions

Target for 2030: **15,000**

28,828 ton CO_2-eq
Market-based Scope 2 GHG emissions

Target for 2030: **5,000**

1,695,950 ton CO_2-eq
Scope 3 GHG emissions

27.3%
Revenue from more sustainable alternative -animal welfare categories

Target for 2030: **31.0**

13.8%
Revenue from more sustainable alternative - biodiversity categories

Target for 2030: **19.0**

13,298 ton
Total amount of waste

Target for 2030: **13,400**

Environmental

Besides the material environmental-related topics, this chapter on the theme of Environmental (E) also specifies the disclosures required under Article 8 of the EU Taxonomy Regulation.

Climate change (E1)

Introduction

Slowing climate change is a major focus in society today and for Sligro Food Group. This has resulted in initiatives at our company around decarbonising our energy consumption and cutting greenhouse gas emissions within our sphere of direct influence. In assessing solutions that we can use, we aim to strike a sustainable balance between ecological impact and economic growth and returns.

Transition plan for climate change mitigation (E1-1)

Sligro Food Group's transition plan is geared towards reducing greenhouse gas emissions in line with our long-term climate strategy.

Since 2010, we have been working to cut the carbon emissions from our activities and have set a target to reduce carbon emissions in relation to revenue. In 2024, we have brought the way we calculate the greenhouse gas emissions into line with the CSRD and the Greenhouse Gas Protocol and thus set ourselves a new target for our Scope 1 and 2 GHG emissions.

While emissions from Sligro Food Group's own operations (Scope 1 and 2) make up just a relatively small part of our total emissions across the value chain, we do have direct control over these emissions and are, therefore, able to have the greatest direct impact on these emissions in the short term. The Scope 3 GHG emission calculations do still contain a considerable number of estimations and we still have limited insight into the significant Scope 3 GHG emissions.

Our target is to reduce (market-based) Scope 1 and 2 GHG emissions to a maximum of 52,000 tCO_2eq in 2025 compared to 56,176 tCO_2eq in the 2024 base year. We are aiming to reduce our (market-based) Scope 1 and 2 GHG emissions to a maximum of 20,000 tCO_2eq by 2030. This target for 2030 is compatible with the Paris Agreement.

We expect to achieve our objectives through several concretely defined and realistic actions:

- Procurement of electricity from renewable sources: our aim is for 100% of the electricity we procure to come from renewable sources by 2030, provided that the costs remain economically acceptable.
- Use of eco-friendly refrigerants: over the past years, we have already replaced a large number of refrigeration systems that use chemical refrigerants with systems with natural refrigerants or very-low-emission refrigerants. Our aim is to replace all chemical-based refrigeration systems by 2030. This aim has also been incorporated into our investment programme through to 2030.
- Reduction of energy consumption by 5-15% by greening our buildings: over the coming years, we will continue to take various buildings off natural gas, improve insulation, install LED lighting and fit solar panels.
- In 2023, we purchased our first electric trucks. By 2030, we expect to have replaced 10-25% of our current fleet of diesel-powered trucks with electric trucks and electrified all our other vehicles.

A considerable portion of our annual investments go towards greening and converting our sites and decarbonising our transportation activities. Our investments in 2024 are detailed in the 'Financial results' and in the 'EU taxonomy CapEx' table in the appendices. Over the period from 2025 to 2030, we expect to have to invest reasonably similar amounts to hit our Scope 1 and 2 GHG emission reduction target for 2030. The procurement of power generated from renewable sources instead of purchasing grey electricity has thus far pushed up our premises expenses slightly. We are aware that switching to 'green power' comes with a risk of increased costs, which is why we will also continue to work to reduce our energy consumption and generate our own energy from renewable sources.

Through to 2030, our Scope 1 and 2 GHG emissions will mainly come from the diesel burnt by part of our trucks, natural gas consumed at a number of our sites, chemical refrigerants used in some of our refrigeration systems, and the grey electricity we still purchase. Emissions caused by chemical refrigerants used in refrigeration systems that are yet to be replaced are unpredictable and could lead to more emissions over the period up to 2030. Delays in the rebuilding of several sites or 'green power' being more expensive than anticipated may also result in a delay in us achieving our Scope 1 and 2 GHG emission reductions, meaning higher emissions over the coming six years.

Beyond 2030, we expect to have only a few buildings left to take off natural gas. Electrification of our trucks will continue beyond 2030 and depend partly on developments with respect to the Dutch and Belgian power grids and legislation on access to city centres that is intended to ensure a level playing field in the industry.

The investments included in the transition plan are aligned with the Group's medium-term strategy and part of the Group's overall investment plans for the coming years. The transition plan has thus been embedded within the organisation and has been approved by the Executive Board and the Supervisory Board. Investments realised and contracts entered into over the 2024 financial year that contribute towards the Scope 1 and 2 GHG emission reduction target are in line with the expected actions as specified in the transition plan.

Strategy and business model (ESRS 2 SBM-3)

Sligro Food Group has a product range spanning approximately 75,000 items and operates in all the key segments of the Dutch and Belgian foodservice market. We adjust our product range continuously based on supply and demand. Offering a product range made up of high-quality products that meet people's needs, and delivering these products on time, is our core business.

In the last quarter of 2024, we conducted a resilience analysis based on the climate risk assessment and transition risk assessment. Given that our assets are exposed to relatively minor climate risks and given the wide spread of cash-and-carry and delivery service wholesale outlets across the Netherlands and Belgium, we are sufficiently resilient to be able to absorb the fallout of any climate-related incidents in either country.

We expect the climate risks in our value chain to be greater in the future. There will be an increasing risk of limited availability of products due to shortages of raw and other materials. The geographic spread of our suppliers and long-term partnerships allows us to reduce this risk where possible. We are also looking ahead and engaging with customers on possible alternatives. In the short term, close coordination between the procurement and product range management and supply chain departments will ensure optimum availability of critical products and materials.

As we keep close track of new energy transition legislation and regulations, we were able to respond in time to the implementation of zero-emission zones for trucks and vans in 14 city centres and have revised our investment plans to replace old refrigeration systems that still use chemical refrigerants in good time. We do not expect this to lead to major changes in our strategic plan. This is, however, subject to the basic condition of having a reliable government that does not continuously 'move the goalposts'.

Impact, risk and opportunity management (ESRS 2 IRO-1)

ESRS E1 Climate change

Material impact, risk or opportunity	Description
Climate change adaptation (physical risk)	Sligro Food Group may be exposed to a financial risk due to the impacts of climate change, such as rising temperatures and extreme weather conditions that lead to failed or smaller harvests. This may affect availability of certain products or procurement costs due to higher commodity prices and/or production costs.
Climate change mitigation (impact)	Sligro Food Group has a negative impact on climate change through the greenhouse gas emissions from its own energy consumption (Scope 1 and 2) and across the value chain (Scope 3) from activities such as agriculture, cattle farming and transportation.
Climate change mitigation (transition risk)	Sligro Food Group may be exposed to a financial risk with respect to its greenhouse gas emission reduction efforts as a result of shortages of available power in the market, higher-than-expected investments for rebuilds, refrigeration systems, and electric vehicles due to rising material prices, unexpected and inconsistent regulation of diesel-powered vehicles, and possible fines for emissions from chemical refrigerants.
Energy (opportunity)	We can reduce our operating expenses by implementing energy-efficiency measures and using subsidy schemes. This can also be achieved by way of contractual arrangements with our energy suppliers.

Climate risk assessment

In 2024, we identified both climate risks and climate transition risks.

Climate-related physical risks in own operations
We have assessed which of our assets are of material importance for the continuity of our business activities, concluding that this is the case for several of our premises in the Netherlands and Belgium.

The EU Taxonomy identifies 28 climate-related hazards.[1] We have identified the climate-related hazards that are relevant in the Netherlands and Belgium. For both the current situation and the expected climate in 2050, we made an assessment of the potential impact that the various kinds of relevant climate-related hazards may have on the assets identified, based on two possible climate scenarios.[2] We consider a 25-year outlook horizon appropriate given the economic life of our assets and our strategic plan.

The likelihood and impact of the relevant climate-related hazards has been determined for each building, which ultimately gave us an overall climate risk score. The likelihood of the climate-related hazards materialising was assessed based on an environmental score from public data sources. The impact is expressed as a building score determined based on internally available knowledge of the features and quality of the buildings.

It was established for all identified high or very high environmental risks that these risks were adequately taken into account in the construction quality of the buildings or that environmental modifications have been planned to adequately mitigate these risks. The overall conclusion is that this climate risk assessment shows that no further actions are required.

1) Delegated Act (EU) 2021/2139

2) Scenarios used: the IPCC's Shared Socioeconomic Pathways SSP1-2.6 (limited emissions) and SSP5-8.5 (major emissions).

Physical climate risks in our value chain
We have identified which sites and countries where our suppliers, producers, customers and other activities in our value chain are based, are of vital importance. Here, too, we focused on the aforementioned two climate scenarios and on the 'current' and '2050' time horizons and selected the relevant climate risks for these scenarios.

When it comes to our suppliers, we believe that we have taken adequate measures to avert the physical climate risks through a procurement policy on the size and risk spread of our suppliers, the availability of alternative products in our product range and through the processes we have in place, such as the ability to offer these alternative products within a relatively short time span.

Sligro Food Group's considerable (product) dependency on the three major fresh partners and suppliers in the area of fruit and vegetables, meat and game and poultry is due to the fact that Sligro Food Group, in the Netherlands and for a significant part of the Belgian operations, only procures these products from these parties. This is why we have calculated the environmental score of these parties' sites, which are all in the Netherlands. This calculation did not return any significant risks that require further actions.

In addition, we looked at the climate risks in the Netherlands and Belgium, because that is our market and also where a large part of the products we sell come from. For both countries, we assessed the potential impact of each climate risk based on a qualitative estimate by internal experts. The conclusion was that climate change (wetter, hotter and drier conditions) in the Netherlands and Belgium mainly has an impact on our sales channels, such as restaurants and leisure facilities, which may miss out on revenue due to wetter or excessively hot summers. However, we estimate this risk as low, because the industry and people adapt to changing conditions.

Climate-related transition risks
In addition to the assessment of physical climate risks, we assessed the risks and opportunities in relation to the climate transition by conducting desk research, running comparisons with industry peers, and engaging with various stakeholders. There is a great risk of prices of raw and other materials rising. We also recognise several risks around changing laws and regulations and replacing existing products and services with lower-emission options, which we estimate as being 'medium' risks. We believe that these risks, as well as the opportunities these changes may bring, are sufficiently taken into account in our vision for the future, in our policy, and in correspondingly adapted processes and actions. Our efforts to green our buildings and fleet of vehicles are examples of this.

Climate policy (E1-2)

For the foreseeable future, Sligro Food Group's business model will always involve the use of energy. The policy is, therefore, to decarbonise and save energy, which was also a key focus point to come out of the stakeholder dialogue.

Climate change mitigation, energy efficiency and renewable energy
Sligro Food Group has the ambition of reducing its greenhouse gas emissions step by step while striking a balance between ecological and economic returns. So that we can relate the resulting figure to the company's development and show the actual results of our efforts, we will, in addition to reporting on Scope 1, 2 and 3 GHG emissions, also monitor GHG intensity based on net revenue.

Over the coming years, we are targeting a reduction of our Scope 1 and 2 GHG emissions, which we will achieve through our long-term building and vehicle maintenance and investment programme and our electricity procurement policy.

We will gradually switch from grey to green power by exploring the available options through the Superunie procurement cooperative in the Netherlands and directly with our energy providers in Belgium. By 2030 at the latest, all the power we purchase directly will come from renewable sources, provided that it is still economically viable. In addition, we are aiming to considerably reduce our dependency on conventional, fossil fuels and gradually switch to renewable and green energy solutions where possible.

In the investment plans for our sites, not only do we seek to align with our strategic plan and the roll-out of our cash and carry 3.0 format, but we also factor in legal requirements in the area of construction and climate, the condition of the buildings and making those buildings sustainable. In doing so, we use BREAAM guidelines in many of our investment plans to identify investments that are the best fit and economically viable, taking into account possible subsidies.

New buildings are not connected to the gas grid and buildings we are renovating are taken off natural gas if they had not been already. All new buildings are fitted with LED lighting and the refrigeration systems installed use zero-emission or very-low-emission refrigerants. Where possible, rooftop solar panels will be installed on new builds and rebuilds.

At our medium-sized cash-and-carry wholesale sites, we keep exploring options to reduce their size. Besides a range of economic benefits, reducing the size will also reduce energy consumption.

We have set the electrification of our proprietary trucks in motion, and our transport partners are also replacing part of their fleet with electric vehicles. In planning the replacement of diesel-powered trucks in our fleet, we take into account the remaining economic life and the availability of sufficient charging capacity for electric trucks in the cities where our delivery service wholesale outlets are located. Availability of sufficient capacity in the power grid is a limiting factor and does not always align with local councils' ambitions to turn city centres into zero-emission zones. We keep close track of these developments and are ambitious in this respect. We are, for example, the first wholesaler to switch to 100% electric deliveries in Amsterdam city centre from early 2025.

Our smaller internal and external vehicles will also be replaced with electric alternatives when they reach the end of their useful life.

We take part in industry-wide consultations and local initiatives to keep up to date with the latest developments and technological advances, such as the use of hydrogen.

We support and encourage our industry and value chain to produce better, more detailed, and more consistently available emission data. At present, we have to rely on assumptions and estimates. As better data becomes available and our knowledge of emissions in our value chain grows over the coming years, we expect to acquire better insights and be able to make more specific policy.

Climate change adaptation
We are keeping close track of developments in climate risks and will from now on determine on an annual basis which parts of our climate risk assessments and transition risk assessment we will reassess to adjust possible action plans.

Sligro wins 2024 Logistics Charging Hub Award

Our vision, innovations and best practices with respect to charging electric trucks, charging infrastructure, smart charging and handling grid congestion earned us the Logistics Charging Hub Award (*Logistiek Laadplein* Award) in 2024. A total of 20 companies were nominated for the award.

At our delivery service site in Amsterdam, we can charge 60 electric trucks that make deliveries all over Amsterdam city centre without emissions. Given the congestion on the power grid in this area, there is no extra energy available, which is why we use solar panels and smart distribution of the generated power over the trucks.

Climate change actions (E1-3)

In order to implement the policy, we have taken actions in the areas specified that are intended to increase energy efficiency and reduce greenhouse gas emissions. The investment in the renovation of our existing sites totalled €14 million in 2024 (EU CapEx: CCM7.2). This investment includes the replacement of refrigeration systems as part of a renovation. Besides investing in renovations, we invested a total of €4 million (EU CapEx: CCM7.3) in refrigeration and freezing systems and LED lighting.

Energy efficiency
In 2024, 26% of the electricity we procured in the Netherlands came from renewable sources, while in 2023 we still procured 100% grey power. We have already agreed a deal with our biggest energy provider to up the percentage of renewable power we procure from them from 25% in 2024 to 50% in 2025. In 2024, we invested €1 million (EU-CapEx CCM7.6) in scaling up the number of solar panels at our delivery service wholesale outlets in Rotselaar and Evergem. We also invested €1 million (EU CapEx: CCM 7.4) in additional charging capacity for electric trucks at our delivery service wholesale outlet in Amsterdam. This leads to an increase in our electricity consumption and a decrease in our fuel consumption.

In 2024, we have taken our delivery service wholesale outlet in Drachten and cash-and-carry outlets in Ghent and on the island of Texel off natural gas, improved insulation and installed LED lighting. In 2025, we will take several other buildings off natural gas as well. In The Hague and Groningen, we are set to move to new sites and vacate old sites that were heated using natural gas.

Refrigerants
In 2024, we replaced the old refrigeration systems at the cash-and-carry outlets in Ghent, Brussels and on the island of Texel. The refrigeration systems at the Drachten delivery service wholesale outlet were also replaced. In 2025, we expect to replace four old refrigeration systems and close three sites with old refrigeration systems in The Hague and Groningen.

More sustainable transport
The investment in trucks totalled €21 million in 2024 (EU CapEx: CCM6.6), of which €9 million was spent on the diesel-powered trucks we acquired as part of the acquisition of Simon Loos, €11 million on 26 new electric trucks, and €1 million on the conversion of four diesel-powered trucks into electric trucks.

In early 2024, we acquired the transport operations for the Sligro Food Group delivery service wholesale outlets in Amsterdam, Berkel en Rodenrijs and Drachten from Simon Loos. The assets acquired as part of this deal are mainly diesel-powered trucks. While this acquisition causes a shift in emissions from Scope 3 to Scope 1, it does not have an impact on the total emissions from our operations.

In 2024, we put a second batch of 26 electric trucks into operation, with 25 of them sourced from Mercedes to build up practical experience with multiple makes of vehicles. These trucks are used for deliveries to customers located within the Amsterdam ring road. This way, we are staying ahead of the curve of the City of Amsterdam's ambitious targets with respect to zero-emission zones for trucks and other vehicles registered from 2025. The experience we acquire in Amsterdam will be used in a further roll-out, which will also involve our transport partners.

In 2023 and 2024, employees replacing their company-leased car only had a choice of either a fully electric car or a plug-in hybrid car, while from 2025 they can only lease fully electric models.

Targets related to climate change mitigation and adaptation (E1-4)

In 2024, we conducted a baseline measurement of our Scope 1 and 2 GHG emissions under the Greenhouse Gas Protocol. Based on our long-term climate strategy and its implementation in specific investment and procurement plans for the 2025-2030 period, we have forecast our market-based Scope 1 and 2 GHG emission reduction. This forecast is the basis for the targets we have set for 2025 and 2030.

Scope 1 GHG emissions
Our aim is to reduce our Scope 1 GHG emissions to a maximum of 26,000 tCO_2eq in 2025 and to a maximum of 15,000 tCO_2eq by 2030. We expect to be able to hit this target by replacing old refrigeration systems and taking our buildings off natural gas.

Scope 2 GHG emissions
We are targeting a reduction of our (market-based) Scope 2 GHG emissions to a maximum of 26,000 tCO_2eq in 2025 and a maximum of 5,000 tCO_2eq by 2030, which we expect to achieve by installing solar panels and switching to green power. Our aim for 2025 is to use electricity from renewable sources to cover 25% of the Group's power needs.

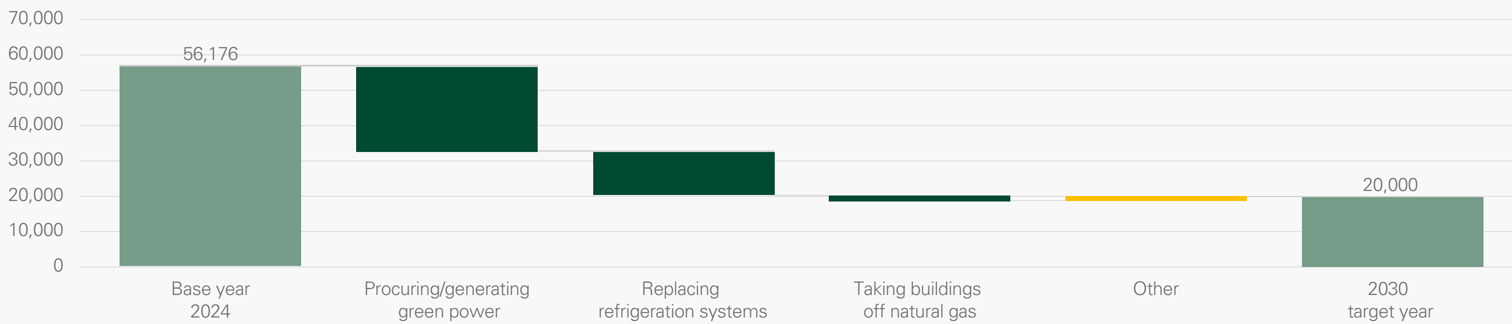
Constituting a 64% reduction, our Scope 1 and 2 target for 2030 is compatible with the Paris Agreement and in line with the current cross-sector emission reduction target set by Science Based Targets initiative.[3] These targets were neither derived from a cross-industry decarbonisation project nor subjected to external assurance.

Scope 3 GHG emissions
Our first Scope 3 calculations for 2024 still contain a considerable number of estimations and we still have limited insight into the significant Scope 3 emissions and options for reduction. This is why we have not yet set any Scope 3 targets at this point.

Energy consumption from renewable sources
It is important to us to measure our consumption of energy from renewable sources as a percentage of our total energy consumption. We have set 2024 as the base year for this calculation. In 2024, 20% of the energy we consumed came from renewable sources. Our target is for at least 25% of our energy to come from renewable sources in 2025, and at least 50% by 2030.

In addition, we have set out to increase the share of self-generated renewable energy by at least 15% in 2025, compared to the 2024 level.

Emission reduction plans: Scope 1 and 2 GHG emissions
ton CO_2-eq



[3] Pathways to Net-zero – SBTi Technical Summary (V1.0, October 2021: Cross-sector pathway for Scope 1-2 reduction by 2030 with 2024 as the reference year: at least 42%.

Energy (E1-5)

Energy consumption and mix

MWh	2024
Fuel consumption from coal and coal products	0
Fuel consumption from crude oil and petroleum products	32,280
Fuel consumption from natural gas	29,022
Fuel consumption from other fossil sources	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	80,179
Total fossil energy consumption	**141,481**
Share of fossil sources in total energy consumption (%)	*75.5%*
Consumption from nuclear sources	**7,741**
Share of consumption from nuclear sources in total energy consumption (%)	*4.1%*
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	28,742
Consumption of self-generated non-fuel renewable energy	9,568
Total consumption of energy from renewable sources	**38,310**
Share of renewable sources in total energy consumption (%)	*20.4%*
Total energy consumption	**187,532**

Energy intensity per net revenue

MWh/ x € million	2024
Energy intensity per net revenue	64.9

x € million	2024
Net revenue used to calculate energy intensity	2,890
Net revenue (other)	0
Total revenue (in the financial statements)	**2,890**

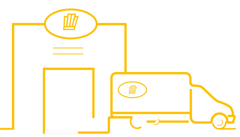
Since the Group's activities consist of wholesale activities (NACE Section G) for the most part and only include a very limited amount of food production activities (NACE Section C), all of the Group's activities are classified as high climate impact sectors and are, therefore, included in the calculation of energy intensity per net revenue.

Greenhouse gas emissions (E1-6)

	Retrospective	Milestones and target years		
tCO_2eq	**Base year 2024**	**Target for 2025**	**Target for 2030**	**Annual target** (%) / base year
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	27,348	26,000	15,000	-9.5%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	*0%*			
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	29,035			
Gross market-based Scope 2 GHG emissions	28,828	26,000	5,000	-25.3%
Significant Scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions	**1,695,950**			
Category 1. Purchased goods and services	1,695,950			
Total GHG emissions				
Total GHG emissions (location-based)	1,752,333			
Total GHG emissions (market-based)	1,752,126			
Scope 1-2 GHG emissions (market-based)	**56,176**	**52,000**	**20,000**	**-15.8%**

Sligro Food Group discloses all its emissions in accordance with the Greenhouse Gas (GHG) Protocol, which defines a globally standardised framework for the measuring and managing of greenhouse gas emissions. The GHG Protocol defines Scope 1, 2 and 3 emissions.

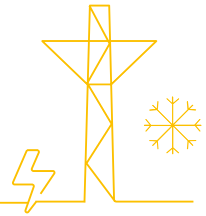
GHG emissions
Scope 1, 2, 3



Scope 1

Direct emissions

Gas consumption, refrigerants and fuel for our own means of transport



Scope 2

Indirect emissions

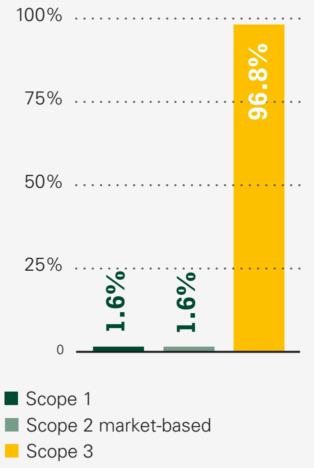
Electricity purchased for our own use

Scope 3

Indirect emissions

Emissions in the supply chain

GHG emissions Scope 1, 2, 3
in %



In the following, we will go into our Scope 1, 2 and 3 emissions. See the 'Methodologies and assumptions' appendix for the definition of 'location-based' and 'market-based' and details of the emission calculation methods and emission factors used.

Scope 1
Scope 1 GHG emissions are direct greenhouse gases from sources that we own or operate. These are carbon emissions from the burning of fossil fuels by our vehicles and the natural gas we use at some of our sites. Our Scope 1 GHG emissions also include the chemical refrigerants with a high GWP[4] value that are used in our older refrigeration systems.

Scope 2
Scope 2 GHG emissions are indirect emissions caused by the generation of the electricity from non-renewable sources that we procure from our energy providers. While these emissions are not generated at our sites, we do have a direct influence on these emissions due to the amount of electricity we consume and the contractual arrangements we have entered into. We disclose both market-based and location-based emissions. The provenance of the externally sourced electricity from renewable sources is accredited by Guarantee of Origin certificates issued along with the purchase of green power or through specifications on invoices. We have also had Guarantee of Origin reports drawn up for the energy we generated ourselves through solar panels.

Scope 3
Scope 3 GHG emissions are all other indirect emissions in our Group's upstream and downstream value chain. The 2024 financial year is the first year for which we estimated the Scope 3 GHG emissions across our value chain. After performing a screening based on the fifteen Scope 3 categories specified in the GHG Protocol, and based on appropriate estimates, we concluded that only Category 1 is significant for our Group. We used a threshold of 5% per category compared to the total Scope 3 GHG emissions to determine whether or not a category can be considered significant for our Group. Category 1 is estimated at 90-96% of the Group's total Scope 3 GHG emissions. For an explanation of categories 2-15, see the 'Methodologies and assumptions' appendix.

Scope 3 - Category 1 – Purchased goods and services
This category covers all emissions generated by the raw materials, production and packaging of the goods and services we procure in our value chain. This includes both trading goods that we sell on to our customers and the goods and services not for resale.

Calculating our Scope 3 GHG emissions in category 1 is complex. Sligro Food Group's product range encompasses approximately 75,000 products supplied by over 2,000 direct suppliers. All these direct suppliers purchase raw and other materials from their respective suppliers, which results in a complex supply chain. Due to this great level of complexity, adequate data on our Scope 3 GHG emissions is currently available to a limited degree only and not consistently. We expect more and more accurate data to become available over the next few years, partly on the back of the GS1 initiative[5], which aims to collect and provide reliable and consistent data for the entire food chain.

Scope 3 data is currently still calculated based entirely on assumptions and estimates. The calculation is made using the spend-based method, which means that we calculate the emission impact for trading goods based on the purchase value of the items sold. The reason why we use the purchase value of items sold as the basis instead of the purchase value of items procured is because consistent purchase value data is more readily available for items sold, which leads to a more accurate outcome. For goods and services not for resale, we used the total costs as the basis for the spend-based method. Primary data from suppliers or other partners in the value chain was not yet used for the calculation of Scope 3 GHG emissions.

GHG intensity based on net revenue

tCO_2eq / x millions of €	2024
Total GHG emissions (location-based)	606.3
Total GHG emissions (market-based)	606.3

x € million	2024
Net revenue used to calculate GHG intensity	2,890
Net revenue (other)	0
Total revenue (in the financial statements)	**2,890**

[4] Global Warming Potential

[5] GS1 helps companies record and share data for sustainable, efficient and transparent value chains.

Greenhouse gas intensity is calculated by dividing the total greenhouse gas emissions (Scopes 1, 2 and 3) by net revenue for both the location-based and the market-based method.

Incentive schemes (ESRS 2 GOV-3)

The long-term bonus for the Executive Board, International Board and senior management is awarded partly based on a climate-related performance target. For details, see the 'Short-term and long-term bonus' section of the 'Remuneration report' chapter of the management report. The Supervisory Board does not receive any variable pay.

EU taxonomy

Background

The EU Taxonomy Regulation entered into force in 2020. The annual reporting obligation under this regulation is incorporated into this sustainability statement starting from 2024. The Taxonomy Regulation aims to encourage and increase the understanding of 'sustainable finance and investment'.
The EU taxonomy lists activities that can be classed as being ecologically sustainable, i.e. 'green', if they contribute to one of the six climate and environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

These acts determine which economic activities can be deemed 'eligible' and which of these 'eligible' activities can be deemed 'aligned'.

In 2023, Delegated Act (EU) 2021/2139 came into force. In line with the requirements of this regulation, we report that we do not engage in any nuclear energy-related activities and fossil gas activities as defined in Article 8 (6 and 7) of the EU Taxonomy Regulation.

EU taxonomy process

We have established whether Sligro Food Group's activities are described in the delegated act, because only described activities are EU taxonomy eligible. The extent of the activities is expressed as a percentage of the Group's revenue, investments (CapEx) and relevant operating expenses (OpEx). The next step is to conduct an analysis to establish whether or not an activity is aligned. This alignment determines whether or not the eligible activities are in fact sustainable. An economic activity is 'aligned' if it meets the performance requirements ('technical screening criteria'). These technical screening criteria are based on the notion that an economic activity must make a 'substantial contribution' to environmental objectives and must also 'do no significant harm' to the remaining environmental objectives. On top of that, we as Sligro Food Group have to meet minimum safeguards in relation to human rights and good business conduct in the area of bribery and corruption, fair competition and tax. For the 2024 financial year, we are obliged to report on both eligible and aligned activities with respect to all climate and environmental objectives.

The results are summarised below. The full EU taxonomy tables are included in the appendices.

EU taxonomy KPIs

x € million	Revenue[1)]	CapEx	OpEx
Scope of activity	2,890	75	29
of which:			
Eligible and aligned	0%	0%	0%
Eligible but not aligned	0%	76%	56%
Not eligible	100%	24%	44%
Total	**100%**	**100%**	**100%**

1) See note 3 to the financial statements

Analysis of economic activities

We have identified the following activities as eligible under the EU taxonomy, all with respect to the environmental objective of climate change mitigation (CCM):

Code(s)	Activity in 'delegated act'	Activity concerns
CCM6.5	Transport by motorbikes, passenger cars and light commercial vehicles	Investments, maintenance and repair in respect of cars, forklifts and light commercial vehicles
CCM6.6	Freight transport services by road	Investments, maintenance and repair in respect of trucks
CCM7.1	Construction of new buildings	Construction of new central distribution sites, new delivery service wholesale outlets or new cash-and-carry outlets, office buildings or production sites and maintenance thereof
CCM7.2	Renovation of existing buildings	Major conversion, rebuilding and renovation of existing central distribution sites, new delivery service wholesale outlets or new cash-and-carry outlets, office buildings or production sites and maintenance thereof
CCM7.3	Installation, maintenance and repair of energy-efficiency equipment	Investments, maintenance and repair in respect of refrigeration and freezer equipment and LED lighting
CCM7.4	Installation, maintenance and repair of charging stations for electric vehicles	Investments, maintenance and repair in respect of charging stations for electric vehicles
CCM7.6	Installation, maintenance and repair of renewable energy technologies	Investments, maintenance and repair in respect of solar panels
CCM7.7	Acquisition and ownership of buildings	Acquisition, maintenance and repair of buildings

EU taxonomy revenue
At present, none of our revenue-generating activities is described in the delegated acts; this means that none are eligible.
The full EU taxonomy revenue table is shown in the 'EU taxonomy tables' appendix.

If and when the specific economic activity of 'wholesale in food and food-related non-food products' is added to the delegated acts, Sligro Food Group's eligibility percentage in relation to the revenue metric will significantly increase.

EU taxonomy CapEx

Total CapEx under the EU taxonomy definition is summarised below:

x € million	2024	2023	Reference to the financial statements
Intangible assets	10	16	Note 10
Property, plant and equipment[1]	49	66	Note 11
Right-of-use assets	16	54	Note 12
EU taxonomy CapEx	**75**	**136**	

The full EU taxonomy CapEx table is included in the 'EU taxonomy tables' appendix.

76% of EU taxonomy investments (CapEx) in the 2024 financial year qualified as eligible but not aligned. These investments relate mainly to the conversion of existing cash-and-carry outlets in the Netherlands and Belgium, conversion of our new site in The Hague, rebuilding of our distribution centres in Drachten and Nieuwegein, rebuilding of the Culivers site in Eindhoven, and an investment in 26 electric trucks.

In 2024, none of the investments in buildings met all the technical screening criteria. This was due specifically to the very strict criteria in respect of the 'do no significant harm' rule that apply both to new-builds and the renovation and acquisition of buildings. Meeting the criteria would involve considerable costs that relate mainly to documentation and have little to no impact on the nature of the investments.
In 2024, we performed a climate risk assessment. The approach adopted for this assessment and the conclusions are detailed under *Climate change (E1) – Physical climate risks in own activities*.

EU taxonomy OpEx

Total OpEx under the EU taxonomy is summarised below:

x € million	2024	2023
Maintenance and repair expenses	20	19
Short-term leases	3	3
Other direct costs of fixed assets	6	5
EU taxonomy OpEx	**29**	**27**

The full EU taxonomy OpEx table is shown in the 'EU taxonomy tables' appendix.

In 2024, 56% of EU taxonomy OpEx qualified as eligible but not aligned. These costs (OpEx) primarily relate to maintenance and repair expenses on buildings, refrigeration systems and electric vehicles such as trucks and forklifts.

The costs cannot be reported as aligned because almost all of them are directly related to maintenance for assets that also do not yet qualify as aligned.

Minimum safeguards

The minimum safeguards consist of criteria relating to human rights, including workers' rights, bribery and corruption, taxation and fair competition. The Platform on Sustainable Finance has issued recommendations as to how to meet these criteria. Not all of the due diligence processes and associated documents recommended by the Platform on Sustainable Finance are in place in our organisation yet to be able to establish whether or not we meet the minimum safeguards.

[1] An amount of €6 million was deducted from the figure for EU taxonomy CapEx for property, plant and equipment in the 2024 financial year on account of the sale and leaseback transaction for trucks acquired in early 2024 as part of the acquisition of the Simon Loos activities, with a view to preventing this amount from being counted twice.

Water and marine resources (E3)

Introduction

Sligro Food Group has a broad product range that also includes fish products, which makes the management of fish species a material topic for us. Based on the double materiality assessment we performed, we do not consider water to be a material topic.

Fish product revenue ratio

x€ million	**2024**
Total revenue (see note 3 to the financial statements)	**2,890**
↳ of which: Revenue from Exclusive Brands	630
↳ of which: Revenue from Exclusive Brands - fish products	74

Impact, risk and opportunity management (IRO-1)

ESRS E3 Water and marine resources

Material impact, risk or opportunity	Description
Marine resources (impact)	Sligro Food Group acknowledges the potentially negative impact that its procurement of marine resources, i.e. fish products, may have on water and marine ecosystems.

Policies (E3-1)

We want to reduce the negative impact on marine ecosystems by facilitating and encouraging our customers to choose more sustainable alternatives where possible through our procurement and our product range. Our focus in this respect is on our Exclusive Brand fish products, not including our customer-specific products, as those are the products where we have the greatest direct influence. Our overall policy also includes a drive to grow the share of our Exclusive Brand products in our product range.

A more sustainable alternative is a Top quality mark from the 'Keurmerkenwijzer' (quality mark guide) issued by Milieu Centraal. In this context, 'sustainable' means that the product comes from a supplier who is committed to environmental preservation and/or raising animals in a responsible manner.

The more sustainable alternative then meets our own 'eerlijk & heerlijk' identification method. Items in our product database are classed as 'eerlijk & heerlijk' if they have at least one independent, transparent and audited Top quality mark as defined by Milieu Centraal. Sligro Food Group subsequently encourages customers to make more sustainable choices by using the 'eerlijk & heerlijk' label on the relevant fish products designated by Milieu Centraal in our cash-and-carry outlets and on our website.

When it comes to non-Exclusive Brand fish products, we largely depend on developments in the overall food industry. As an individual player in this industry, we have limited direct influence on the sustainability of our suppliers' products and quality marks. This is, however, still an important topic that we keep a close eye on in the market and address in all interactions with our suppliers, while also including it in our Suppliers' Manual. Depending on developments in the market and at our suppliers, we will in the future look into ways in which we can make a meaningful contribution to improving the sustainability of the non-Exclusive Brand products we sell and formulate policy for these products as well.

Actions (E3-2)

In order to reduce our negative impact, we are turning to more sustainable alternatives with a quality mark. As of 2024, all the fresh salmon from SmitVis, which is Sligro Food Group's fish processing company, has been certified to the GGN quality mark. The fresh salmon from SmitVis therefore meets the 'eerlijk & heerlijk' identification method.

In 2025, we will be having even more SmitVis fish (products) certified with a quality mark.

Targets (E3-3)

Our target is to increase the share of sustainable products in our revenue by offering more a sustainable alternative.

ESRS E3 does not yet provide quantitative disclosure requirements, and industry-specific standards are not yet available either. Other regulations that provide us with direction in setting targets and choosing metrics are also lacking. This is why Sligro Food Group has not set a specific, measurable, time-bound and outcome-oriented target.

We are monitoring developments in legislation and regulations, and as soon as these result in more guidance and requirements, we will set a quantitative target. Sligro Food Group now maintains an internal focus on analysing fish products with a quality mark within our range of Exclusive Brand products, so as to establish which fish products can be promoted as a more sustainable alternative. Our ESG Steering Committee, among others, monitors revenue generated from these products with quality marks. We analyse which fish products do not have quality marks and explore options to increase revenue from fish products with a quality mark.

We do this by engaging with suppliers on fish products that do not have a quality mark yet. We also analyse annually whether current and possible new quality marks meet our terms.

Biodiversity and ecosystems (E4)

Introduction

Biodiversity and ecosystems is a broad material theme that includes animal welfare, biodiversity and deforestation, which are material topics for us.

Animal welfare is a sub-theme of ESRS G1 Business conduct. This sub-theme is disclosed here because of the link to the topics under Biodiversity and ecosystems ESRS E4.

Animal welfare and biodiversity revenue ratio

€ million	2024
Total revenue (see note 3 to the financial statements)	**2,890**
↳ of which: Revenue from Exclusive Brands	630
↳ of which: Revenue from Exclusive Brands - animal welfare metric categories, *Meat, meat products, poultry, milk and eggs, chilled cheese and fish*	275
↳ of which: Revenue from Exclusive Brands - biodiversity metric categories, *Meat, meat products, poultry, milk and eggs, chilled cheese, fish, coffee, tea, chocolate, seasonable sweets and tinned food*	322

Consideration of biodiversity and ecosystems in strategy and business model (E4-1)

At Sligro Food Group, we have a very extensive product range. This is what gives us sufficient resilience in the face of possible disruptions in our value chain. As explained in the 'Climate risk assessment' section of the E1 chapter, we have the kind of flexibility that allows us to offer alternative products and we do not depend on a limited number of products. In our upstream value chain, for example, we have the option to fall back on other products from other production areas. Downstream, we are seeing a great deal of flexibility in our sales market and our end users' (consumers') behaviour.

We have evaluated our own activities' current dependencies on nature using the LEAP method. We used the recommended Encore tool for this analysis. Conducted by the Group Control, Procurement and Product Range Management and Supply Chain departments and coordinated with the Executive Board, the analysis led us to conclude that our activities do not have any significant dependencies on nature. As a result, there are no significant risks in this respect that will require changes to our strategy and business model in the short term.

Given that our double materiality assessment did identify impacts but no risks or opportunities with respect to biodiversity, our policy (see Section E4-2) is focused on these impacts. The biodiversity impacts do not emanate directly from our own activities, but rather occur upstream in our value chain. However, we do take ownership of these impacts by offering our customers a more sustainable alternative in our product range and by purchasing biodiversity offsets. A more sustainable alternative is a product with a (Top) quality mark from the 'Keurmerkenwijzer' (quality mark guide) issued by Milieu Centraal, whereby a quality mark serves as a mechanism to create trust in the upstream value chain. Needless to say, we also comply with external biodiversity laws and regulations, such as the EU Regulation on deforestation-free products.

Strategy and business model (SBM-3)

Sligro Food Group consists of foodservice companies in the Netherlands and Belgium. For a list of our sites, see page 28 of the management report.

We used the LEAP method to assess not only our nature dependencies but also our potential impacts on nearby Natura 2000 areas. Based on publicly available information and our professional opinion, we evaluated all potential impacts that were identified, ultimately concluding that Sligro Food Group does not have a significant negative impact on Natura 2000 areas near our sites. Furthermore, our activities do not have a direct impact on endangered species, land degradation, desertification or soil sealing. As a result, our activities were found not to have any negative impacts with respect to these topics.

This chapter will only go into the material topics listed below and identified by our double materiality assessment with respect to other impact drivers for biodiversity loss that came out of our double materiality assessment.

Impact, risk and opportunity management

ESRS E4 Biodiversity and ecosystems

Material impact, risk or opportunity	Description
Animal welfare (impact)	Sligro Food Group may have a negative impact on animal welfare by procuring and selling animal products such as eggs, meat and dairy products.
Biodiversity (impact)	Through its supply chain, Sligro Food Group may have an indirect negative impact on biodiversity and ecosystems due to the procurement of (unprocessed) agricultural products and packaging materials.
Deforestation (impact)	In Sligro Food Group's supply chain, agricultural activities may lead to conversion of natural ecosystems due to deforestation.

Policies (E4-2)

Our biodiversity policy primarily aims to limit negative impact by offering more sustainable alternatives. For us, it is not only about what people ultimately have on their plates, as we are increasingly looking at how those products got to people's plates. We are, for example, working with suppliers who are committed to delivering products that are better for both customers and their environment. We also have agreements with suppliers about this, which we have included in our Suppliers' Manual.

Our specific, measurable, time-bound and outcome-oriented targets and metrics are focused on our Exclusive Brand products, because these are the products where we have the greatest direct influence. Our animal welfare and biodiversity policy does not cover customer-specific products because these are products that are made to a customer's unique requirements, wishes or specifications, which we do not have any control over. Our policy on soya credits also covers customer-specific Exclusive Brand products.

Our overall policy also includes a drive to grow the share of our Exclusive Brand products in our product range. When it comes to non-Exclusive Brand products, we largely depend on developments in the overall food industry. As an individual player in this industry, we have limited direct influence on the sustainability of our suppliers' products and quality marks. This is, however, still an important topic that we keep a close eye on in the market and address in all interactions with our suppliers, while also including it in our Suppliers' Manual. Depending on developments in the market and at our suppliers, we will in the future look into ways in which we can make a meaningful contribution to improving the sustainability of the non-Exclusive Brand products we sell and formulate policy for these products as well.

Animal welfare and biodiversity
We want to promote animal welfare and biodiversity in the value chain by offering more sustainable alternatives in relevant categories such as meat, fish, dairy products, coffee and chocolate. A more sustainable alternative is a (Top) quality mark from the 'Keurmerkenwijzer' (quality mark guide) issued by Milieu Centraal.

The quality mark then meets the 'eerlijk & heerlijk' identification method. Items in our product database are classed as 'eerlijk & heerlijk' if they have at least one independent, transparent and audited quality mark as defined by Milieu Centraal.

Deforestation
Sligro Food Group has a policy in place for the reduction of the negative impact of deforestation. Our product range includes items with a sustainability credential focused on preventing deforestation and illegal logging. This concerns mainly products in the categories of coffee, tea, cocoa, tropical fruit and vegetables, beef, palm oil and soya, because deforestation is often a risk in the supply chain for these categories.

Actions (E4-3)

In order to implement the policy detailed above, we have taken actions in the areas specified that are intended to lead to a more sustainable product range.

Animal welfare and biodiversity
We have taken the following steps in product conversion in our range of Exclusive Brand products:

- Our SmitVis-branded fresh salmon carries the GGN quality mark as of 2024, see Chapter E3 for details.
- In 2024, we started classifying Kaldenberg-branded pork cutlets and cordon blues under the ‘Beter Leven’ label.
- We also started with PlanetProof certification for our Goudsche Waegh cheeses in 2024.

From 2025, we want to further increase the number of quality marks in our range of Exclusive Brand products by:

- adding the ‘Beter Leven’ label to various poultry and meat (product) groups;
- adding the FSC label to various categories;
- expanding the RSPO label within the range of fats and margarines sold under our Exclusive Brand Kern. RSPO is the largest certification system for sustainable palm oil production.

Deforestation
On 30 December 2025, EU Regulation 2023/1115 (EUDR) on deforestation will enter into force, its goal being to reduce global deforestation, greenhouse gas emissions and biodiversity losses. In 2024, we established what impact this regulation will have on our organisation, as it will start to affect part of our product range from the end of 2025.

In 2024, we took stock of items that come under the scope of this new Regulation by comparing customs codes in the EU Deforestation Regulation (EUDR) to our own product range. This showed that Sligro Food Group’s products containing ingredients from the raw material groups of ‘beef, cocoa, coffee, palm oil, wood and soya’ are in scope. We are currently working on the next steps, which includes making a policy plan, consulting with suppliers, and a due diligence plan of action. We can then also take targeted actions to reduce our negative impact on deforestation in the supply chain. In light of our ongoing commitment to reducing our negative impact on deforestation in the meantime we have been purchasing biodiversity offsets for soya for years.

Biodiversity offsetting for soya
Increasing global demand for soya as a raw material for animal feed, food and cosmetics has led to deforestation of the Amazon and the Cerrado in South America. Clearing away natural vegetation for soya plantations contributes to climate change and the loss of biodiversity. Alternatives with 100% deforestation-free soya are not always available or they have been mixed with conventional soya. Neither do we have sufficient insight at this point into whether suppliers of our Exclusive Brand products who operate in the domain of critical soya product groups use deforestation-free alternatives or buy biodiversity offsets. This is why we buy RTRS credits to offset the volume of soya processed in the relevant categories within our Exclusive Brand product range.

We guarantee the quality of these credits because we only buy credits originating from the Round Table on Responsible Soy (RTRS) association, and we are assisted by ACT Commodities in all these transactions. RTRS credits are provided for various regions of Brazil, including Matopiba, Mato Grosso, Rondônia and Pará.

Targets (E4-4) and impact metrics (E4-5)

Biodiversity

Topic	Metric (%)	Base year 2024	Target for 2030
Animal welfare Mitigation ladder: minimise	**Revenue *from more sustainable alternative* meat, meat products, poultry, milk and eggs, chilled cheese and fish (Exclusive Brands)** compared to total revenue from meat, meat products, poultry, milk and eggs, chilled cheese and fish (Exclusive Brands)	27.3%	31.0%
Biodiversity Mitigation ladder: minimise	**Revenue *from more sustainable alternative* meat, meat products, poultry, milk and eggs, chilled cheese, fish, coffee, tea, chocolate, seasonal sweets, and tinned foods (Exclusive Brands)** compared to total revenue from meat, meat products, milk and eggs, chilled cheese, fish, coffee, tea, chocolate, seasonal sweets, and tinned foods (Exclusive Brands)	13.8%	19.0%
Deforestation Mitigation ladder: offset	Percentage of tons of soya credits bought compared to total tons of soya in Exclusive Brands categories classified as critical by Sligro Food Group	60%	100%
	Number of credits and purchase amount	5,067 credits for €18,393 excl. VAT	

In line with our policy, our targets seek to grow the share of more sustainable alternatives with a quality mark in our total product range and to offset our negative impact on deforestation.

The targets are for our Exclusive Brands. Those are products that we have direct control over and where we, as the brand owner, are responsible for offsetting soya usage using soya credits. We did not use any ecological thresholds or domestic or international policy or legislation to set the targets.

Resource use and circular economy (E5)

Introduction

Resource use and circular economy is a material topic for Sligro Food Group. We see opportunities to use more sustainable packaging solutions, albeit that this must never go at the expense of product shelf life and food safety. Additionally, we are focusing on reducing food wastage and sustainable waste management and processing.

Impact, risk and opportunity management

ESRS E5 Resource use and circular economy

Material impact, risk or opportunity	Description
Product packaging (impact)	Sligro Food Group contributes to cutting back food wastage by using sustainable product packaging, which subsequently means fewer resource outflows.
Food waste and wastage (impact)	Sligro Food Group's activities have a negative impact on (food) waste because there are always products left over that cannot be used for alternative purposes, thus generating food waste.
Sustainable waste processing (impact/ opportunity)	Besides food waste, Sligro Food Group also has a negative impact on non-food waste resulting from our operational processes. Sligro Food Group stands to gain financially by separating waste so that it can be processed into new raw materials.

Policies (E5-1)

Product packaging
The packaging of a product has several important functions. It contributes to food safety and shelf life, prevents wastage and provides information about the product to the user. Having to accommodate these three purposes means that packaging is almost always a compromise between various product and sustainability-related requirements.

We have focused our policy on our Exclusive Brand products, as that is where we have the greatest direct influence. Our overall policy also includes a drive to grow the share of our Exclusive Brand products in our product range. For our Exclusive Brand products, we ourselves weigh up the different interests to ultimately design the best possible packaging. Within the framework of the legislation on shelf life and food safety, we look for opportunities to reduce the environmental impact of packaging. In making packaging more sustainable, we are focusing on using mono-material, less plastic and as much recyclable or compostable packaging material as possible. These requirements and guidelines have been included in our private label packaging instructions for producers.

For non-Exclusive Brand products, these considerations and choices are made by the producers. As an individual player, we have limited direct influence on the sustainability of the packaging our suppliers use. This does not mean, however, that this is not an important topic and that we do not raise it in our meetings with suppliers. Depending on developments in the market and at our suppliers, we will in the future look into ways in which we can make a meaningful contribution to improving the sustainability of non-Exclusive Brand products and formulate policy for these products as well.

Food waste and wastage
We are working hard to reduce food wastage. Purchases and sales of products are matched to each other as closely as possible, a process that involves collaboration across multiple disciplines such as procurement and product range management, supply chain and IT. Data plays a crucial role, including with regard to improving forecasts and centralised inventory management. Despite these efforts, there will always be some products left over. We have, therefore, been working for many years with the Voedselbanken Nederland (Dutch Food Banks), which collect these products from us. Only if products can no longer be used or reprocessed for human consumption are they disposed of as waste.

We have focused our policy primarily on our own activities, because that is where we can exert the greatest influence. Additionally, our analysis in the 'Climate change (E1)' section shows that emissions relating to waste in the value chain are minor compared to the total Scope 3 GHG emissions.

Sustainable waste processing
Waste from our activities in the Netherlands is separately collected and registered. At each of our sites, we offer facilities for optimised waste separation. Our policy in this respect is about minimising the food and residual waste stream. Sorted by waste stream, waste is sent to certified companies for processing, so that the waste processing industry can extract as many new raw materials as possible from our waste.

We also look beyond the waste we produce ourselves. To help our hospitality customers process their waste sustainably, we have a partnership with Renewi. With this partnership, we offer them a purchase discount and ensure sustainable waste disposal, while also giving our customers peace of mind.

Actions (E5-2)

Product packaging
In 2024, we persisted with our efforts to improve our packaging and make it more sustainable. We have set up various projects of our own, including the project to replace the plastic trays used for Meyerij semi-skimmed milk and whole milk with cardboard trays.

We also added the private label packaging instructions to our Suppliers' Manual in 2024. This means that the Suppliers' Manual now sets clear sustainable packaging frameworks and provides tools to help make packaging sustainable. One of the requirements is that any cardboard used must be FSC/PEFC-certified cardboard.

We have also initiated a major project for the collection, validation and storage of packaging data. As of 2024 and in anticipation of GS1 in the future, we require our suppliers to share packaging data for new items with us. In 2025, we will continue to improve the packaging data for our current product range.

Food waste and wastage
In 2024, we ran various internal projects on food waste and wastage. The use of centralised forecasting, for example, has enabled us at Sligro Food Group to become increasingly accurate in not ordering more than what we need for our sales. In the event that we have over-ordered anyway, there are extensive actions in place to ensure surplus items do not go to waste. One example is the 'Slimmer Opruimen' (smarter special offers) project that sees us optimise products' shelf placement in shoppers' eyeline or put products on special offer to prevent them from going to waste. We have also become stricter on customer compliance with the returns procedure and have taken measures to further reduce breakage in our operations. Needless to say, we will still keep a close eye on maintaining a balance with service to our customers.

Sustainable waste processing
In 2024, we took measures at our cash-and-carry outlets to further reduce food and residual waste. Our central distribution centre and our delivery service wholesale outlets had already reached a higher level of waste separation.

Further waste separation facilities were added at all cash-and-carry outlets. There are now separate containers for each category of waste to make it easier to separate waste. Additionally, we are now using smaller containers for residual waste, as an encouragement to make an effort to better separate waste in the other containers. We have also held sessions internally with cash-and-carry outlet managers to further raise their awareness of correct waste separation. In 2025, we intend to further scale up these actions.

Targets (E5-3)

Our targets relate to resource outflows, and then product packaging and waste in particular. We have set targets for all elements of the waste hierarchy, for which we have set the following priorities:
1. Prevention
2. Preparation for reuse
3. Recycling
4. Other recovery operations
5. Disposal

Product packaging
One of the internal targets we have set for our Exclusive Brand products at Sligro Food Group is to increase the share of recyclable primary and secondary packaging in our total packaging by 2030. Our targets are in line with the Dutch Food Retail Association's collective targets.

When it comes to setting specific, measurable, time-bound and outcome-oriented targets and tracking our progress against these targets, we depend on data we get from our suppliers and inclusion of the Netherlands Institute for Sustainable Packaging's 'recycle check' in the GS1 data pool. This is not yet possible because this data attribute is not available in the GS1 data pool, meaning that this data cannot yet be shared between suppliers and Sligro Food Group. We are in talks with suppliers to obtain this data. We are also members of external working groups to improve data quality for the entire industry. As soon as measurement using the Netherlands Institute for Sustainable Packaging's 'recycle check' becomes possible using the data in GS1, we will also set our target for our sustainability statement.

Waste
Our impact and our opportunities relate to better waste separation to make our waste easier to process into new raw materials. In order to improve waste separation, we want to set targets for each waste stream, whereby our aim is to reduce the stream of food waste and residual waste in particular. Separating waste streams even better will increase the share of highly recyclable waste streams. We have not yet set specific, measurable, time-bound and outcome-oriented targets for each waste stream. As and when we have greater insight into the quantitative impact of our actions, we will set targets for each waste stream.

The target we currently have relates to limiting the total amount of waste from our own activities.

Total amount of waste

tons	Base year 2024	Target for 2030
Total amount of waste	**13,298**	13,400

In setting the target, we took into account annual growth in the volume of products sold. This volume growth is almost equal to the expected decrease in total waste. As a result, despite volume growth, our 2030 target is only marginally higher than the amount of waste produced in our base year. We did not use any ecological thresholds, domestic or international policy, or legislation to set this target.

Resource outflows (E5-5)

Our resource outflows consist of (food) products, including their packaging, part of which will go into a waste stream.

Product packaging
In the future, we plan to use the Netherlands Institute for Sustainable Packaging's (KIDV) 'recycle check' to accurately measure recyclability. This data is not currently available in GS1's data pool. Ahead of inclusion of the Netherlands Institute for Sustainable Packaging's 'recycle check' in the international GS1 standard, we have made our own estimate of the recyclability of our primary and secondary packaging material for both our Exclusive Brand products and our non-Exclusive Brand products. Our estimation is based on the recyclability of the separate materials that make up the primary and secondary packaging used for a product. The Netherlands Institute for Sustainable Packaging's 'recycle check', however, looks at the recyclability of the primary and secondary packaging material of the whole product by looking at all the materials of each packaging element combined. The Netherlands Institute for Sustainable Packaging's 'recycle check' also looks at other elements, such as the size of labels and the ink used, making this a more sophisticated method, which will be available in time.

Percentage of recyclable packaging material

%	2024
Product packaging material recyclability rate of total primary and secondary packaging material	65-88%

Given that specific data is not available at present, we have determined a bandwidth based on our own sample observations and market data. In the coming years, the percentage of recyclable packaging materials will not only increase but also become more accurate. This is due both to our actual efforts to increase recyclability and the availability of more reliable information.

Waste
Our waste is made up of the following waste streams:

Breakdown of waste by type of material

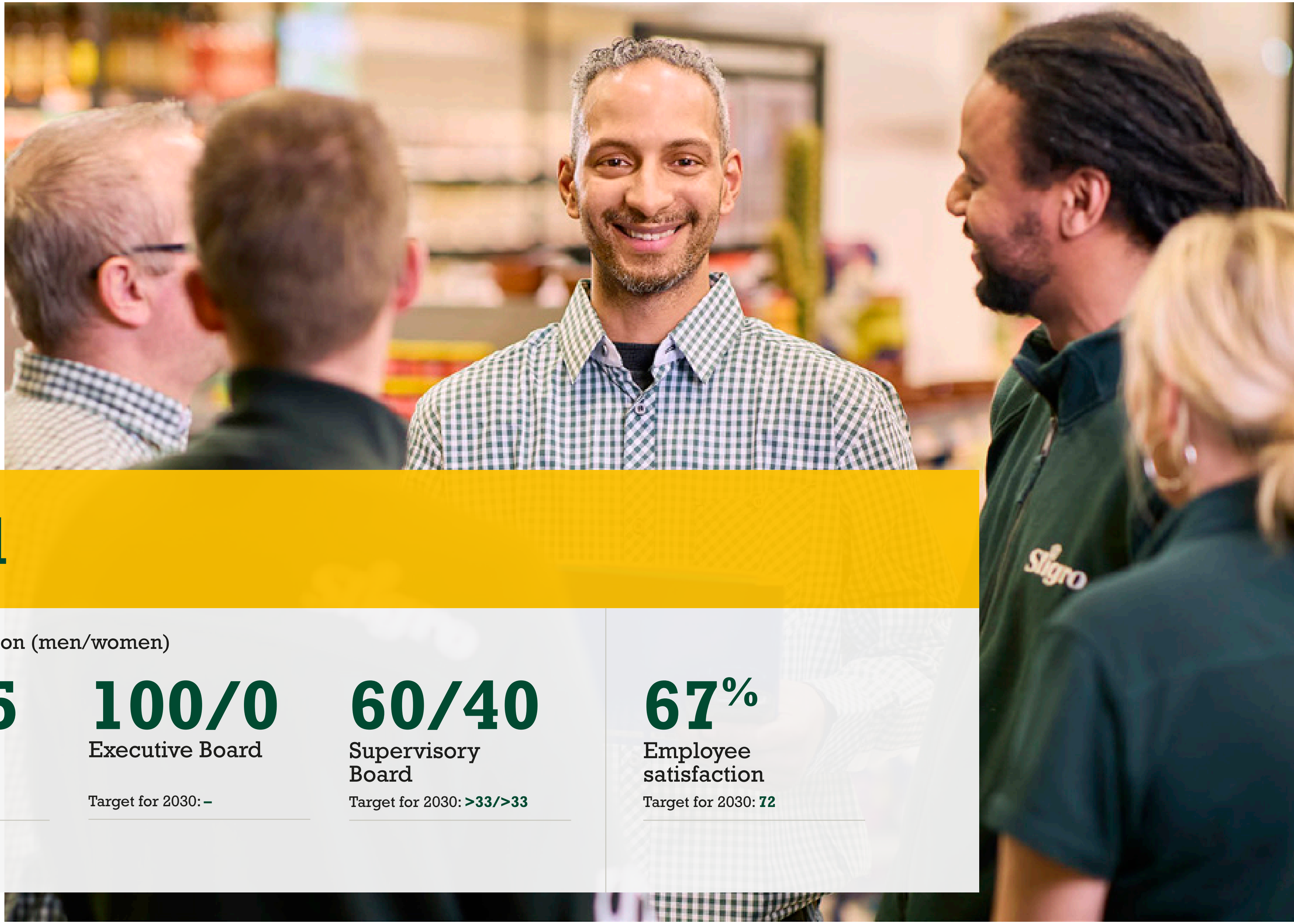
%	2024
Out-of-date products	33.5%
Other waste	25.0%
Paper and cardboard	32.0%
Film	3.6%
Production company waste in the form of cooked food scraps (swill)	2.7%
Non-processable production company waste	1.4%
Glass	1.3%
Tempex (EPS)	0.4%
Deep-frying fat	0.1%
Total	**100.0%**

Part of the waste we produce does not have to be incinerated or put in landfills, because it can be recycled or reused. This is what is referred to as waste that is 'diverted from disposal'. The waste we produced in 2024 breaks down as shown in the following table:

Total quantity of waste produced

	2024		
tons	Total	Non-hazardous	Hazardous
1. Preparation for reuse	4,727	4,727	0
2. Recycling	5,006	5,006	0
3. Other recovery operations	0	0	0
Total diverted from disposal	**9,733**	**9,733**	**0**
4. Incineration	3,565	3,564	1
5. Landfill	0	0	0
6. Other disposal operations	0	0	0
Total directed to disposal	**3,565**	**3,564**	**1**
Total	**13,298**	**13,297**	**1**
Total amount of non-recycled waste (1. + 4.)	8,292	8,291	1
Total percentage of non-recycled waste (% of total)	62%	62%	100%

The list of materials in our waste shows that we, as a foodservice company, do not produce any radioactive waste.



Social

Gender distribution (men/women)

65/35
Senior management
Target for 2030: **63/37**

100/0
Executive Board
Target for 2030: **–**

60/40
Supervisory Board
Target for 2030: **>33/>33**

67%
Employee satisfaction
Target for 2030: **72**

Social

Own workforce (S1)

Introduction

We strive to be an organisation where satisfied, engaged and professionally strong teams work together to achieve the Group's ambitions. Our employees are characterised by their professional skills, which they express with passion. To be an attractive employer for both our current and future employees, we want to bring out the best in our people.

Impact, risk and opportunity management (ESRS 2 SBM-3)

The scope of the process of identifying impacts, risks and opportunities with respect to Sligro Food Group's own workforce extended to all of the Group's employees, without distinguishing between groups. This means that the process looked at all employees with permanent contracts, temporary contracts and non-guaranteed hours contracts, and this group is designated as 'own workforce'. In addition, temporary workers also come under S1, but these workers are designated as 'non-employee workers'. Given the nature of the latter group, this section will explicitly state which parts of Sligro Food Group's policy apply to them. Wherever reference is made to employees, it is assumed that this refers to both the company's own workforce and the non-employee workers. Strict labour laws apply in both countries in which we operate. Given that we comply with these laws as a matter of course, there is no forced or child labour whatsoever in our organisation.

ESRS S1 Own workforce

Material impact, risk or opportunity	Description
Working conditions	
Employee satisfaction and retention (impact)	Sligro Food Group can generate positive impact on employee satisfaction and retention by ensuring fair pay, social security and freedom of association. Increasing employee satisfaction is expected to improve well-being and contribute to a more positive work environment.
Work-life balance (impact)	Sligro Food Group may have a negative impact on its employees' well-being, especially when it comes to the work-life balance.
Employee satisfaction and retention (opportunity)	Sligro Food Group has the opportunity to obtain financial benefits from increased employee satisfaction levels, because higher employee satisfaction means higher employee retention, and that means lower recruitment costs per employee. On top of that, employee retention, i.e. keeping key skills and expertise at the company, also comes with higher productivity and lower employee expenses.
Equal treatment and opportunities for all	
Training and skills development (impact)	Sligro Food Group has a positive impact by promoting employee development by offering career opportunities, including internal and external training and regular performance reviews.
Diversity (impact)	Sligro Food Group can have a positive impact on diversity by offering equal opportunities and preventing discrimination within its direct operations.

Policies (S1-1)

Learning and performance are inextricably linked in our approach to developing our people and teams. We ensure that employees can quickly make a useful contribution and stay employable thanks to our focus on their development and vitality. Aiming for long-term employment relationships, we work to keep our employees engaged and earn their loyalty. To do so, we stimulate their development by allowing them to self-manage and by offering them structured and challenging training options and wide-ranging career opportunities.

Our policy with respect to our own workforce is made by our HR department, based on our commitment to fair treatment of our employees, fair pay and freedom of association. This is partly ensured by the fact that our employees in both the Netherlands and Belgium are covered by the collective labour agreement. We subscribe to the OECD principles on sustainability and the UN Guiding Principles for Business and Human Rights through our code of conduct, whistleblower scheme, use of confidential counsellors, and complaint handling procedures. To us, it goes without saying that we do not want be involved in practices such as human trafficking, child labour, and forced labour, which is why we have not recorded this explicitly in official policy documents.

Working conditions

Employee satisfaction and retention

Both in the Netherlands and in Belgium, we use surveys to measure our own employees' job satisfaction. These surveys are conducted by an external firm. The survey results are developing step by step and offer clear starting points for continuous improvement of employee satisfaction. Since non-employee workers are generally contracted for a relatively short period of time, they are not included in the employee satisfaction survey cycle.

Work-life balance

At Sligro Food Group, we believe that a healthy work-life balance is important for our employees. We understand that a good balance between work and personal life is crucial for our employees' well-being and productivity. Not only do we offer e-learning modules, we also regularly organise webinars on employee health and vitality. These webinars cover a wide range of topics, including mental resilience, stress management and physical health. The idea is to give employees practical tools and insights that both contribute to their overall well-being and help elevate our performance as Sligro Food Group. In addition, we offer our employees the opportunity to switch to flexible working, if their job permits it. Flexible working includes the opportunity for full-time employees to work from home for a maximum of two days a week, and for part-time employees who work four days a week to work from home one day every week. Our guidelines have been designed to ensure that working from home helps employees strike a better work-life balance without working from home becoming a goal in its own right. This is because we firmly believe in mutual interaction in the workplace, and working from home is not even an option for 80% of our employees.

Equal treatment and opportunities for all

Training and skills development

At Sligro Food Group, we place great value on our employees' continuous development. We believe that their growth will not only benefit them personally, but also add to our company's success. With this in mind, we offer a range of programmes and facilities to support and foster our employees' professional and personal development.

The Sligro Academy offers a broad array of learning programmes for employees from all levels of the organisation, focused on both specific skills and general competencies. Alongside our own training options, we use external training programmes hosted by training institutes for specific functional areas and competency-related training. Sligro Academy also offers a number of learning programmes catered specifically to non-employee workers, with direct relevance to the performance of their jobs.

Our policy includes an extensive training programme for employees at our Customer Service department and specialised training for our cash-and-carry specialists. Employees have the opportunity to enter a tailored training programme developed specifically for Sligro Food Group, including for our fresh food specialists (fruit and vegetables, fish, cheese), or to enrol in a learning-on-the-job programme. We have also developed a training curriculum for those working on the transportation side of our business.

For new employees, there is the Sligro Food Group onboarding programme with specific introduction programmes for each business unit. This onboarding programme gives new hires a good overall view of the organisation, their colleagues, business processes and collaborative practices. It is supported in part by online introductory activities, while participation in operations and visits to colleagues and locations continue to play a crucial role. Additionally, the Executive Board is closely involved in the programme and also plays an active role at different points during the programme by giving presentations and training to help new employees get settled in.

So as to be an attractive company to new, young professionals, we have developed a trainee programme for our sites in both the Netherlands and Belgium. We also contribute to new talent training by offering work placement opportunities, which also gives us new, fresh insights.

Diversity
We want ours to be a broad, diverse and inclusive workforce, which requires a focus on this in our recruitment and selection, pay and benefits, and internal career opportunities. For us, diversity means more than just a gender ratio; we value an inclusive work environment where different backgrounds, perspectives and experiences come together.

We are actively working to increase diversity. Our focus on diversity has already led to an improvement in gender distribution in management positions. As a result, our workforce includes employees from a wide range of different nationalities and cultural backgrounds, but we still want to improve diversity in our service office jobs.

Sligro Food Group has a zero-tolerance policy on discrimination, sexual harassment, aggression, violence, bullying, and other forms of inappropriate conduct. Victims can turn to one of our confidential counsellors. This policy is anchored in our code of conduct.

Inclusion is embedded in our corporate culture. We initiate projects to employ people with poor job prospects, as evidenced by our certification under the PSO (‘Prestatieladder Socialer Ondernemen’, More Social Enterprise Performance Ladder) scheme.

We want to have a stable base of permanent employees and limit the percentage of temporary workers in our workforce. Due to low labour availability and high employee turnover, we use flexible workers, often from Eastern Europe, in our logistics operation. Our focus in accommodating these workers is on ensuring a rapid induction process, creating a good working atmosphere and offering e-learning modules, while also offering workers opportunities to sign a permanent contract and move up in our organisation, which has already led to longer employment relationships.

Additionally, we are aiming for a better gender distribution in senior management, which we have committed to in our leadership programme, and we already meet the ingrowth quota for the Supervisory Board, meaning that at least one third of the Supervisory Board members are female.

Processes for engaging with own workforce and workers’ representatives about impacts (S1-2)

We are committed to good relationships and consultations with our own workforce, both directly and through our works councils in the Netherlands and Belgium. Smooth collaboration with these works councils adds value through intensive consultations and transparency. We do not limit ourselves to the legal minimum number of meetings, and the input and feedback we receive are very valuable, delivering insights that help us to keep improving.

We thank the members of the works councils for the good dialogue and constructive collaboration. There are differences in the methods and competencies of a works council in the Netherlands and Belgium. Although we usually prefer a BeNe structure, i.e. a single structure across Belgium (Be) and the Netherlands (Ne), this is not always workable because of the differences. In both the Netherlands and Belgium, the works council is made up of elected employee representatives.

Sligro Food Group Netherlands’ works council consists of 21 elected representatives, carefully divided into constituencies to properly represent all business units and geographical regions. Work council meetings are always attended by the CEO and CHRO while other International Board members sit in when the works council will be discussing specific topics that are of concern to International Board members.

Works council meetings are held six times a year. Prior to each meeting, works council members gather input and the agenda is shared on our *bijSligro* online employee platform. Minutes are published after meetings, and important issues are communicated through sliM, our monthly magazine for employees.

We are also committed to maintaining good relationships and communications with non-employees. As this group of employees is not directly employed by us, we are not always able to monitor which group has a works council within their own organisation. For these employees, we use our regular contact as well as our contact with the employment agencies from which these employees are hired to monitor and ensure good working relationships.

Channels for employees to raise concerns (S1-3)

We have defined the specific conduct we want to see at Sligro Food Group in our code of conduct. If something does go wrong in terms of conduct, we encourage employees to raise it promptly, so that we can take appropriate measures. If they prefer, employees can also turn to one of our confidential counsellors at any time. In addition, an internal complaints handling mechanism has been set up and a complaints committee has been established to investigate official complaints and advise the International Board on them, and employees can make use of the whistleblower scheme. If a complaint is filed, the International Board will ensure that the complainant and other persons involved are in no way disadvantaged on account of having filed a complaint. Employees can consult the full complaints handling mechanism on the employee information page.

Actions (S1-4)

In 2024, we launched various initiatives for our employees. Halfway into the year, for example, we again conducted an employee satisfaction survey among our own employees, which we intend to keep doing annually. This survey returned clear starting points for continuous improvement.

In addition, Sligro Academy gives employees access to over 300 training programmes around topics such as food safety, sales, fresh food, products and diversity. In 2024, we added 'safe and healthy working' to our training line-up and gave training on how to go 'from work pressure to work pleasure'. Especially for our drivers, we have training courses such as 'healthy working in the delivery domain' and 'the happy driver'. A number of these training opportunities are also open to non-employee workers, especially those that are directly relevant to the performance of their work.

Internal training, development and growth are essential. This means that we fill junior roles with diversity in mind. While everyone still has the same opportunities to move up in the company, we do keep targets in mind when filling positions. In addition, when employees leave our company, we look into whether our corporate culture and management style may have been factors in them deciding to leave.

Going forward, our HR department will continue to work to create a productive, engaged and well-functioning work environment, including by further developing our training programme.

Targets (S1-5)

We aim to be an organisation where teams of satisfied, engaged and professional employees work together to realise Sligro Food Group's ambitions. Driven by this aspiration, we have set targets that can help us achieve that. These targets were defined by the ESG Steering Committee, which serves as a delegation of all of the Group's own employees that discusses material sustainability topics. These targets are based on the organisation's policy, on past performance, and on legal provisions. Our performance on these targets is monitored annually and discussed by the International Board and with management teams and other stakeholders. Since non-employee workers are generally contracted for a relatively short period of time, they are not included in the employee satisfaction survey cycle. This is why no targets based on an employee satisfaction survey have been formulated for this group. Seeing as we feel equally committed to this group of employees' job satisfaction, we do provide training opportunities for this group of employees that help them in their work. Additionally, we are currently exploring options on how to roll out an employee satisfaction survey to this group as well.

Annual measurement of employee satisfaction on a scale of 1 to 100 and actively following up on points for improvement enables us as an organisation to keep improving.

%	Base year 2024	Target for 2030
Employee satisfaction	67%	72%

We have set the following gender distribution targets within the organisation:

Gender distribution

% male / % female	Base year 2024	Target for 2030
Senior management	65/35	63/37
Executive Board	100/0	-
Supervisory Board	60/40	>33/>33

Our Senior management, i.e. the group of managers down to two levels below the Executive Board, has historically always seen low employee turnover, meaning any change in gender distribution in senior management will be gradual. At the end of 2024, there were 70 senior management positions, of which 47 were held by men and 22 by women. There is one vacancy in our senior management.

Our Supervisory Board consists of five members, three men and two women, which means that we meet the statutory ingrowth quota and targets of a membership that is at least one-third male and at least one-third female.
Our Executive Board is made up of three directors who have been working at Sligro Food Group for a long time. We do not expect any changes to the Executive Board in the coming years, so we have not set any other target with respect to the Executive Board for 2030.

(S1-6 to S1-16)

Our workforce by gender, country and age:

Own workforce

number as at year-end	2024
Gender	
Male	4,259
Female	1,760
Other	2
Not reported	-
Total	**6,021**
Country	
Netherlands	5,133
Belgium	888
Age	
<20	493
20-30	1,256
30-40	1,086
40-50	1,038
50-60	1,535
>60	613

In the management report, the number of employees is stated on page 10. The financial statements provide the number of employees in FTEs in the list of notes in section 2 'Segment reporting' on page 169.

Employees by contract type and gender:

Own employees by type of employment

number as at year-end	Male	Female	Other	Not reported	2024
Number of permanent employees	3,095	1,274	1	0	4,370
Number of temporary employees	374	161	0	0	535
Number of non-guaranteed hours employees	790	325	1	0	1,116
Total number of employees	**4,259**	**1,760**	**2**	**0**	**6,021**

The workforce breakdown by collective bargaining coverage and social dialogue in the Netherlands and Belgium for 2024 shows that all our own employees are covered by the collective labour agreement:

Workers' representative body

Coverage	Collective bargaining coverage: EEA employees	Collective bargaining coverage: Non-EEA employees	Social dialogue: EEA workers' representative body
0-19%	-	-	-
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	-
80-100%	Netherlands Belgium	-	Netherlands Belgium

Employee turnover

	2024
Employee turnover (#)	1,746
Employee turnover (%)	29.0%

During the financial year, there were two reports of discrimination. Other than that, no complaints were filed with respect to breaches of serious human rights issues, OECD guidelines and/or the UN Guiding Principles, and no fines or compensations were imposed for such incidents.

Pay gap

%	2024
Pay gap	5.6%

The pay gap between men and women is disclosed as a percentage that reflects the difference between male and female employees' average hourly pay as at 31 December (own workforce only), whereby male employees' average hourly pay as at 31 December is 100%. With respect to this method of calculating the pay gap, we must note that it depends on definitions and weighting factors that determine the outcome of the pay gap. For this reason, we believe that based on the current calculation and dependencies, no conclusion can be drawn from the outcome of this calculation.

Total pay ratio

	2024
Ratio of the CEO's annual pay to the median annual pay of all of the Group's own workforce (excluding the CEO)	18.7
Ratio of the CEO's annual pay to the average annual pay of all of the Group's own employees (excluding the CEO), as recognised in the remuneration report.	17.6

The table above includes both the ratio based on the median annual pay of all own employees and the average annual pay. The latter is included for comparison purposes and was taken from the calculation in the 'Pay ratio' section of the remuneration report on page 69.

Workers in the value chain (S2)

Introduction

The value chain and the people working in it are important to Sligro Food Group. They make sure everything runs smoothly and that we are able to deliver quality. By maintaining a focus on their working conditions and being clear on our processes, we are able to prevent problems and our customers can continue to rely on us. It is all about working together and growing in a fair and sustainable way.

Impact, risk and opportunity management (ESRS 2 – SBM-3)

The following material impacts, risks and opportunities relating to all workers across Sligro Food Group's value chain have been identified during the process as described in ESRS 2. We looked at both permanent impacts and any previous incidents in our analysis. Details of the workers to whom these impacts, risks and opportunities primarily relate are provided in the 'Policy' section of this chapter.

ESRS S2 Workers in the value chain

Material impact, risk or opportunity	Description
Working conditions	
Health and safety (impact)	Sligro Food Group has identified a potential negative impact on the well-being of workers in the value chain. In addition, there are potential negative impacts on health issues in industries where workers are exposed to pesticides and/or chemicals.
Health and safety (risk)	Sligro Food Group sees potential financial risks caused by unhealthy working conditions and violations of safety standards that may damage our reputation and lead to financial penalties. A high accident rate may point to an inadequate safety culture, which increases the risk of damage to our reputation.
Equal treatment and opportunities for all	
Adequate wages (impact)	Sligro Food Group is in a position to have a positive impact in this respect by procuring products from companies that pay their workers adequate wages. Doing so will not only foster fair trading practices, it will also bolster Sligro Food Group's reputation as a responsible company that is committed to improving the well-being of workers across the entire supply chain.

Policies (S2-1)

Working conditions and terms of employment

Health and safety

We endorse the OECD Guidelines for Multinational Enterprises and the United Nations' Guiding Principles for Business and Human Rights. These principles are the basis of our policy and we expect our suppliers to also abide by them. To date, we are not aware of any cases of violations of these rights in our supply chain.

To increase transparency in our supply chain and prevent adverse working conditions at our suppliers, and to improve conditions where necessary, we have amfori BSCI audits conducted in high-risk countries and use equivalent social compliance audits with similar standards.

With these actions, we aim to prevent labour-related abuses in our production chains and keep our business practices in line with internationally recognised human rights. Our policy around workers in the value chain is implemented by the Procurement and Product Range Management department and the Supply Chain department. The sections below will give a rundown of health and safety policies for each of the key links in the value chain by category.

Drivers

Even though we started our own transport company in 2023 under the name Sligro Food Group Transport, we still outsource by far the greatest part of our transport to professional carriers. In Belgium, we already worked with a combination of our own drivers and some outsourced transport. Whether drivers work for Sligro Food Group directly or through an external company does not make any difference to us in how we treat them, which is why our code of conduct also governs drivers employed by our transport partners.

Fresh partners

Employees of our Fresh Partners Kaldenberg and Ruig work at our cash-and-carry outlets. Just as much as our 'own' employees, they act as ambassadors towards our customers and assure our customers of the skill and professionalism they value so much. Because we want to be there for our customers as a total team, we also involve these colleagues as much as possible in our business, our events and our social occasions. Our code of conduct states that it also applies to employees of Fresh Partners working at our cash-and-carry outlets. The actions and targets for the material impacts, risks and opportunities are the same as those for our own employees as stated in the relevant section.

Other workers in the value chain

In the value chain, our influence is greatest with our direct suppliers. Our Suppliers' Manual identifies what operational information and data are required to do business with us. In addition, the manual focuses strongly on our vision of socially responsible business, our codes of conduct, quality and traceability, sustainable trading, audits and value chain transparency, as well as working conditions and human rights.

Every supplier of products made by a producer from a country that amfori BSCI has classified as a high-risk country must be able to submit a certificate showing that amfori BSCI audits have been performed to assess compliance with BSCI criteria on working conditions.

Sligro Food Group has been a member of the Business Social Compliance Initiative (BSCI) since 2010. BSCI is a business-driven platform that encourages members and value chain partners to reach agreement on improved working conditions. Sligro Food Group strives to follow the BSCI principles, as set out in the BSCI Code of Conduct. Our procurement terms stipulate that the commitment of our suppliers to BSCI principles is a precondition of supply. Where our suppliers have production sites in countries that BSCI classifies as high-risk, these sites are regularly audited to check for acceptable working conditions. These audits result in a score from A to E, where A is the highest score obtainable and E the lowest. We set a minimum score of C. Production sites with an inadequate score (D or E) must supply an improvement plan within 60 days based on the deficiencies identified in the audit report. The production sites are also re-audited within six to twelve months. The detailed approach, process and requirements that we set can be found in our suppliers' manual. The Suppliers' Manual is available for reference on our website. Suppliers | Sligro Food Group.

Since 2022, audits have also been performed at production sites in high-risk countries for the Food, Fresh Produce and Wine & Spirits units, as well as for those in the Non-Food unit.

Equal treatment and opportunities for all

Adequate wages

At Sligro Food Group, we want all drivers to be paid fair and adequate wages. We ensure that our transport partners adhere to current collective labour agreements and labour laws, so as to ensure that drivers receive fair pay for their work. This underlines our commitment to the well-being and appreciation of all our own and our partners' employees.

Besides our commitment to drivers, we also work to ensure adequate wages for all other workers across our value chain. While there is no unequivocal indicator of what constitutes an adequate wage, which also differs from one country to the next, this is still an important topic in our BSCI audits. This has also been laid down in the code of conduct that we ask our suppliers to sign, which is how we strive towards fair working conditions worldwide. Our Fresh Partners make and implement their own policy in this respect. Where a collective labour agreement applies, it will be adhered to.

Processes for engaging with value chain workers about impacts (S2-2)

Since the code of conduct applies not only to our own workforce but also to Fresh Partners employees working at our cash-and-carry outlets and drivers employed by our transport partners, they enjoy working conditions that are similar to those of our own employees and they are heard in the same way. These working conditions and consultations are the responsibility of the Fresh Partners and transport partners, who keep us informed of their efforts in this respect.

Although we are not in direct contact with other workers in the value chain, we do assess their working conditions and room for improvement through BSCI audits, whereby we pursue the principles from the BSCI Code of Conduct. The audit frequency varies by supplier and depends on the score attained under the BSCI guidelines.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

Sligro Food Group follows the BSCI zero tolerance protocol with four performance areas (unsafe and unhealthy working conditions, child labour, bonded labour and unethical conduct). If a BSCI audit reveals one or more of the above issues at a company in our value chain, the auditor will immediately suspend the audit. The BSCI secretariat will notify the relevant BSCI members within 24 hours. At Sligro Food Group, the Procurement and Product Range Management Director, the relevant Unit Manager and the buyer determine the next steps. We decide on a case-by-case basis whether the production site should be given the chance to implement improvements in the short term or to terminate the relationship, either temporarily or permanently. When it comes to equivalent social compliance audits, we make signing a procurement contract conditional on the supplier having been issued a valid certificate or audit report with a satisfactory score.

Our whistleblower scheme, which complies with the Dutch Corporate Governance Code and international standards, offers a confidential way to report wrongdoings such as human rights violations. The scheme is an internal scheme that is accessible to all employees, as well as to workers in the value chain, through our website. Reports are investigated by qualified individuals, such as the Compliance Officer, and there are clear procedures for taking appropriate action. We promote open dialogue and evaluate trust in these processes annually.

Our policy protects whistleblowers against retaliation by ensuring that employees and/or workers in the value chain who report wrongdoing based on reasonable grounds are not fired, demoted or otherwise disadvantaged. Measures are also taken to actively counter threats or negative actions against whistleblowers. When wrongdoing is reported, Sligro Food Group follows an internal process to resolve it quickly and effectively. These actions ensure a safe and just working environment throughout our value chain.

Actions (S2-4)

In 2024, we updated Sligro Food Group's Suppliers' Manual. We implemented improvements on important points such as sustainability, transparency, data management, quality assurance and safety. These updates ensure a more integrated approach with a strong focus on collaboration across our supply chain. Through these adjustments, we continue to aim for the highest standards.

In addition, we continue to push suppliers every year to conduct the required BSCI audits or to have these conducted, and we continue to monitor progress in this respect. If an audit reveals any kind of non-conformity, we will respond adequately.

Our transport partners are under an obligation to comply with all relevant laws and regulations, including the applicable collective labour agreement and labour laws. We set high standards for working conditions and employee qualifications to guarantee safe and high-quality performance of the work. By signing a contract with us, our transport partners confirm their commitment to our code of conduct, thus ensuring that our standards are consistently upheld, regardless of whether drivers are employed by Sligro Food Group or by one of our partners.

Targets (S2-5)

Our aim is for every supplier in a high-risk country to have a BSCI audit report with an overall rating of least C, a certificate from another accepted social compliance audit with an adequate score, or to have launched an improvement process. While this goes for all brands, our focus is specifically on our Exclusive Brand products because we have direct influence on the suppliers of these products. This is a target we have set ourselves because it is of intrinsic importance to us.

The ESRS do not yet stipulate specific disclosure requirements and there are no sector-specific standards available. Other regulations that provide us with direction in setting targets and choosing metrics are also lacking. Sligro Food Group has, therefore, not set a specific, measurable, time-bound and outcome-oriented target.

When it comes to setting further quantitative targets in the future, we will closely monitor developments around laws and regulations and related industry-specific developments. We continue to focus on compliance with and monitoring of the social compliance rules from our suppliers' manual, whereby each supplier operating in a high-risk country is required to meet the conditions we have set.

Consumers and end-users (S4)

Introduction

Sligro Food Group is active in all key foodservice market segments in the Netherlands and Belgium – from restaurants to fast food, from hospitals to hotels, from caterers to convenience stores, from amusement parks to sports clubs, from SMEs to multinationals, from bars to cinemas.

Customers are essential to Sligro Food Group, because they are the driving force behind our business. Their needs and feedback help us to keep improving and innovating. Building strong relationships with customers enables us to generate growth and further develop our market offering. Being a wholesaler, we sell only to businesses and not to consumers directly, meaning that we have limited contact with consumers.

Strategy and business model (SBM-3)

ESRS S4 Consumers and end-users

Material impact, risk or opportunity	Description
Food safety (impact)	Sligro Food Group may have a negative impact on consumers' safety through product quality when Sligro Food Group fails to meet quality standards.
Consumer health and nutrition (impact)	Sligro Food Group can reduce its product range's negative impact on consumer health by making customers aware of the health effects of products and suggesting healthy options.
Food safety (risk)	If it turns out that Sligro Food Group's products have caused serious health risks for customers, there are potential financial risks such as damage to our reputation, product recalls, or, in very serious cases, legal prosecution.

Policies (S4-1)

The policy is geared towards maintaining or increasing customer satisfaction and towards ensuring a safe customer experience for all customers. Our Quality department is responsible for this policy. We are committed to treating our customers and end users with decency and have, therefore, not drawn up a human rights policy for our customers. We are not aware of any cases of human rights violations by our customers either.

Food safety
We stand for supplying safe (food) products. Control over food safety in our processes is ensured by internal and external audits performed on the basis of national and international legislation and standards. At Sligro Food Group, food safety always comes first. If there are any doubts about the food safety of a product, we take no risk whatsoever and withdraw the item or items in question immediately and notify customers of the possible risks without delay. On top of that, our food safety culture includes an annual review of the management system, policy made and updated by our management, e-learning modules on HACCP legislation (Hazard Analysis and Critical Control Points) for all employees at the relevant sites, and local and interlocal HACCP teams made up of employee representatives. When it comes to food safety, all Sligro Food Group sites have the relevant certifications, including FSSC 22000. This extends to all employees working at our delivery service wholesale outlets, at our cash-and-carry outlets, and in our production operations, excepting only employees working at our service office.

Consumer health and nutrition
Tobacco products have an adverse impact on consumers' health. Under Dutch law, Sligro Food Group is allowed to continue to sell tobacco until 2030. In anticipation of this legislation, we have, as of 1 July 2024, stopped selling tobacco products at our cash-and-carry outlets and as part of our delivery service to retailers and hospitality businesses. This triggered a shift in the market, as petrol stations became the main channel for tobacco sales. It also drove up tobacco sales at Sligro Food Group's delivery service wholesale outlets.

We felt that now is a natural point in time to completely stop selling tobacco products, also in light of our sustainability ambition. Additionally, tobacco has always been a service product for us that generated limited economic returns. Given all of the above factors, we have made the policy decision to stop selling tobacco at our delivery service wholesale outlets as well as of 1 January 2025.

Our policy is also geared towards achieving a healthier nutritional composition of processed products in our Exclusive Brand range by reducing the sugar, salt and/or saturated fat content in our Exclusive Brand products, so as to ultimately give our customers a healthier option to choose. Reducing the sugar, salt and/or saturated fat content is in line with the Dutch National Institute for Public Health and the Environment's approach to product improvement ('Nationale Aanpak Productverbetering').

We have focused this policy on our Exclusive Brand products, as that is where we have the greatest direct influence. Our overall policy also includes a drive to grow the share of our Exclusive Brand products in our product range. For non-Exclusive Brand products, the relevant considerations and choices are made by the parties that make those products, meaning that we, being merely a single buyer, have little direct influence on the nutritional composition of our suppliers' products. This does not mean, however, that this is not an important topic and that we do not raise it in our meetings with suppliers. Depending on developments in the market and at our suppliers, we will in the future look into ways in which we can make a meaningful contribution to non-Exclusive Brand products and formulate policy for these products as well.

Aside from this, we have developed the Socially Responsible Procurement (SRP) Monitor, especially for corporate catering and customers in the healthcare domain. The SRP monitor is a product range reporting system, based on SRP criteria set by the government's PIANOo organisation. The reporting system helps our customers and their customers to understand how healthy and sustainable their product range is. The SRP Monitor tracks seven different topics: health, sustainability, the 'protein transition', vegetarian, vegan, country of origin and industry benchmark. The resulting information empowers our customers to decide what topics to focus on and take targeted steps to achieve their health and sustainability targets.

Processes for engaging with consumers (S4-2)

Throughout the year, we maintain direct contact with our customers to track their needs and experiences with respect to our product range, quality and other topics. Sligro Food Group's customer contact has been split up into different segments, each with a focus on various disciplines.

Being the first line of contact, our customer service is responsible for logging complaints. Final responsibility for customer contact lies with the management of our customer service and Customer Care departments. They coordinate the efforts of the various teams, ensure a consistent approach, and ensure that feedback and complaints are used to keep improving our services.

Customer satisfaction
We measure customer satisfaction by conducting surveys. These surveys are also used to be able to monitor potential future impacts that developments in society may have on our sustainability choices. This way, these surveys are a constant gauge of Sligro Food Group's environment, so that we can identify trends sooner and respond to them where required.

It provides both quantitative and qualitative information. Survey results are also used as KPIs when setting targets for managers and teams. For customers, the scores reported are the average of the last 90 days. For suppliers, the scores reported reflect measurements over the whole year.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

Our target is to be as easy as possible to contact for our customers whenever they have a query or complaint. Customers can visit their local cash-and-carry outlet or contact us using the contact form on our website, but they can also simply call or email us. Our website also includes a page with answers to frequently asked questions.

At our cash-and-carry outlets, complaints are generally recorded and resolved by employees there and then. This ensures that any issues are dealt with quickly.

Our customer service is designed to handle complaints meticulously and to everyone's satisfaction. We log all complaints as and when they are submitted. Complaints about deliveries are logged by our customer service, which covers the whole of the Netherlands and Belgium, while Customer Care takes care of resolving complaints. Both these departments work closely together to ensure that complaints are dealt with effectively and quickly, whereby we work to high standards of efficiency for these processes.

On top of that, we also monitor any complaints on social media. These are scanned and followed up on, which sometimes leads to improvements or adjustments when there are multiple complaints regarding the same topic.

Each complaint is handled meticulously and professionally, and we are dedicated to improving our service based on feedback from customers. Our communication channels are easily accessible and clearly indicated on our website, making it straightforward for customers to contact us and clear to them what they can expect from us. This policy helps us forge strong relationships with our customers and guarantee their satisfaction. For more information about our customer service, see our website.

Recalls
We guarantee the quality and safety of the food we sell by actively asking our suppliers for proof of their Global Food Safety Initiative (GFSI) certificate, by conducting audits in case of doubt, and by analysing products. However, even with all these efforts to guarantee quality and safety, a product recall may still be required when it turns out that a product does not meet the requirements and/or expectations. Whenever this is the case, we revert to our recall policy to ensure an efficient and thorough recall process. During a product recall, we are able to communicate on the specifics of the case with our customers thanks to the direct connection we have with them.

Actions (S4–4)

Food safety
We stand for the supply and production of products that are safe to eat. We take no risks and make no compromises in that regard. This is why we have our own Quality department, including a quality management system. Our service office, central distribution centre, delivery sites and production companies in the Netherlands are certified in accordance with FSSC 22000, which is an international standard recognised by the Global Food Safety Initiative (GFSI). Food safety at the cash-and-carry outlets in the Netherlands is ensured in accordance with the hygiene codes of the Dutch Food Retail Association (CBL) and Hospitality Industry, and is subject to internal assessment by the Quality department and is externally assessed by the Netherlands Food and Consumer Product Safety Authority (NVWA).

In Belgium, our Sligro-M cash-and-carry outlets have IFS Cash & Carry certification and Sligro Belgium's other cash-and-carry outlets, head office and delivery service wholesale outlets are ISO 22000 certified.

Consumer health and nutrition
An important action we have taken in this domain is that we, as explained above, have entirely ceased to sell tobacco products as of 1 January 2025.

We also actively contribute to achieving a healthier nutritional composition of processed products in our Exclusive Brand range in line with the Dutch National Institute for Public Health and the Environment's approach to product improvement ('Nationale Aanpak Productverbetering'). This approach relates to products' sugar, salt and/or saturated fat content. In 2025, we will engage with suppliers on changes to the amount of sugar, salt and/or saturated fat in their products. Following on from that, we will organise internal tasting sessions to test the changes and subsequently start selling the adjusted products.

Targets (S4-5)

The ESRS do not yet stipulate specific disclosure requirements and there are no sector-specific standards available. Other regulations that provide us with direction in setting targets and choosing metrics are also lacking. Sligro Food Group has, therefore, not set specific, measurable, time-bound and outcome-oriented targets with respect to food safety and consumer health and nutrition. Our focus is on monitoring developments in legislation and regulations. As and when more guidance becomes available in that domain, we will be able to set specific targets.

Food safety
Our target is for all our sites to meet the highest food safety standards. Every year, Sligro Food Group scans the regulatory landscape and contractual arrangements to analyse which food safety standards apply. Whenever requirements change, we assess the impact of the change on our internal procedures and external certifications. We monitor to make sure that all of our sites that are required to have a food safety certificate do indeed have a valid certificate at all times and that the other hygiene codes are adhered to as well.

Consumer health and nutrition
We are committed to lowering the sugar, salt and/or saturated fat content in our Exclusive Brand products. This is in line with the Dutch government's policy and the Dutch National Institute for Public Health and the Environment's approach to product improvement (Nationaal Akkoord Productverbetering).

Currently, Sligro Food Group is in the process of internally analysing our Exclusive Brand products' sugar, salt and/or saturated fat content, so as to identify products that we will improve in terms of their nutritional composition.

Governance

‘Trust in Sligro Food Group’ e-learning module

98% Employees	**100%** Managers
Target for 2030: **95**	Target for 2030: **100**

Governance

Business conduct (G1)

Introduction

Sligro Food Group's business conduct is primarily determined by the culture within the company. Since corporate culture is a fairly abstract concept that is subject to change and not everyone interprets in the same way, we have identified and detailed the main elements of our culture and recorded them in writing. In doing so, we were guided by our purpose (see p. 15) and our core values. In line with this, many elements of our culture are also to be found in our code of conduct, 'Trust in Sligro Food Group'.

We realise that conduct is determined not so much by how the rules of conduct are defined, but mainly by how those rules are applied in practice. As well as the commitment, engagement and intrinsic motivation of our employees, what matters is that our management provides the right guidance and sets the right example. For details of business conduct supervision, monitoring and responsibility, see the 'Approach and organisational embedding' section in the 'Sustainability' chapter.

Impact, risk and opportunity management (ESRS 2 IRO-1)

ESRS G1 Business conduct

Material impact, risk or opportunity	Description
Positive impact on potential ethical issues (impact)	Ethical issues such as bribery, corruption and competition-disrupting practices may occur in both Sligro Food Group's upstream and downstream value chain. Within Sligro Food Group's direct operations, similar problems may occur, such as unfair competition or insider trading. Sligro Food Group stands firm against any form of bribery and corruption, and we are committed to fair business practices in all facets of our operations.
Negative impact on data security and privacy (impact)	Sligro Food Group may have a negative impact on business partners' data security and privacy in both the upstream and downstream value chain. Insufficient or ineffective data security and privacy controls potentially increase these partners' vulnerability. Within its own activities, Sligro Food Group is also responsible for the security and privacy of the company's own and employees' data; inadequate security measures may end up increasing the vulnerability of people working in Sligro's direct operations.
Positive impact on ethics and integrity (impact)	Business ethics and integrity help the company uphold its positive reputation and prevent legal disputes and fines.
Financial consequences of data breaches (risk)	Sligro Food Group sees a financial risk in the event of a data breach at one of our suppliers and/or customers. Within our own activities, inadequate data protection may lead to data loss or unauthorised access and use of data, which may, in turn, result in fines or legal expenses.

Corporate culture and business conduct policies (G1-1)

Corporate culture and risk management
Sligro Food Group traditionally has a strong culture in which flexibility, entrepreneurship, trust, collaboration and high consideration for our colleagues in operational roles feature prominently. The important thing is to maintain the good balance between culture and structure. Besides being the driving force behind our company, this culture is also an important control measure in our risk management efforts. Internationalisation and the influx of new employees can lead to dilution of the culture. In a growing international organisation, preserving this culture is something we emphatically focus on.

The international roll-out of Sligro Food Group's core values, the transition at management level to a cross-border BeNe structure, our 'Green Blood', the code of conduct and the onboarding programme for new employees contribute to securing the culture. Our People Strategy offers a solid basis for ensuring its preservation both now and in the future. In this context, it is important that the Executive Board and management set an example, as is explicitly anchoring the connection between Group functions and the regions in consultative structures and job profiles. In addition, we also monitor our employees' engagement and satisfaction.

Our growing, international organisation calls for new skills and changes to responsibilities. We have a constantly improving mix of experienced employees steeped in our culture and relatively new employees, working together in a healthy balance to transform Sligro Food Group into an organisation that is ready to fulfil our international foodservice ambition while also preserving our culture. We pay close attention to the development and engagement of both experienced and new employees.

Code of conduct
Trust in Sligro Food Group is essential to ensuring that our business can operate properly and successfully. This not only encompasses the trust of our employees in the company, but also the trust and confidence of customers, suppliers, shareholders, financial institutions, government bodies, media and social organisations in Sligro Food Group.

Trust in Sligro Food Group is an important element of its successful history. However, conscious effort is needed to gain and maintain trust. Trust needs to be constantly lived up to and maintained through appropriate conduct. This is a permanent task for the Executive Board and all Sligro Food Group employees.

The code of conduct, entitled 'Trust in Sligro Food Group', lists fourteen points as guidelines for achieving this task. The code of conduct applies to anyone working for Sligro Food Group, either under a contract of employment or otherwise. The code of conduct connects seamlessly to our purpose and core values. In the code of conduct, the core values are expressed in terms of specific rules of conduct. The code of conduct helps to find specific answers to questions, for instance in relation to our core value of being 'Stronger Together': *'What conduct should I expect from my colleagues?'* and *'What conduct should my colleagues expect from me?'*. The code of conduct also explicitly states that Sligro Food Group will not tolerate bribery or fraud.

The code of conduct is available for reference on our website.
Codes and rules, code of conduct 2021.

Compliance with the code of conduct
The code of conduct is no more and no less than a tool to help promote proper conduct. The most important factor in promoting good conduct among our employees is the Sligro Food Group culture. Our culture is the driving force behind our business and an important control in the context of risk management. While that culture ensures the good conduct of our employees to a large degree, it (unfortunately) does not always do that. Moreover, it may be argued that numerous developments within and outside Sligro Food Group (social changes, complexity of systems and processes, internationalisation, the speed of change) mean that good conduct cannot be taken for granted as much as it was in the past. For these reasons, it has become more important to have a code of conduct, as a supporting instrument alongside the primary role of our culture to promote good conduct.

With all this in mind, the previous code of conduct was replaced in 2021 by the current code of conduct, entitled 'Trust in Sligro Food Group'. By giving this name to our code of conduct, our intention is to make the essence of the code of conduct clear. Considerable attention has meanwhile been paid to the code of conduct within the Sligro Food Group organisation in the

Netherlands and Belgium. Alongside structural communications on standards, values and conduct, the code of conduct has also become a fixed component of the HR toolbox. For instance, the code is included in the onboarding process for new employees and an accessible e-learning module on the code has been produced. Every employee must complete this 'Trust in Sligro Food Group' module every two years, the aim being to increase awareness of conduct and standards of conduct. Since having been offered to all Sligro Food Group employees for the first time in 2022, this e-learning module has been giving us keen insight into the effectiveness of our policy of good business conduct, including anti-corruption and ethical guidelines. Despite the fact that there are always roles within an organisation that involve a higher risk of breaches of rules and standards of conduct, Sligro Food Group has decided to make the scheme and periodic training compulsory for all employees. In 2024, in accordance with the policy, completing the 'Trust in Sligro Food Group' e-learning module was again on the agenda for all employees.

Completing 'Trust in Sligro Food Group'

%	Base year 2024	Target for 2030
The percentage of employees working for the company for at least 50 days who completed the 'Trust in Sligro Food Group' e-learning module	98%	95%
The percentage of managers working for the company for at least 50 days who completed the 'Trust in Sligro Food Group' e-learning module	100%	100%

Through greater awareness, we want to ensure that the difference between proper and improper conduct is always 'top of mind' for everyone and that conduct is always an issue that employees are willing to talk about openly among themselves and with their managers.

The Executive Board is responsible for adopting the code of conduct and ensuring its effectiveness, as well as for compliance with the code by the Executive Board itself and by Sligro Food Group's employees. The Executive Board will inform the Supervisory Board about the findings and observations regarding the effectiveness of and compliance with the code of conduct, also taking into account the obligations under sustainability legislation with regard to bribery and corruption.

Lastly, the code of conduct is an explicit component of Sligro Food Group governance: all members of the International Board now explicitly commit themselves to the code of conduct by means of an annual written declaration. This not only requires them to consider the standards of conduct in their own conduct, but also to actively promote the application of those standards by everyone to whom the code applies.

Animal welfare

Our strategy and efforts around animal welfare are detailed in the 'Biodiversity and ecosystems (E4)' section.

Whistleblower scheme

Sligro Food Group has a unified whistleblower scheme for all our Dutch and foreign subsidiaries. Adopted by the Supervisory Board and Executive Board in July 2020 and revised on 21 October 2024, this scheme complies with the Dutch Corporate Governance code and international standards. The whistleblower scheme includes procedures and definitions for reporting suspicions of wrongdoing within the organisation. The full scheme, including details of how whistleblowers are protected, is available on the Sligro Food Group website, which is also where you can find a specific channel that whistleblowers can use to report wrongdoing. Codes and rules, whistleblower scheme 2024.

Data protection and privacy
Sligro Food Group considers protection of information about employees, customers and other business partners one of its major responsibilities. This is why we have taken actions to protect and secure this information. These actions are in line with the relevant legislation governing privacy-related topics and data protection. The purpose of our data protection policy is to implement good security practices and promote application of these practices to minimise damage for the company and its employees, customers and other business partners. Our data protection focus is on people and processes. The actions are part of Sligro Food Group's information security policy. To protect privacy, we have drawn up a privacy statement for our employees, our customers and our other business partners. The policy pursued in this context is intended to ensure compliance with laws and regulations and prevent violations in this area.

Sligro Food Group has taken a number of actions for compliance with and monitoring of the information security policy and privacy policy. As an integral part of the policy, these actions apply to all activities, employees and systems across the organisation. It includes procedures for processing requests for access, a data breach response and additional processes and resources that contribute to data protection. Additionally, we have implemented technical and organisational safeguards to protect personal data against unintentional or unlawful destruction, loss, alteration and unauthorised disclosure or access. These safeguards extend to restricting access to privacy-sensitive data, the use of passwords, encryption and identity and access management in line with the information security policy. And to raise awareness of privacy, we have an e-learning module that is compulsory for all employees. This e-learning module informs employees about the relevant privacy rules and evaluates their understanding of them.

Management of relationships with suppliers (G1-2)

We expect our suppliers to make an optimum contribution to improving our services for customers, in areas such as sustainability, food safety, quality, price and innovation. This requires that we and our suppliers work together in a fair and professional manner. To promote fair and professional business relationships, all our suppliers receive our Suppliers' Manual, which alongside general information about Sligro Food Group and our vision of the market, corporate social responsibility and procurement, also contains detailed guidelines regarding quality, sustainable business, data, electronic data exchange, invoicing, payments and payment terms, deliveries, Exclusive Brands and KPIs.

We select suppliers and enter into contracts with them based on an independent business assessment and in compliance with the law, whereby we also strive to enter into long-term agreements and do business with local suppliers whenever we can. Impacts and risks in the value chain, including our policy in this respect, are discussed in the 'Workers in the value chain (S2)' section. Sligro Food Group is a member of the Superunie procurement group, the Dutch Food Retail Association (*Centraal Bureau Levensmiddelenhandel*, CBL), the Dutch Foodservice Institute (*Food Service Instituut Nederland*, FSIN), and the food wholesalers trade association Foodservice Groothandel NL (FSN).

Prevention and detection of corruption and bribery (G1-3)

We have implemented a number of internal controls to ensure compliance with codes of conduct. These are explained in the 'Fraud risks' section of the 'Risk management' chapter of the management report. In addition, the members of the International Board sign a written statement of compliance with the code of conduct every year. The Compliance Officer monitors the outcome of all these actions and periodically consults about them with the Executive Board and Supervisory Board.

Confirmed incidents of corruption or bribery (G1-4)

Compliance with the policy on corruption or bribery is monitored based on incidents of corruption or bribery that were reported and confirmed, as well as issues raised through the whistleblower scheme. Sligro Food Group believes it is very important to have an open culture at the company where people can report wrongdoing and reports are dealt with adequately. In order to forge such an open culture and not deter people from reporting wrongdoing, Sligro Food Group has not made it one of its targets to reduce the number of reports of incidents of corruption and bribery and the number of whistleblower reports. This is why we have not set any targets for this topic. The number of such incidents that occurred in the 2024 financial year is shown in the tables below.

Number of incidents of corruption or bribery

number	**2024**
Total number of confirmed incidents of corruption and bribery	0

Number of whistleblower reports

number	**2024**
Number of whistleblower reports	0

In 2024, no fines were imposed or (internal) convictions were handed down as a result of incidents of corruption and/or bribery. There have not been any reports of complaints or problems in relation to data protection, and neither has Sligro Food Group received any fines on account of privacy law violations.

Appendices

Disclosure requirements and incorporation by reference

ESRS E1 – Climate change		Reference
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 97
E1-1	Transition plan for climate change mitigation	p. 87 and p. 88
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 88
IRO-1	Description of the processes to identify and assess material climate impacts, risks and opportunities	p. 89
E1-2	Policies related to climate change mitigation and adaptation	p. 90 and p. 91
E1-3	Actions and resources in relation to climate change policies	p. 92
E1-4	Targets related to climate change mitigation and adaptation	p. 92 and p. 93
E1-5	Energy consumption and mix	p. 94
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p. 95 to p. 97
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable
E1-8	Internal carbon pricing	Not applicable
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in option applied*

ESRS E3 – Water and marine resources		Reference
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	p. 100
E3-1	Policies related to water and marine resources	p. 100
E3-2	Actions and resources related to water and marine resources	p. 100 and p. 101
E3-3	Targets related to water and marine resources	p. 101
E3-4	Water consumption	Not applicable, no material IROs.
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phase-in option applied*

ESRS E4 – Biodiversity and ecosystems		Reference
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Transition plan: Phase-in option applied* Other: p. 102
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 102 and p. 103
IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	p. 103
E4-2	Policies related to biodiversity and ecosystems	p. 103
E4-3	Actions and resources related to biodiversity and ecosystems	p. 104
E4-4	Targets related to biodiversity and ecosystems	p. 105
E4-5	Impact metrics related to biodiversity and ecosystems change	p. 105
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	Phase-in option applied*

ESRS E5 – Resource use and circular economy		Reference
IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 106
E5-1	Policies related to resource use and circular economy	p. 106 and p. 107
E5-2	Actions and resources related to resource use and circular economy	p. 107 and p. 108
E5-3	Targets related to resource use and circular economy	p. 108 and p. 109
E5-4	Resource inflows	Not applicable, no material IROs.
E5-5	Resource outflows	p. 109 and p. 110
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phase-in option applied*

* Sligro Food Group has opted to use the transitional arrangement that allows us to omit the data points for the first year for which a sustainability statement is prepared.

ESRS S1 – Own workforce		Reference
SBM-2	Interests and views of stakeholders	p. 82
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 112
S1-1	Policies related to own workforce	p. 113 and p. 114
S1-2	Processes for engaging with own workers and workers' representatives about impacts	p. 114 and p. 115
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	p. 115
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 115 and p. 116
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 116
S1-6	Characteristics of the undertaking's employees	p. 117
S1-7	Characteristics of non-employees in the undertaking's own workforce	Not applicable*
S1-8	Collective bargaining coverage and social dialogue	p. 118
S1-9	Diversity metrics	p. 119
S1-10	Adequate wages	Not applicable, no material IROs.
S1-11	Social protection	Not applicable, no material IROs.
S1-12	Persons with disabilities	Not applicable, no material IROs.
S1-13	Training and skills development metrics	Not applicable, no material IROs.
S1-14	Health and safety metrics	Not applicable, no material IROs.
S1-15	Work-life balance metrics	Not applicable, no material IROs.
S1-16	Compensation metrics (pay gap and total compensation)	p. 118
S1-17	Incidents, complaints and severe human rights impacts	p. 118

* Sligro Food Group has opted to use the transitional arrangement that allows us to omit the data points for the first year for which a sustainability statement is prepared.

ESRS S2 – Workers in the value chain		Reference
SBM-2	Interests and views of stakeholders	p. 82
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 119
S2-1	Policies related to value chain workers	p. 120 and p. 121
S2-2	Processes for engaging with value chain workers about impacts	p. 121
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 121
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	p. 122
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 122

ESRS S4 – Consumers and end-users		Reference
SBM-2	Interests and views of stakeholders	p. 82
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 123
S4-1	Policies related to consumers and end-users	p. 123 and p. 124
S4-2	Processes for engaging with consumers and end-users about impacts	p. 124
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	p. 124 and p. 125
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	p. 125
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 126

ESRS G1 – Business conduct		Reference
GOV-1	The role of the administrative, supervisory and management bodies	p. 74 and p. 75
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 128
G1-1	Corporate culture and business conduct policies	p. 129 to p. 131
G1-2	Management of relationships with suppliers	p. 131
G1-3	Prevention and detection of corruption and bribery	p. 131 and p. 132
G1-4	Confirmed incidents of corruption or bribery	p. 132
G1-5	Political influence and lobbying activities	Not applicable, no material IROs.
G1-6	Payment practices	Not applicable, no material IROs.

List of data points in cross-cutting and topical standards that derive from other EU legislation

Notes as per ESRS 2 Article 56 and Appendix B

Disclosure requirement and related data point		Reference
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	p. 75
ESRS 2 GOV-1	Percentage of board members who are independent paragraph 21 (e)	p. 75
ESRS 2 GOV-4	Statement on due diligence paragraph 30	p. 74 and p. 75
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Not applicable
ESRS 2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Not applicable
ESRS 2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not applicable
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Not applicable
ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14	Not applicable
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Not applicable
ESRS E1-4	GHG emission reduction targets paragraph 34	p. 92 and p. 93
ESRS E1-5	Total energy consumption from renewable sources disaggregated by sources (only high climate impact sectors) paragraph 38	p. 94
ESRS E1-5	Energy consumption and mix paragraph 37	p. 94
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	p. 94
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	p. 95
ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	p. 96
ESRS E1-7	GHG removals and carbon credits paragraph 56	Not applicable
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Not applicable
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Not applicable
ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c).	Not applicable
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Not applicable
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Not applicable
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Not applicable, no material IROs.
ESRS E3-1	Water and marine resources paragraph 9	p. 100
ESRS E3-1	Dedicated policy paragraph 13	Not applicable
ESRS E3-1	Sustainable oceans and seas paragraph 14	Not applicable, no material IROs.

Disclosure requirement and related data point		Reference
ESRS E3-4	Total water recycled and reused paragraph 28 (c)	Not applicable, no material IROs.
ESRS E3-4	Total water consumption in m^3 per net revenue on own operations paragraph 29	Not applicable, no material IROs.
ESRS 2 – IRO-1 – E4	paragraph 16 (a) i	p. 102 and 103
ESRS 2 – IRO-1 – E4	paragraph 16 (b)	p. 102 and 103
ESRS 2 – IRO-1 – E4	paragraph 16 (c)	p. 102 and 103
ESRS E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	p. 103
ESRS E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	Not applicable, no material IROs.
ESRS E4-2	Policies to address deforestation paragraph 24 (d)	p. 103
ESRS E5-5	Non-recycled waste paragraph 37 (d)	p. 110
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	p. 110
ESRS 2 – SBM3 – S1	Risk of incidents of forced labour paragraph 14 (f)	p. 113
ESRS 2 – SBM3 – S1	Risk of incidents of child labour paragraph 14 (g)	p. 113
ESRS S1-1	Human rights policy commitments paragraph 20	p. 113 to p. 116
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	p. 113
ESRS S1-1	Processes and measures for preventing trafficking in human beings paragraph 22	p. 113
ESRS S1-1	Workplace accident prevention policy or management system paragraph 23	Not applicable, no material IROs.
ESRS S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	p. 115
ESRS S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Not applicable, no material IROs.
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Not applicable, no material IROs.
ESRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	p. 118
ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	p. 118
ESRS S1-17	Incidents of discrimination paragraph 103 (a)	p. 118
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	p. 118
ESR S2 – SBM3 – S2	Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	p. 120
ESRS S2-1	Human rights policy commitments paragraph 17	p. 120 to p. 121
ESRS S2-1	Policies related to value chain workers paragraph 18	p. 120 to p. 121
ESRS S2-1	Policies related to value chain workers paragraph 19	p. 120 to p. 121
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	p. 120 to p. 121

Disclosure requirement and related data point		Reference
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Not applicable, no material IROs.
ESRS S3-1	Human rights policy commitments paragraph 16	Not applicable, not material
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Not applicable, not material
ESRS S3-4	Human rights issues and incidents paragraph 36	Not applicable, not material
ESRS S4-1	Policies related to consumers and end-users paragraph 16	p. 123
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	p. 123
ESRS S4-4	Human rights issues and incidents paragraph 35	p. 123
ESRS G1-1	United Nations Convention against Corruption paragraph 10 (b)	Not applicable
ESRS G1-1	Protection of whistle-blowers paragraph 10 (d)	Not applicable
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	p. 132
ESRS G1-4	Standards of anti-corruption and anti-bribery paragraph 24 (b)	p. 132

Methodologies and assumptions

General

Exclusive Brands

All products or items where Sligro Food Group is the brand owner.

Exclusive Brand products are Sligro Food Group's own-brand products and the exclusive imports where Sligro Food Group is the brand owner.

With respect to management of fish species, animal welfare and deforestation, this concerns all products or items that are not customer-specific products. With respect to deforestation, this concerns all products or items, including our customer-specific products.

Revenue

Sligro Food Group's total revenue as recognised in the financial statements.

Customer-specific products

Products that are custom-made by Sligro Food Group to a customer's unique requirements, wishes or specifications. These are produced, modified and procured especially based on the customer's request.

E1 Climate change

Energy consumption and mix

Crude oil and petroleum products

Diesel and petrol consumed by Sligro Food Group's proprietary and leased vehicles, measured in litres and subsequently converted into MWh.

Natural gas

Natural gas consumed in Sligro Food Group's proprietary and leased buildings and CNG/LNG consumed by vehicles, measured in cubic metres and subsequently converted into MWh. In Belgium, we use a mixture of high-calorific and low-calorific gas. Since low-calorific gas is being phased out, we use one single conversion factor for Belgium.

Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources

This concerns the electricity consumed in and by all of Sligro Food Group's proprietary and leased buildings and electric vehicles. If an electricity contract or bill does not specify how much of the electricity supplied came from fossil and/or nuclear sources, all the electricity supplied is assumed to have come from fossil sources.

Total energy consumption from renewable sources

The consumption of procured energy from renewable sources is substantiated by Guarantees of Origin (GOs) or invoices. Additionally, the Group generates its own renewable energy using solar panels.

GHG emissions

Sligro Food Group applies the generally accepted GHG Protocol to calculate its emissions. This protocol distinguishes between direct and indirect emissions. Scope 1 GHG emissions are direct emissions and Scope 2 and 3 GHG emissions are indirect emissions. The Group's emissions are emissions of CO_2 and HFCs (refrigerants).

For the calculation of emissions from the consumption of natural gas, electricity and various fuels, Sligro Food Group uses the national emission factors published on

- www.CO_2emissiefactoren.nl
- www.CO_2emissiefactoren.be

Data on emissions from the use of refrigerants comes from reports issued by the refrigerant suppliers, which have already converted the emissions from different kinds of refrigerants into tCO_2eq.
Market-based Scope 2 GHG emissions are calculated using the available supplier-specific emission factors.

Scope 1
Sligro Food Group's direct emissions, i.e. Scope 1 emissions, are the following: natural gas consumption, fuel consumption and refrigerants, i.e. hydrofluorocarbons (HFCs). Gas consumption at the Group's sites is measured by the Group itself and data on vehicles' fuel consumption is obtained through the Group's suppliers. This consumption is multiplied by nationally published emission factors. Data on emissions from refrigerants, which has already been converted to CO_2eq, is obtained from refrigerant suppliers and emissions are calculated based on how often refrigerant is topped up in refrigeration systems.

Scope 2
Scope 2 GHG emissions are indirect emissions caused by the generation of the electricity from non-renewable sources that we procure from our energy providers. The location-based method calculates greenhouse gas emissions using national network emission factors that show the climate impact of the power grid from which the entity draws its electricity at the location where it performs its activities.

The market-based method for calculation of Scope 2 GHG emissions uses emission factors that reflect the contractual arrangements. This method enables the Group to incorporate its efforts to reduce electricity-related GHG emissions through contractual arrangements in its calculation of Scope 2 GHG emissions. In the Netherlands, these contractual arrangements are contracts with energy suppliers that include a commitment that all or part of the power they supply has been generated from renewable sources, which is substantiated by Guarantees of Origin. In Belgium, the Group does not yet have any contractual arrangements with suppliers regarding the supply of electricity from renewable sources, but was able to establish based on itemised invoices that a significant part of the power supplied comes from nuclear sources, and power generation from nuclear sources does not produce any emissions. Additionally, a total of 2,150 Guarantees of Origin were purchased in Belgium. Whenever a supplier's emission factor and the energy sources are unknown, we use a general grey power emission factor for the country as a whole.

Scope 3
Scope 3 GHG emissions are disclosed based on the GHG protocol, which specifies a Scope 3 inventory that has been split up into 15 sub-categories (C1-C15).

Category 1
This is the category of purchased goods and services. To calculate the emissions, the Group uses the spend-based method, which means that we calculate the emission impact for trading goods based on the purchase value of the items sold. This was done using the purchase value of items sold, instead of procurement data, because the unambiguity and availability of purchase value data on items sold leads to better estimates. For two sites in Belgium, extrapolation was applied to calculate emissions based on emissions associated with trading goods procured by all the other Belgian sites.

The Group has divided the total purchase value of sales over 280 item groups and each item group was linked to an appropriate emission factor from the set of emission factors from the sources listed below, corrected for inflation for the period between publication of these factors and the current financial year:
- DEFRA
- Dutch National Institute for Public Health and the Environment database ('Rijksinstituut voor Volksgezondheid en Milieu database')
- ScienceDirect
- Climatiq
- CarbonCloud
- National Library of Medicine
- ADEME's Empreinte database
- CO_2 everything

To the extent that the above emission factors are available only in volume units and not in monetary units, they are converted to euro-denominated emissions based on retail prices, with an adjustment for VAT and the average gross margin per item group. For products made up of multiple ingredients, we calculated the average emission factor based on the main ingredients.

For goods and services purchased for in-house use, we used the total costs as the basis for the spend-based method. Primary data from suppliers or other partners in the value chain was not yet used for the calculation of Scope 3 GHG emissions.

Categories 2 to 15 are not significant for Sligro Food Group:

Category		Group activities	%
C1	Purchased goods and services	Purchase goods for resale and goods and services for internal use	90-96%
C2	Capital goods	Investments in property, plant and equipment such as buildings, refrigeration systems and vehicles	0-2%
C3	Fuel and energy-related activities (not included in Scope 1 and 2)	Gas, electricity and fuel purchased for buildings and transportation	<1%
C4	Upstream transportation and distribution	Transportation by external carriers between sites and to customers	0-2%
C5	Waste generated in operations	Waste produced by our activities, such as residual waste, paper, cardboard and out-of-date products.	<1%
C6	Business travel	Fuel and electricity used by employees	<1%
C7	Employee commuting	Fuel and electricity used by employees	<1%
C8	Upstream leased assets	No activities	0%
C9	Downstream transportation	Transportation of our products by customers	<1%
C10	Processing of sold products	No material activities	<1%
C11	Use of sold products	Cooling, freezing and heating products for our customers	1-3%
C12	End-of-life treatment of sold products	Food and packaging waste at customers' and end-of-life processing of our non-food items	<1%
C13	Downstream leased assets	No activities	0%
C14	Franchises	No activities	0%
C15	Investments	Scope 1-2 GHG emissions of associates not included in other categories	<1%
	Scope 3 GHG emissions		**100%**

Climate risk assessments
In performing our physical climate risk assessments, we adhered to the 2021 implementation guidance from the Task Force on Climate-Related Financial Disclosures (TCFD). We chose this route because the climate risk assessment under the EU taxonomy, which focuses on the Group's buildings, is part of the TCFD's broader scope, which looks not only at physical risks but also at transition risks and the impact and influence on the entire value chain.

E3 Water and marine resources

Fish products comprise all products in the 'fish' category in our system.

Whenever a product is registered in our system, we link a category, item group and sub-group to it. The category is determined by the Procurement and Product Range Management department based on the type of product and its ingredients. When a product contains a mixture of various ingredients, the category is chosen based on the top ingredient.

We also link quality marks and labels to each product based on information from the supplier and public sources such as GS1 and PS in Foodservice (organisations for data sharing in the foodservice industry).

For further details of the 'eerlijk & heerlijk' identification method, see: Sligro 'eerlijk & heerlijk' quality marks | Sligro.nl

For a more detailed explanation of Milieu Centraal's 'Keurmerkenwijzer' (quality mark guide) and details of each of the quality marks, see: www.keurmerkenwijzer.nl

E4 Biodiversity and ecosystems

LEAP assessment
Biodiversity dependencies and impacts were analysed using the LEAP method as described by the Taskforce on Nature-related Financial Disclosures (TNFD). We used the recommended Encore tool for the analysis. Our analysis covered the following business activities, as per the classification in the Encore tool:

- 'Wholesale of food, beverages and tobacco'
- 'Warehousing and support activities for transportation'
- 'Office administrative and support activities'
- 'Processing and preserving of meat'
- 'Electrical, plumbing and other construction installation activities'
- 'Processing and preserving of fish, crustaceans and molluscs'

For further details of the method, see:
https://encorenature.org/en

Animal welfare and biodiversity
Revenue
Animal welfare metric:
First off, we exported all data on revenue generated from all Exclusive Brand products (not including customer-specific products) that come under categories related to 'animal welfare'. Our animal welfare policy does not cover customer-specific products because these are products that are made to a customer's unique requirements, wishes or specifications, which we do not have any control over.

Animal welfare metric categories: meat, meat products, poultry, milk and eggs, cheese in the refrigerator and cheese in a chilled display case (jointly referred to as 'chilled cheese') and fish.

Next, we analysed what part of that revenue is revenue from products that can be considered a more sustainable alternative according to the system of quality marks detailed below.

Biodiversity metric:
First off, we exported all data on revenue generated from all Exclusive Brand products (not including customer-specific products) that come under categories related to 'biodiversity'. Our biodiversity policy does not cover customer-specific products because these are products that are made to a customer's unique requirements, wishes or specifications, which we do not have any control over.

Biodiversity metric categories: meat, meat products, poultry, milk and eggs, cheese in the refrigerator and cheese in a chilled display case (jointly referred to as 'chilled cheese'), fish, coffee, tea, chocolate, seasonal sweets and tinned food.

Next, we analysed what part of that revenue is revenue from products that can be considered a more sustainable alternative according to the system of quality marks detailed below.

Quality marks

'Animal welfare'-related and 'biodiversity'-related items that we stock are a more sustainable alternative if they have at least one independent, transparent and audited (Top) quality mark as defined by the Milieu Centraal sustainability advisory organisation. The quality mark must have a score of at least 3 out of 5 on 'control & transparency', 'environment' and 'animal'. The following quality marks meet this requirement and are, therefore, considered to validly label products as a more sustainable alternative:

Animal welfare metric:
Demeter, EU organic logo, EKO, MSC, ASC, Naturland Aquakultur, GGN, Beter Leven 1*, Beter Leven 2*, Beter Leven 3* and PlanetProof.

Biodiversity metric:
Demeter, EU organic logo, EKO, MSC, PlanetProof, Fairtrade, Rainforest Alliance and UTZ.

The quality mark then meets our own eerlijk & heerlijk identification method. For further details of the 'eerlijk & heerlijk' identification method, see: Sligro 'eerlijk & heerlijk' quality marks | Sligro.nl

For a more detailed explanation of Milieu Centraal's 'Keurmerkenwijzer' (quality mark guide) and details of each of the quality marks, see: www.keurmerkenwijzer.nl

Item data

Whenever a product is registered in our system, we link a category, item group and sub-group to it. The category is determined by the Procurement and Product Range Management department based on the type of product and its ingredients. When a product contains a mixture of various ingredients, the category is chosen based on the top ingredient.

We also link quality marks and labels to each product based on information from the supplier and public sources such as GS1 and PS in Foodservice (organisations for data sharing in the foodservice industry).

Deforestation

We checked for all our Exclusive Brand products, including customer-specific products, which come under the critical categories defined by the Round Table on Responsible Soy (RTRS). Sligro Food Group has classified the following categories as critical: butter, eggs, milk, cream, cheese, chicken (retail), pork (retail), farmed fish (retail), beef (retail) including veal. The RTRS also has a number of additional categories that we are not including:

- Cow carcasses, chicken carcasses, pig carcasses and fish carcasses, because we do not operate any abattoirs but are purely a retail business. Beef, chicken, pork and fish are, therefore, included only as retail products.
- Chocolate: all the chocolate we sell under our Bonbiance Exclusive Brand is either Rainforest Alliance certified or Fairtrade certified. These two organisations work in areas such as forest conservation and protection of high-biodiversity ecosystems.
- Dairy – yoghurt: we do not sell Exclusive Brand yoghurt.

Our soya credits policy also extends to customer-specific products, because we are responsible for those as the brand owner.

Whenever a product is registered in our system, we link a category, item group and sub-group to it. The category is determined by the Procurement and Product Range Management department based on the type of product and its ingredients. When a product contains a mixture of various ingredients, the category is chosen based on the top ingredient.

In order to determine what products fall into the farmed fish category, we first exported the data on all the products from the fish category. Next, we removed all fish that carries the MSC quality mark from this data, because MSC fish is wild-caught fish. We also removed fish with the GGN certified farming label, which in Sligro Food Group's case is only salmon, because 100% of the feed used to raise this fish complies with the FEFAC Soy Sourcing guidelines. Our next step was to analyse a data export from our 'STEP' master product data system to identify products 'caught in freshwater' and products 'caught in salt water'. These products were also excluded from our calculation.

For the categories of butter, eggs, milk, cream, cheese and farmed fish, we included only products where butter, eggs, milk, cream, cheese and farmed fish is the entire product. We did not include products where butter, eggs, milk, cream, cheese or farmed fish is merely one ingredient.

We excluded 'De Groene Hen'-branded products from our analysis of the egg category, because these eggs carry the 'On the Way to PlanetProof' Top quality mark. One of the criteria for this quality mark is the use of rainforest-free soya in chicken feed. For further details, see also: Eggs - On the way to PlanetProof

For the categories of chicken, pork, beef and veal, we looked both at products that are made up entirely of chicken, pork, beef or veal and at products where these items are merely an ingredient.

Next, we entered the total purchased kilogramme weight of products from the above categories in the RTRS calculator to get the total tons of soya that went into making the product. Every year, we use biodiversity offsets in the form of soya credits, which are certificates issued by RTRS, to offset our soya procurement. One soya credit stands for one ton of soya.

We subsequently calculate the ratio of soya credits purchased to the total volume of soya purchased in tons for the critical categories classified by Sligro Food Group.

For further details of the Round Table on Responsible Soy and how soya credits work, see https://responsiblesoy.org/material-rtrs?lang=en#creditos

E5 Resource use and circular economy

Product packaging - The recyclability rate of primary and secondary packaging material for products

Packaging material

Primary packaging material is the packaging that products are sold in.

Secondary packaging material is the packaging around the primary packaging that generally packs together multiple retail units, such as boxes, cardboard trays and shrink wrap.

Recyclable

Our Procurement and Product Range Management department has performed an analysis of which materials are recyclable. Drawing on information from publicly accessible sources, they found 63 of the 97 types of material analysed to be 'highly' recyclable.

Recyclability rate calculation

We first checked the recyclability of a sample of our Exclusive Brand products. We exported the data on our Exclusive Brand products from the STEP product master data system, excluding Exclusive Brand products sold under the Kaldenberg, Ruig and SmitVis brands because the packaging material used by these suppliers cannot yet be specified at item level.

The data export covers 9,378 products in total, with a total sales volume of 51,645,327. Next, we assessed the reliability of the packaging material data for these products by comparing gross weight, net weight and packaging weight for each product. Whenever the difference between these weights exceeded 50 grams or information on the material was lacking, we earmarked the complete primary and secondary packaging material used for the product as non-recyclable. This was the case for a total of 5,443 products, of which 27,594,120 items were sold (53% of the total sales volume).

Of the 3,935 products with a total sales volume of 24,051,207 (47% of the total sales volume) for which there was reliable packaging information available, we used the data export from STEP to identify the types of material used in the product and how much they weigh. After that, we calculated to what degree the product consists of 'highly recyclable' materials. This returned a percentage of 88% for the above product population, which we use as the upper limit of our bandwidth.

Next, we determined whether the check of the sample of 3,935 Exclusive Brand products is representative for our non-Exclusive Brand products. This showed that some of the categories of non-Exclusive Brand products that are less easily recyclable did not feature among the categories of Exclusive Brand products. This prompted us to make an additional estimate based on market data and information from the Dutch Food Retail Association. This returned a minimum recyclability rate of 65%, which we used as the lower limit of our bandwidth.

Waste - Quantities of materials in waste as a %
We work with fixed certified companies for each different kind of waste, enabling us to keep track of the different waste streams. The amount of waste is subsequently determined by looking at the number of kilogrammes specified on the invoice, on waste processing partners' online portals or in summaries shared directly by the waste processing partner. Failing that, the number of kilogrammes is calculated based on the number of containers sent to each waste processing partner. These calculations are made using information from and estimates by the waste processing partners concerning the average number of kilogrammes per container and the ratio of waste types in the waste. Since some of our waste processing partners and containers are used for a mixture of different kinds of waste, we estimate the average weight of each kind of waste in each container, factoring in the average distribution of our waste over the different types of waste. As for the weight of plastic film waste, we go by 10% of the weight of waste paper and cardboard. The December figures for the waste streams in Belgium were not yet fully available. Based on figures from past experience, we estimated the relevant waste in December, using a factor of 1.5 compared to other months because of the higher product sales over the holiday season.

Waste - Quantities of waste (tonnes)	Accounting policy
Total quantity of waste produced (tons)	See chart
1. Preparation for reuse	• Paper and cardboard • Film
2. Recycling	• Out-of-date products • Swill • Glass • Deep-frying fat
3. Other recovery operations	N/A
Total diverted from disposal	**Total 1 to 3**
4. Incineration	• Other waste • Tempex (EPS) • Non-processable waste
5. Landfill	N/A
6. Other disposal operations	N/A
Total directed to disposal	**Total 4 to 6**
Total	**Total 1 to 6**
Total quantity of non-recycled waste	Total 1 up to 6 -/- 2
Hazardous	Waste with one or more of the hazardous properties listed in Annex III to Directive 2008/98/EC of the European Parliament and of the Council on waste. In Sligro Food Group's case, this concerns only small chemical waste, such as light bulbs and batteries.
Non-hazardous	Other waste that does not fall into the 'hazardous' category.

S1 Own workforce

Own workforce
By 'own workforce' we mean all employees with a permanent, temporary or non-guaranteed hours contract with Sligro Food Group N.V. or one of its group companies. The number of employees is disclosed based on the number of employees as at 31 December 2024. The figures we disclosed are based on data recorded in our HR system.

Non-employees
The number of non-employees is the number of external workers who are not employed by Sligro Food Group N.V. or any of its group companies, but who are instead brought in to support our activities. The number of non-employees is disclosed based on the number of non-employees as at 31 December 2024. The numbers we disclosed are based on data recorded in our HR system.

Headcount
The number of employees employed by Sligro Food Group measured at the end of the financial year.

Employee satisfaction
The employee satisfaction score is the outcome of an annual survey sent to all of our own workforce mid-way through the financial year. This survey is conducted by an external firm. Employee satisfaction is measured on a scale of 1 to 100.

Senior management
Our senior management, i.e. the group of managers down to two levels below the Executive Board in the Netherlands and Belgium combined.

Employee turnover
Employee turnover is an indicator of the extent to which employees leave an organisation and are replaced by new employees over a certain period of time that is generally one year. Employees: these are people who have an employment relationship with the company in accordance with national law or common practice.

Incidents, complaints and human rights violations
Our policy is to only report on incidents, complaints and human rights impacts if they stem from the complaints handling mechanism or whistleblower scheme.

Pay gap
The pay gap is calculated as the difference between the average hourly pay of male and female employees as at 31 December (own workforce only), expressed as a percentage of the average hourly wage level of male employees as at 31 December.

Total pay ratio (median)
The total pay ratio reflects how the median pay of all of the Group's own employees relates to the total pay of the highest earning employee. Median pay is calculated based on the median hourly pay for all own employees, except for the highest earning employee, as at 31 December.

Total pay ratio (average)
The total pay ratio reflects how the average pay of all of the Group's own employees relates to the total pay of the highest earning employee. Average pay is calculated based on the sum of all remuneration components that make up the pay of the Group's own workforce in FTEs, except for the highest earning employee. The annual remuneration components include salary, bonuses, stock and option plans, social security expenses and pension expenses.

S4 Consumers and end-users

For further details of the Dutch National Approach to Product Improvement ('Nationale Aanpak Productverbetering'), see: National Approach to Product Improvement | Dutch National Institute for Public Health and the Environment

G1 Business conduct

The percentage of employees who have completed the 'Trust in Sligro Food Group' e-learning module
The number of employees who have been working at the company for at least 50 days and have completed the 'Trust in Sligro Food Group' e-learning module over the past two years, as a percentage of the total number of employees who have been at the company for at least one year. On top of that, all employees who have been at the company for over two years are required to do the e-learning module again. They also have 50 days to do it. Employees on long-term sick leave are (temporarily) exempted from having to complete the e-learning module. For the purposes of this requirement, 'employees' includes both direct employees and contract employees.

The percentage of managers who have completed the 'Trust in Sligro Food Group' e-learning module
The number of managers who have been working at the company for at least 50 days and have completed the 'Trust in Sligro Food Group' e-learning module over the past two years, as a percentage of the total number of managers who have been at the company for at least one year. On top of that, all managers who have been at the company for over two years are required to do the e-learning module again. They also have 50 days to do it. Managers on long-term sick leave are (temporarily) exempted from having to complete the e-learning module. A manager is a Sligro Food Group employee as per the above definition who manages another employee in the organisation, regardless of the hierarchy of these managers.

Total number and nature of confirmed incidents of corruption and bribery
A confirmed incident of corruption or bribery is an incident of corruption or bribery that has been found to have actually occurred. The number of confirmed incidents of corruption or bribery does not include incidents of corruption that are still being investigated at the end of the reporting period. Cases of non-compliance are confirmed by the company's Compliance Officer or by someone in a similar role or by a similar body. An incident does not need to be confirmed by a court of law. Fines as a result of confirmed incidents are financial penalties imposed by public authorities, while convictions are sanctions imposed by public authorities and/or the company itself.

Number of whistleblower reports
The number of reports received through the whistleblower scheme over the year is based on the registration of confirmed reports that come under the scope of the whistleblower scheme or comply with the limitations as to who and what can be reported.

EU taxonomy - CapEx table

		2024		Substantial contribution criteria[1]						DNSH criteria ('Do no significant harm')							2023[2]		
Economic activities	Code(s)	Absolute CapEx (x € million)	Proportion of CapEx (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx (%)	Enabling activity category	Transitional activity category
		Currency	*%*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
No taxonomy-aligned activities yet																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which transitional		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not taxonomy-aligned activities																			
				el; n/el	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*										
Investments in cars and light commercial vehicles	CCM6.5	6	8%	el	el	n/el	n/el	n/el	n/el							N	4%		
Investments in trucks	CCM6.6	21	28%	el	el	n/el	n/el	n/el	n/el							N	7%		
Construction of new buildings	CCM7.1	5	6%	el	el	n/el	n/el	n/el	n/el							N	10%		
Renovation of existing buildings	CCM7.2	12	17%	el	el	n/el	n/el	n/el	n/el							N	20%		
Investments in refrigeration and freezer equipment and LED lighting	CCM7.3	4	5%	el	el	n/el	n/el	n/el	n/el							N	0%		
Investments in charging stations for electric vehicles	CCM7.4	1	1%	el	el	n/el	n/el	n/el	n/el							N	1%		
Investments in solar panels	CCM7.6	1	1%	el	el	n/el	n/el	n/el	n/el							N	1%		
Acquisition and ownership of buildings	CCM7.7	7	10%	el	el	n/el	n/el	n/el	n/el							N	28%		
CapEx of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**57**	**76%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**71%**		
Total (A.1 + A.2)		**57**	**76%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**71%**		
B. Taxonomy-non-eligible activities																			
CapEx of taxonomy-non-eligible activities (B)		**18**	**24%**																
Total (A + B)		**75**	**100%**																

1) el = eligible; n/el = not eligible
2) The comparative figures for 2023 are not part of the auditor's limited assurance engagement.

EU taxonomy - OpEx table

		2024		Substantial contribution criteria[1]						DNSH criteria ('Do no significant harm')							2023[2]		
Economic activities	Code(s)	Absolute OpEx (x € million)	Proportion of OpEx (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx (%)	Enabling activity category	Transitional activity category
		Currency	*%*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
No taxonomy-aligned activities yet																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which transitional		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not taxonomy-aligned activities																			
				el; n/el	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*										
Maintenance and repair in respect of cars and light commercial vehicles	CCM6.5	3	12%	el	el	n/el	n/el	n/el	n/el							N	14%		
Maintenance and repair of trucks	CCM6.6	4	13%	el	el	n/el	n/el	n/el	n/el							N	5%		
Maintenance and repair of new buildings	CCM7.1	2	6%	el	el	n/el	n/el	n/el	n/el							N	7%		
Maintenance and repair of renovated buildings	CCM7.2	6	22%	el	el	n/el	n/el	n/el	n/el							N	22%		
Maintenance and repair of refrigeration and freezer equipment and LED lighting	CCM7.3	0	0%	el	el	n/el	n/el	n/el	n/el							N	0%		
Maintenance and repair of charging stations for electric vehicles	CCM7.4	0	0%	el	el	n/el	n/el	n/el	n/el							N	0%		
Maintenance and repair of solar panels	CCM7.6	0	0%	el	el	n/el	n/el	n/el	n/el							N	0%		
Maintenance and repair of purchased buildings	CCM7.7	1	3%	el	el	n/el	n/el	n/el	n/el							N	2%		
OpEx of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**16**	**56%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**50%**		
Total (A.1 + A.2)		**16**	**56%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**50%**		
B. Taxonomy-non-eligible activities																			
OpEx of taxonomy-non-eligible activities (B)		**13**	**44%**																
Total (A + B)		**29**	**100%**																

[1] el = eligible; n/el = not eligible [2] The comparative figures for 2023 are not part of the auditor's limited assurance engagement.

EU taxonomy - Revenue table

		2024		**Substantial contribution criteria[1]**						**DNSH criteria ('Do no significant harm')**							**2023[2]**		
Economic activities	Code(s)	Absolute revenue (x € million)	Proportion of revenue (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Pro-portion of CapEx (%)	Enabling activity category	Transitional activity category
		Currency	*%*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y; N; n/el*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
No taxonomy-aligned activities yet																			
Revenue from environmentally sustainable activities (taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
Of which transitional		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not taxonomy-aligned activities																			
				el; n/el	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*	*el; n/el*										
No taxonomy-eligible activities yet		0	0%													N	0%		
Turnover of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Total (A.1 + A.2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
B. Taxonomy-non-eligible activities																			
Turnover of taxonomy-non-eligible activities (B)		**2,890**	**100%**																
Total (A + B)		**2,890**	**100%**																

[1] el = eligible; n/el = not eligible

[2] The comparative figures for 2023 are not part of the auditor's limited assurance engagement.

Financial statements

Consolidated statement of profit or loss

x € million

	Notes	2024	2023
Revenue	2,3	**2,890**	**2,859**
Cost of sales		(2,125)	(2,097)
Gross profit		**765**	**762**
Other operating income	4	**4**	**8**
Employee expenses	5	(387)	(370)
Premises expenses		(48)	(41)
Selling expenses		(20)	(22)
Distribution expenses		(122)	(144)
General and administrative expenses		(54)	(56)
Depreciation of property, plant and equipment and right-of-use assets	11, 12	(69)	(65)
Amortisation of intangible assets	10	(26)	(38)
Impairment of property, plant and equipment and right-of-use assets	11, 12	0	(2)
Impairment of goodwill and other intangible assets	10	0	(17)
Total operating costs		**(726)**	**(755)**
Operating result	2	**43**	**15**
Finance income	8	0	0
Finance costs	8	(18)	(16)
Share in the result of associates	13	4	7
Profit (loss) before tax		**29**	**6**
Income taxes	9	(5)	0
Net profit (loss)		**24**	**6**
Profit (loss) attributable to shareholders of the company		**24**	**6**

Details per share (x €1)		**2024**	**2023**
Basic earnings (loss) per share	20	0.54	0.14
Diluted earnings (loss) per share	20	0.54	0.14
Dividend per share proposed	19	0.40	0.30
Interim dividend paid per share	19	0.30	0.30

Consolidated statement of comprehensive income

x € million

	2024	2023
Net profit (loss)	24	6
Items that have been or may be reclassified to profit or loss:		
Other comprehensive income that will be reclassified to profit or loss, after tax	0	0
Comprehensive income	**24**	**6**
Comprehensive income attributable to shareholders of the company	**24**	**6**

Consolidated statement of cash flows

x € million

	Notes	2024	2023
Receipts from customers		3,303	3,260
Receipts from other operating income		0	1
		3,303	**3,261**
Payments to suppliers		(2,834)	(2,728)
Payments to employees		(175)	(159)
Payments to the government		(181)	(222)
		(3,190)	**(3,109)**
Net cash flow from business operations	28	113	152
Interest paid		(11)	(9)
Dividends received from participations	13	3	8
Income tax received (paid)		(8)	(9)
Net cash flow from operating activities		**97**	**142**
Acquisitions of subsidiaries	1	(9)	(44)
Proceeds from sale of subsidiaries	1	0	0
Purchase of property, plant and equipment	11	(42)	(64)
Receipts of government subsidies		0	0
Proceeds from sale of property, plant and equipment / assets held for sale		20	8
Purchase of intangible assets	10	(10)	(19)
Purchase of interests in and loans to associates	13	0	0
Other receipts from sale of interests in and repayment of loans by associates	13	0	0
Net cash flow from investing activities		**(41)**	**(119)**
Proceeds from long-term and short-term borrowings	22	90	161
Repayment of long-term and short-term borrowings	22	(50)	(100)
Treasury share transactions		(1)	1
Lease instalments paid		(36)	(33)
Dividend paid		(13)	(24)
Net cash flow from financing activities		**(10)**	**5**
Change in cash and cash equivalents		**46**	**28**
Opening balance		32	4
Closing balance		**78**	**32**

Consolidated statement of financial position

x € million

	Notes	31 December 2024	31 December 2023
Assets			
Goodwill	10	130	130
Other intangible assets	10	127	143
Property, plant and equipment	11	303	296
Right-of-use assets	12	263	250
Investments in associates	13	56	56
Other non-current financial assets	13	13	13
Deferred tax assets	9	4	4
Total non-current assets		**896**	**892**
Inventories	14	267	268
Trade and other receivables	15	231	244
Other current assets	16	58	37
Income tax	9	1	0
Cash	17	78	32
		635	**581**
Assets held for sale	18	0	9
Total current assets		**635**	**590**
Total assets		**1,531**	**1,482**

	Notes	31 December 2024	31 December 2023
Liabilities			
Paid-up and called-up capital		3	3
Share premium		31	31
Other reserves		(4)	(2)
Retained earnings		441	429
Total equity	19	**471**	**461**
Deferred tax liabilities	9	7	9
Employee benefits provision	5	3	2
Other non-current provisions	21	0	0
Long-term borrowings	22	74	101
Non-current lease liabilities	12	267	255
Other liabilities	21	3	3
Total non-current liabilities		**354**	**370**
Provisions	21	0	0
Current portion of long-term borrowings	22	43	0
Short-term borrowings	22	124	100
Current lease liabilities	12	29	26
Trade and other payables	30	346	364
Income tax	9	4	5
Other taxes and social security contributions	23	26	37
Other liabilities, accruals and deferred income	24	134	119
Total current liabilities		**706**	**651**
Total liabilities		**1,531**	**1,482**

Consolidated statement of changes in shareholders' equity

x € million

	Paid-up and called-up capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 31 December 2022	**3**	**31**	**(4)**	**449**	**479**
Share-based payments					
Dividend paid	0	0	0	(24)	(24)
Treasury share transactions	0	0	2	(2)	0
Transactions with owners of the company	0	0	2	(26)	(24)
Profit (loss) for the financial year	0	0	0	6	6
Total realised and unrealised profit (loss)	0	0	0	6	6
Balance as at 31 December 2023	**3**	**31**	**(2)**	**429**	**461**
Share-based payments					
Dividend paid	0	0	0	(13)	(13)
Treasury share transactions	0	0	(2)	1	(1)
Transactions with owners of the company	0	0	(2)	(12)	(14)
Profit (loss) for the financial year	0	0	0	24	24
Total realised and unrealised profit (loss)	0	0	0	24	24
Balance as at 31 December 2024	**3**	**31**	**(4)**	**441**	**471**

Notes to the consolidated financial statements

Summary of accounting principles

List of notes

Notes to the consolidated financial statements

A. General

Reporting entity
Sligro Food Group N.V. comprises foodservice companies in the Netherlands and Belgium, offering a comprehensive range of food and food-related non-food products and services. The head office of Sligro Food Group N.V. is located at Corridor 11, 5466 RB Veghel, Netherlands. Sligro Food Group N.V. is a public limited company under Dutch law and registered with the Chamber of Commerce under number 160.45.002. The consolidated financial statements cover the company and its subsidiaries (hereinafter referred to as the Group).

B. Changes in presentation

With the exception of the changes detailed under E. New standards and interpretations, the Group has applied the accounting policies consistently for all periods covered by these consolidated financial statements.

C. Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS). The Executive Board approved the financial statements for publication on 26 March 2025.

D. Accounting policies applied in the preparation of the consolidated financial statements

The financial statements are presented in euros, which is Sligro Food Group's functional currency, rounded to the nearest million, unless stated otherwise. Percentages are calculated on the basis of the underlying figures in thousands. The financial statements have been prepared based on historical cost, except for derivatives, which are measured at fair value. Assets held for sale are measured at either the carrying amount or fair value, depending on which is the lowest, less selling expenses.

Going concern
The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Judgements, estimates and assumptions
The preparation of the financial statements in accordance with EU-IFRS-compliant reporting requires the Executive Board to make judgements, estimates and assumptions that affect the application of accounting policies and the reported value of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on past experience, as well as on forecasts and various other factors that are considered fair under the circumstances. The results constitute the basis for judgements on the carrying amount of assets and liabilities that cannot be simply derived from other sources. The actual results may differ from these estimates. The estimates and underlying assumptions are under constant review. Revisions to estimates are recognised in the period in which the estimate is revised if the revision only has consequences for that period, or in the revision period and future periods if the revision has consequences for both the reporting period and future periods.

The most important estimates and judgements are described in the relevant accounting policy and/or the notes to the consolidated financial statements. Items that call for a higher degree of judgement and complexity in the application of the adopted policies and for which changes in assumptions and estimates could lead to results that diverge significantly from the results in these consolidated financial statements are as follows:

Impairments and depreciation/amortisation periods
Regular checks are performed for indications that the carrying amount of qualifying assets is impaired. If such indications exist, an estimation is made of the recoverable amount of the asset based on the present value of projected future cash flows or the direct net realisable value. If the carrying amount exceeds the recoverable amount, an impairment loss will be charged to the result.

- Note 10 contains information on the measurement of goodwill and other intangible assets and the associated impairment testing. In determining whether there is any indication that a cash-generating unit to which goodwill has been allocated has suffered an impairment loss, judgements must be made by the Executive Board. Estimates and assumptions must be made in order to determine the recoverable amount of the cash-generating unit. These include assumptions about discount rates and cash flow forecasts, which are based on estimates regarding the percentage of growth of revenue, gross profit, costs and capital expenditure.
- Note 10 also contains information on the measurement of software and the associated impairment testing. The Executive Board has formed a judgement of whether the software recognised as an asset has suffered an impairment loss. Estimates and judgements are used in order to determine the expected future use of the software and to allocate capitalised indirect costs to components of the software.

Inventories

Note 14 contains the measurement of inventories. The Executive Board forms a judgement of the potential amount of obsolete inventories at year-end. For food inventories, an estimate is made on the basis of data on historical write-downs. For non-food, the estimate is based on the judgement of our procurement and product range management department in combination with an analysis of the turnover rate of the inventories.

Procurement and sales bonuses

Note 15 contains information on supplier bonuses receivable and note 24 contains information on bonuses payable to customers. Estimation of supplier bonuses is based on a bottom-up calculation of purchasing volume and conditions on the one hand and based on inputs from our procurement association, Superunie, on the other. Customer bonuses are estimated based on sales combined with contractual arrangements with our customers.

Credit, liquidity and other market risk

Note 25 contains information about the credit, liquidity, interest rate and currency risk to which the Group is exposed in the ordinary course of business.

No material differences arose from the outturn of items that were estimated at the previous year-end.

Offsetting assets and liabilities

Assets and liabilities are recognised separately in the statement of financial position, unless the following terms for offsetting are met:

- There is a legally enforceable right to set off the recognised amounts.
- The Group intends either to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

Note on comparative figures

Where necessary to provide a true and fair view of the Group's financial position and results, the comparative figures for the previous financial year are adjusted. Such adjustments are made in order to improve the presentation of the financial information and ensure consistency of reporting.

E. New standards and interpretations

E.1 New and amended standards effective from the 2024 financial year onwards

With the exception of the changes detailed below, the Group has applied the accounting policies consistently for all periods covered by these consolidated financial statements.

The following amendments to existing standards applied from 2024:

- Amendments to IAS 1 Presentation of Financial Statements – clarification of whether liabilities in the financial statements are to be classified as current or non-current.
- Amendments to IAS 1 Presentation of Financial Statements – clarification of the classification of non-current liabilities in connection with the settlement of covenants.

- Amendments to IAS 7 Cash Flow Statements and IFRS 7 Financial Instruments – an obligation to provide more information in the notes to the financial statements on the effects of supply chain finance arrangements on the Group's liabilities and cash flows and the potential concentration of liquidity risk as a result of such arrangements.
- Amendments to IFRS 16 Leases – clarification of the measurement of gains and variable lease payments in relation to sale-and-leaseback transactions.

IAS 1 accounting policy change

In the 2024 financial year, the company implemented a change in accounting policy regarding the presentation of short-term borrowings. Some of the short-term borrowings are now presented as long-term, in accordance with the requirements of IAS 1. The change has been made to better reflect the company's financial position and to meet the requirements of IAS 1, which requires liabilities to be classified as long-term if the Group has the right to defer settlement of the liability for at least 12 months after the end of the reporting period.
This change in accounting policy has been processed retrospectively, meaning that the comparative figures for 2023 have been restated to reflect the change. The short-term loan amounting to €61 million as at 31 December 2023 has been reclassified as long-term. The change does not affect the total liabilities, shareholders' equity or the result. It has the effect of presenting the maturity of liabilities more accurately.

The impact of the change is summarised below:

Change in connection with amendment to IAS 1

x € million	**31 December 2023** before IAS 1 amendment	correction	**31 December 2023** after IAS 1 amendment
Long-term borrowings	40	61	101
Current portion of long-term borrowings	0	0	0
Short-term borrowings	161	(61)	100

For more information on non-current and current loans, please refer to note 22.

Other changes to accounting policies

Due to the amendments to IAS 7 and IFRS 7, an additional explanatory paragraph has been included in relation to supply chain finance. The other changes have no direct material impact on the Group.

E.2 New standards and accounting policy changes not yet effective

The following amendments to the existing standards have been approved by the IASB but will not take effect until 1 January 2025:
Amendment to IAS 21 Effects of Changes in Foreign Exchange Rates – clarification of the disclosure of currency that cannot be exchanged.
The Group did not hold any currency during the financial year that cannot be exchanged.

F. EU-IFRS accounting policy choices

Statement of cash flows

EU-IFRS offers two options for the preparation of the statement of cash flows, the direct method and the indirect method. EU-IFRS prefers the direct method and the Group does too, as the direct method provides the most accurate insight into actual cash flows. A reconciliation to the indirect method has been included in Note 28.

G. Critical accounting policies

G.1 Revenue

Performance obligation fulfilment

The Group recognises revenue when the buyer takes control of the goods or the service has been provided, which is established based on the time of supply.

Nature of the goods and services

Most of the Group's revenue is generated by its foodservice operations. On top of that, the Group generates limited revenue from commissions and services. The following will detail the nature of the goods from which the Group generates its revenue, specifying significant payment terms and when the relevant performance obligation will be considered to have been fulfilled:

Foodservice

Sligro's foodservice companies in the Netherlands and Belgium offer a comprehensive range of food and food-related non-food products. Revenue from the sale of these goods is recognised at the agreed transaction price, exclusive of sales tax, factoring in volume bonuses, the value of loyalty programme benefits, and any other agreed variable elements. Agreed variable elements are recognised to the extent that a significant reversal in cumulatively recognised income is highly unlikely to occur in the future. At the cash-and-carry outlets, revenue is achieved when customers pay for their purchases at the checkout, because this is when control is transferred. If goods are delivered to the customer, the transfer of title takes places when the goods are physically handed over to the customer. Revenue also includes revenue generated through collaboration with fresh partners. Beer and cider deliveries (by Heineken) from the delivery sites are not included in revenue.

Revenue is measured based on the amount agreed with the buyer in a contract, excluding any amounts charged and collected for third parties. Payment terms differ per customer group. Customers generally have a right to return goods. This right has been included in the terms and conditions governing purchase agreements. Returns can be settled through a refund or replacement with another good, and result in a reverse of the revenue. As part of commercial arrangements, we may use signing fees or advance payment of bonuses, whereby the Group will be entitled to compensation for performance obligations not yet fulfilled. Signing fees are recognised as contract assets. These assets are linked to the revenue earned over the term of the contract and are debited from revenue in evenly spread instalments over the full contract term.

Services

Services comprise kitchen maintenance, logistics services, including the logistics fees for beer and cider deliveries (carried out for Heineken), data protection and other services. Revenue from the provision of services is recognised at the agreed transaction price, exclusive of sales tax, factoring in any other agreed variable considerations.
Agreed variable elements are recognised to the extent that a significant reversal in cumulatively recognised income is unlikely to occur in the future. Revenue is recognised when control is transferred to the buyer, which is normally when the service is provided and has, if required, been accepted. When the Group is involved in a transaction in the capacity of agent instead of principal, revenue recognised concerns commissions received by the Group. Commissions received by the Group on behalf of third parties are not recognised as revenue.

G.2 Cost of sales

This concerns the purchase value of goods supplied. Any bonuses received from suppliers, promotional benefits and discounts will be deducted from the purchase value. Two of the main forms of benefits received from suppliers are:

- Bonuses are generally based on agreements for the whole year, and mainly come in the form of a fixed percentage or graduated percentages of the purchase value of (the growth of) total purchases. In most cases, these are settled through interim advance payments. Bonuses which can be reasonably expected are included in the measurement of inventories. Except bonuses, promotional benefits are also negotiated in annual conversations with suppliers. These kinds of arrangements with suppliers also involve all kinds of commercial partnerships. Promotional benefits are provided either as absolute figures or as graduated or fixed percentages of the purchase value. Promotional benefits are not taken into account in inventory measurement, as they are intended to cover sales efforts. These benefits form part of the supplier bonuses.
- Temporarily lower purchase prices, which are generally related to special offers to buyers, with a view to increasing the direct volume sold. In most cases, the supplier immediately applies the lower purchase prices during the agreed period. Sometimes, however, a supplier charges the normal price and the Group bills the supplier for the

discount based on the volume sold. The benefit obtained through lower purchase prices is immediately deducted from the purchase value and, therefore, constitutes (partial) compensation for the lower selling price charged to customers.

G.3 Goodwill and other intangible assets

Goodwill

All acquisitions are recognised in accordance with the acquisition method. Goodwill is the difference between the fair value of the purchase consideration payable, less the amount recognised (which is generally the fair value) for identifiable acquired assets and liabilities assumed. Goodwill relating to acquisitions before 28 December 2003 equals the value allocated to it based on past reporting rules. Goodwill is measured at cost, less, if applicable, cumulative impairments. Goodwill is allocated to cash-generating units. The Group recognises two cash-generating units, corresponding to the Netherlands and Belgium segments. Goodwill is not amortised, but instead there is an annual impairment test, or an impairment test at any other time of the year when there are indications of impairment, by assessing the recoverable amount. The recoverable amount of the cash-generating units, i.e. the Netherlands and Belgium, is based on a calculation of the value in use and determined by calculating the net present value of estimated future cash flows generated through the continued use of these cash-generating units.

For associates, the carrying amount of the goodwill is recognised in the value of the participation. When a cash-generating unit is sold, the carrying amount of the goodwill allocated to the cash-generating unit will be included in the measurement of the book profit or loss. Expenditure for internally generated goodwill is charged to the result directly.

Other intangible assets

All other intangible assets are measured at cost less linear amortisation over the estimated useful life. For customer relationships, trademarks and places of business, the economic life is estimated. If there are indications of impairment, an impairment test is performed. Expenditure for internally generated trademarks is charged to the result directly.

Assets and liabilities assumed, including places of business, are initially measured at fair value based on the purchase price allocation. They are subsequently valued at cost less linear amortization, based on the expected useful life of the asset and taking account of any residual value. The initial measurement of places of business is formed from the difference between the value of the cash flows in a situation involving the start-up of an unlicensed site and a situation in which a licence is already held, as was the case for certain acquisitions.

Software developed by third parties is capitalised at cost. Both external and internal expenditure incurred for the design, building and testing of internally developed and configured software are capitalised, provided a number of criteria, including technical feasibility, are met. Costs relating to licence agreements and maintenance contracts incurred before the software that is to be configured is taken into use are capitalised. After the software has been taken into use, costs relating to licence agreements are only capitalised if they are inextricably linked to the capitalised software. If there are indications of impairment, an impairment test is performed. This applies both to software already in use and to software under development. Capitalised software is amortised over the estimated useful life as per the linear method.

The following annual amortisation percentages are used:

Customer relationships	5-20
Trademarks	5-7
Places of business	5-20
Software	12½-100

G.4 Property, plant and equipment

Property, plant and equipment are measured at cost, less linear depreciation, based on an estimation of useful life, taking any residual value into account.

Attributable finance costs have been factored into the cost, provided that the effect can be considered material in terms of scope or term. If property, plant and equipment consist of components with different service lives, these will be recognised as separate items (component approach).

The depreciation term of refurbishments in rented property is capped at the term of the leases. If necessary, impairments are applied. Costs involved in construction and production work performed by our construction departments are allocated to the individual construction projects. These costs are capitalised and depreciated under tangible fixed assets as part of the 'company buildings' category.

The following annual depreciation percentages are used:

Land	Nil
Buildings	3-12½
Machinery and equipment	12½-33⅓
Other	5-33⅓

G.5 Right-of-use assets and lease liabilities

Leases under which the Group is the lessee

The lease portfolio contains property and other leases. The 'other leases' category covers company-leased vehicles, IT equipment, forklift trucks and machinery. When entering into a new contract, the Group assesses whether or not it can be considered to be a lease based on the economic benefits ensuing from the use of the assets and the control over the use of the asset. Contracts that are defined as a lease are recognised on the balance sheet under right-of-use assets and lease liabilties, except for leases with a lease term of up to 12 months and low-value leases, for which practical expedients have been applied. Leases with an intrinsic term of less than 15 years and an option for renewal have been included for up to a maximum of 15 years in order to remain in keeping with the Group's strategic medium-term schedule.

The right-of-use assets are measured at cost, less cumulative depreciation and impairments, whereby the depreciation term is based on the term of the lease unless the projected useful life of the asset is shorter than that. If necessary, impairments are applied.

The lease liability is initially measured on the basis of the present value of future cash flows, in which the discount rate is derived from the incremental borrowing rate[1)] following which the expired lease instalments are deducted. Non-lease components are not factored into the calculation of the lease liability. Lease liabilities are presented separately on the balance sheet. The lease liability is revalued upon indexation or revision of the lease, upon termination of the lease or upon renewal of the lease. Cash flows from lease instalment payments for right-of-use assets are part of cash flows from financing activities, while cash flows relating to leases with a term of up to 12 months, low-value leases and non-lease components are recognised under cash flows from operating activities.

In the event of a sale-and-leaseback transaction, the lease liability is determined such that no book profit or loss is recognised for the portion relating to the retained right-of-use asset. Hence, a book profit or loss is only recognised on rights that have been transferred to the buyer. The retained portion is determined by comparing the present value of the lease liability (including variable components) with the fair value of the asset sold.

Leases under which the Group is the lessor

For subleases where the Group is the lessor, the master lease agreements and sublease are recognised separately, and an assessment is made based on risk and allocation of the consideration in case of sale whether the sublease is classified as a financial or an operating lease. For financial leases, the related right-of-use asset under the master lease agreement is removed from the balance sheet and replaced by the net investment in the sublease, which is recognised under financial fixed assets. The master lease agreement will in both cases continue to be recognised under lease liabilities.

[1)] The interest rate at which the lessee would have been able to borrow the amount needed to purchase the asset with an equivalent term and equivalent security at the time of entering into the lease.

H. Other accounting policies

H.1 Foreign currency

Commercial transactions in foreign currencies are converted at the exchange rate on the transaction date. Receivables and debts are converted at the exchange rate on the balance sheet date. Any resulting exchange differences are recognised in the profit or loss. Since the Group only has participations in the Netherlands and Belgium, it is not exposed to a currency risk.

H.2 Costs in general

Costs are broken down into categories for specification. The same category structure is also used for internal purposes. Costs are allocated to the year to which they relate.

H.3 Employee benefits

Defined contribution plans

Liabilities relating to contributions to defined contribution pension plans are recognised in the statement of profit or loss as expenses as and when they are payable. This goes for virtually all of the Group's top-up and other plans, including plans for specific occupational groups, such as for fruit and vegetable specialists and butchers, who are enrolled in multi-employer pension plans. These plans qualify as defined contribution plans, because the Group only has to pay the premiums agreed and is, other than that, not exposed to actuarial and other risks over the past period of service.

Defined benefit plans

The Group currently does not have any defined benefit plans.

Long-term employee benefits

The Group's net liability on account of service anniversary benefits is the amount of the future benefits that are to be allocated to the professional performance of the employees over the reporting period and prior periods. This liability is calculated using the projected unit credit method and is discounted to the present value.

The Group's liability on account of variable remuneration schemes is the amount of the expected future long-term bonuses that are to be allocated to the professional performance of the management team in the reporting period and prior periods. The liability is calculated on the basis of the expected results and agreed targets, the expected turnover of management and the expected Sligro Food Group share price.

H.4 Finance income and costs

This concerns interest payable to third parties and comparable costs, less interest receivable from customers for loans granted and/or deferred payments. Interest expenses on leases are also recognised under this item. Finance income and costs are recognised in the statement of profit or loss, unless these can be allocated directly to the acquisition, construction or production of an eligible asset. Calculation is based on the effective interest method.

H.5 Results of associates

This concerns the Group's share in the net result of associates and in income from the sale of associates' shares.

H.6 Income taxes

Taxes recognised in the statement of profit or loss concern income tax payable for the financial year, as well as movements in deferred taxation, unless these taxes relate to items that are included in shareholders' equity directly. Taxes payable for the financial year are the projected taxes payable on the taxable profit and also include corrections for taxes payable for prior years. The effective tax rate is affected by tax incentives and items that are not or only partly tax-deductible. The provision for deferred tax liabilities ensues from temporary differences between fiscal and financial accounting policies. No provisions have been created either for goodwill that is not tax-deductible, or for participations that qualify for the participation exemption. The provision is calculated at the tax rate as on the balance sheet date or at the rate that has already been decided on the balance sheet date. As agreed with the Dutch and Belgian tax authorities, the Group applies an 'arm's length' transfer pricing method between the two countries that conforms with the transactional net margin method as recommended under the OECD Transfer Pricing Guidelines.

H.7 Non-current financial assets
Associates are measured based on the equity method and are, upon initial recognition, measured at cost, including the goodwill established upon acquisition. The measurement will not be below nil, unless the Group is under an obligation to fully or partially make up losses, and/or has raised realistic expectations that it will do so. Unrealised results between entities within the Group are eliminated. Other non-current financial assets concern, among other things, subleases for property let by the Group. These leases are measured at the present value of the future cash flows. Aside from that, mainly interest-bearing loans to customers and loans to associates are recognised under other non-current financial assets. These are measured at amortised cost, less impairments.

H.8 Inventories
Inventories are measured at cost, calculated on a FIFO basis, or lower market value. The market value is the estimated sale value under normal circumstances, less selling expenses. The measurement includes internal distribution costs, while bonuses are deducted.

H.9 Trade receivables and other current assets
Upon initial recognition, trade receivables are recognised at the transaction price and subsequently at amortised cost, less impairments. Impairments are determined based on the expected credit loss (ECL) model, as per IFRS 9. Debtors in major financial difficulty and accounts receivable where the due date of outstanding invoices has been exceeded significantly are classified as doubtful debts. For trade receivables from doubtful debts, a separate provision is created, without using the ECL model. If there is no reasonable expectation that doubtful debts will be paid, they are written off.

H.10 Assets held for sale and directly related liabilities
Assets are classified as 'held for sale' if it is highly likely that their carrying amount will be realised primarily through their sale and not through the continued use of these assets. Such assets are generally measured at the carrying amount or lower fair value less selling expenses. Impairment losses on a group of assets and liabilities that are to be disposed of will initially be allocated to goodwill and subsequently to the remaining assets and liabilities on a pro rata basis, on the understanding that impairment losses will not be allocated to inventories, financial assets, deferred tax assets or assets under employee benefits, which will continue to be measured in accordance with the Group's other accounting policies. Impairments ensuing from the initial classification as 'held for sale' and gains or losses produced by revaluation after initial recognition are recognised in the result. Once they have been classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

H.11 Provisions
The provision for deferred tax liabilities is recognised at nominal value based on the rate at which the liability is expected to be settled and is detailed in the note to Income taxes. The employee benefits provision is detailed in the note to Employee Benefits. The other non-current provisions concern existing liabilities for guarantee provisions estimated at the amounts that will probably be payable for them in the future, as well as restructuring provisions, insofar as applicable. A restructuring provision is recognised when the Group has approved a detailed and formalised restructuring plan and the restructuring has either already commenced or been announced publicly. If the effect is material, these provisions are calculated at net present value. Future operating losses are not expected.

H.12 Interest-bearing loans
Upon initial recognition, interest-bearing loans are measured at fair value, less attributable transaction costs. After that, they are measured at amortised cost based on the effective interest method.

I. Consolidation principles

Subsidiaries are entities over which Sligro Food Group N.V. has dominant control. Subsidiaries are included in the consolidation in their entirety. Sligro Food Group N.V. is the holding company for the following wholly-owned subsidiaries:

Sligro Food Group International B.V., Veghel

- **Sligro Food Group Nederland B.V., Veghel**
  - Sligro Food Group Transport B.V., Veghel
  - Exploitatiemaatschappij Wheere B.V., Amsterdam
    - Vroegop Ruhe & Co B.V., Amsterdam
      - L.A.J. Duncker B.V., Amsterdam
      - B.V. Levensmiddelengroothandel 'De Kweker', Amsterdam
      - Vroegop A.G.F. B.V., Amsterdam

- **Sligro Food Group Belgium N.V., Rotselaar**

- **Sligro-MFS Belgium N.V., Rotselaar**

The effectiveness of the Group's legal structure is assessed on an annual basis, whereby simplicity is the primary criterion. Subsidiary Tintelingen B.V. merged with Sligro Food Group Nederland B.V. in the 2024 financial year.

Associates are entities where the Group has significant influence over the financial and operating policy, but over which the Group does not have control. The consolidated financial statements include the share in the comprehensive income of the associates based on the 'equity' method. Subsidiaries and associates are included in the consolidated financial statements from the start date of control or significant influence and until the date on which such control or influence ends.

Intra-group items and any unrealised profits or losses on these transactions are eliminated upon preparation of the consolidated financial statements.

J. Segment reporting

The organisation is managed on a BeNE basis by the central Executive Board. A distinction is made between the Netherlands and Belgium segments in the reporting. Segments are reported in line with internal reporting to the Chief Operating Decision Maker (CODM). The Executive Board has been identified as the highest-placed officer (CODM) and is responsible for the allocation of resources and the audit of the segments' performance. The internal reports and KPIs perfectly match the accounting policies used for the consolidated financial statements.

K. Earnings per share

The Group presents both basic and diluted earnings per share. Net earnings per ordinary share are calculated based on the profit attributable to the Group's shareholders, divided by the weighted average number of ordinary shares in issue during the reporting period. To calculate diluted earnings per share, the profit attributable to shareholders and the weighted average number of ordinary shares in issue during the reporting period are adjusted for the diluting effect that shares awarded to employees have on the ordinary shares.

L. Discontinued operations

Discontinued operations are a component of the Group's operations that involve activities and cash flows that are clearly distinguishable from the rest of the Group, and that:
- represent a separate significant operation or geographic business territory;
- are part of one coordinated plan to dispose of a separate significant operation or geographic territory; or
- are a subsidiary that was acquired exclusively for the purpose of being sold on.

Operations are classified as discontinued operations on the date of disposal or, if this is before that date, when the operations meet the criteria for classification as held for sale.

1. Acquisition, participation and disposal of operations

Acquisition of Simon Loos transport equipment and staff
On 2 January 2024, the Group obtained control of various assets and liabilities of Simon Loos used for services to the Group at the Amsterdam, Berkel en Rodenrijs and Drachten sites. The acquisition marks an important step towards our aim of bringing part of our transport activities in-house. Through the acquisition, 196 employees transferred to the Group. The assets and liabilities assumed are analysed in the table below, which shows the assets and liabilities at their fair value at the time of identification.

x € million	Simon Loos
Other intangible assets	0
Property, plant and equipment	9
Other liabilities, accruals and deferred income	0
Total identifiable net assets	**9**

The property, plant and equipment concern the vehicles and associated equipment. The other liabilities, accruals and deferred income relate to the employee-related liabilities that transferred to Sligro Food Group Transport as a result of this transaction.

2. Segment reporting

Our organisational structure mirrors our international ambitions. We now have a management team and local operations and sites in the two segments of the Netherlands and Belgium. These segments are defined on the basis of their geographical location, given the importance of maintaining relationships with customers and understanding local market conditions. These two segments are also the cash-generating units recognised by the Group.

The Netherlands segment includes the cash-and-carry and delivery service operations under the trademarks Sligro, De Kweker and Van Hoeckel, as well as the specialist production companies for convenience SmitVis and Culivers, Bouter institutional kitchens, and Tintelingen Christmas gifts.

The Belgium segment includes the cash-and-carry and delivery service operations under the trademarks Sligro, JAVA Foodservice and Sligro-M.

The information used by the Executive Board to assess progress and make operational decisions is based on these segments. The Group submits a monthly financial report to the Executive Board and Supervisory Board. The Executive Board assesses the operating result based on this report, which contains primarily the consolidated and segment information with respect to the statement of profit or loss and related KPIs, the statement of cash flows, the statement of financial position, and the working capital. The annual budget and forecasts are also made on the level of these segments and the Chief Operating Decision Maker allocates resources on this level.
The main performance measure that the Group uses is EBITDA.
In this report, the local operational teams give details of their segment's performance. The report is compiled based on the same accounting policies as the financial information in the financial statements.

Transactions between these segments are carried out at going market prices.

Segment reporting

x € million	Netherlands 2024	Netherlands 2023	Belgium 2024	Belgium 2023	Group 2024	Group 2023
Revenue[1]	**2,493**	**2,429**	**397**	**430**	**2,890**	**2,859**
Other operating income	4	8	0	0	4	8
Total income	**2,497**	**2,437**	**397**	**430**	**2,894**	**2,867**
Gross operating result (EBITDA)	**147**	**146**	**(9)**	**(9)**	**138**	**137**
Depreciation and amortisation[2]	(77)	(101)	(18)	(21)	(95)	(122)
Operating result (EBIT)	**70**	**45**	**(27)**	**(30)**	**43**	**15**
Finance income and costs	(15)	(14)	(3)	(2)	(18)	(16)
Share in the result of associates	4	7	0	0	4	7
Income taxes	(12)	(7)	7	7	(5)	0
Net profit (loss)	**47**	**31**	**(23)**	**(25)**	**24**	**6**
Total assets	**1,327**	**1,239**	**204**	**243**	**1,531**	**1,482**
Segment liabilities	685	657	134	163	819	820
Non-allocated liabilities					712	662
Total liabilities					**1,531**	**1,482**
Net invested capital	699	708	184	158	883	866
Net interest-bearing debts, provisions and associates					(412)	(405)
Group capital					**471**	**461**
Employee expenses	317	292	70	78	387	370
Average number of employees[3] (FTEs)	3,709	3,616	883	963	4,592	4,579
Investments	42	63	12	18	54	81
Divestments	(12)	(3)	(5)	0	(17)	(3)
Cash flows						
Payments to the government	(142)	(180)	(39)	(35)	(181)	(215)

1) Transfers between segments amounted to €216 million (2023: €152 million) from the Netherlands to Belgium.

2) Including impairments. An impairment of €17 million was recognised in 2023 (Netherlands €15 million; Belgium €2 million)

3) A number of head office positions that perform activities Group-wide are included in the Netherlands. The average number of employees in the Netherlands during 2024 includes the employees who joined the Group as a result of the Simon Loos transaction.

3. Revenue

Revenue is largely made up of deliveries of food and food-related non-food goods and services to institutional customers, the hospitality industry, catering companies and other large-volume users in the Netherlands and Belgium.
The breakdown of revenue by operations is as follows:

	Netherlands		Belgium		Group	
x € million	2024	2023	2024	2023	2024	2023
Goods and services						
Deliveries of goods	2,454	2,384	397	430	2,851	2,814
Deliveries of services	39	45	0	0	39	45
	2,493	**2,429**	**397**	**430**	**2,890**	**2,859**
Cash-and-carry and Delivery service						
Cash-and-carry	**788**	812	215	217	1,003	1,029
Delivery service	**1,705**	1,617	182	213	1,887	1,830
	2,493	**2,429**	**397**	**430**	**2,890**	**2,859**

The Group does not have any customers that represent over 10% of revenue. Delivery service revenue also includes revenue from the Group's other activities, including Bouter and Tintelingen.

4. Other operating income

x € million	2024	2023
Rental income	1	1
Proceeds from sale of property, plant and equipment and assets held for sale	3	2
Other non-recurring results	0	5
	4	**8**

In 2024, a book profit of €2 million was realised on our building in Groningen. This building is being leased back for the first half of 2025, until the move to the new location takes place. In 2023, a one-off gain of €5 million was recognised in relation to the acquisition of the De Kweker activities in 2019. In 2019, the Group signed an agreement with a construction consortium for the redevelopment of the Food Center in Amsterdam ('FCA'). The agreement contains provisions relating to the relocation of the current De Kweker site to the FCA. It also includes a purchase option regarding a parcel of land located at the FCA.
The developer exercised this option in 2023, which means that De Kweker is no longer entitled to lease the parcel concerned. The developer owes the sum of €5 million for the exercise of the option. This income is recognised under other non-recurring results.

5. Employee-related items

5.A Employee expenses

Employee expenses break down as follows:

x € million	Notes	2024	2023
Wages & salaries		227	217
Social security costs		43	40
Premiums for defined contribution plans		17	16
Share-based payments	5.C	4	1
Insourced staff and temporary agency workers		75	74
Other employee expenses		21	22
		387	**370**

5.B Employee benefits provision

x € million	Notes	2024	2023
Jubilee scheme		2	1
Long-term bonus scheme	5.C	1	1
Closing balance		**3**	**2**

Movements in the provision for the jubilee scheme were as follows:

x € million	2024	2023
Opening balance	1	2
Benefits	0	(1)
Additions	1	0
Actuarial result (also result for financial year)	0	0
Closing balance	**2**	**1**

Movements in the provision for the long-term bonus scheme were as follows:

x € million	2024	2023
Opening balance	1	0
Conditionally granted	1	1
Forfeited on account of termination of employment	0	0
Performance adjustment	0	0
Fair value adjustment	(1)	0
Closing balance	**1**	**1**

For details of the long-term bonus plan, please refer to Note 5.C.

5.C Share-based payments

Share-based payments include the costs of variable remuneration schemes.

Until the end of 2022, the Group had a share option scheme under which options were awarded. This scheme ceased to apply as of 2023. Movements in the number of share options outstanding were as follows:

x 1	2024	2023
Opening balance	0	571,199
Exercised	0	0
Redeemed	0	0
Expired	0	(557,189)
Expired on termination of employment	0	(14,010)
Granted	0	0
Closing balance	**0**	**0**

As of 2023, a new variable remuneration scheme applies to the International Board and a target group of around 50 managers. The scheme contains a long-term bonus (LTB) component based on the new variable remuneration scheme for the Executive Board. For the International Board, the number of conditionally awarded shares is salary-based. For the managers, the conditional award is for a fixed number of shares.
The vesting period, lock-up period and the targets to be achieved for the bonus to become unconditional are all similar to the LTB scheme for the Executive Board. This is a cash-settled scheme. For more details of the scheme and for the number of shares conditionally awarded to individual directors, please refer to Note 6 Executive Board and Supervisory Board Remuneration.

The fair value of the conditionally awarded shares was calculated at the closing share price at the end of the financial year. Calculation of the fair value did not take account of expected future dividends.
The provision for expected share awards accrues on a linear basis over a three-year period, taking account of the number of shares that are expected to be unconditionally awarded after three years, and is disclosed under the Employee Benefits Provision.

Movements in the net number of conditionally awarded shares under the LTB were as follows:

LTB scheme

x1	Opening balance	Conditionally awarded	Lapsed on termination of employment	Performance adjustment	Shares that have become unconditional	Closing balance	Fair value per share on date of award x €1
2023-2025	60,134	0	(1,250)	(3,822)	0	**55,062**	15.74
2024-2026	0	65,509	(750)	(7,593)	0	**57,166**	13.86

6. Executive Board and Supervisory Board remuneration

Members of the Executive Board and Supervisory Board are considered key Group staff members. The increase is mainly due to the expansion of the Executive Board from two members to three in 2024. Remuneration of Executive Board members in office in 2024 that was charged to the result amounted to €2,691 thousand (2023: €2,011 thousand).

The remuneration can be broken down as follows:

x € thousand	Koen Slippens 2024	Koen Slippens 2023	Rob van der Sluijs 2024	Rob van der Sluijs 2023	Dries Bögels 2024	Dries Bögels 2023	Total 2024	Total 2023
Fixed-variable remuneration[1]	77%-23%	76%-24%	75%-25%	74%-26%	75%-25%	N/A	76%-24%	75%-25%
Fixed pay	651	624	566	543	387	0	1,604	1,167
Short-term bonus	130	125	113	109	99	0	342	234
Long-term bonus[2]	114	142	99	123	69	0	282	265
Pension premium and compensation	206	206	119	115	102	0	427	321
Statutory social security costs	13	12	13	12	10	0	36	24
Total	**1,114**	**1,109**	**910**	**902**	**667**	**0**	**2,691**	**2,011**

Options and shares held
The option scheme expired upon the approval of the revised remuneration policy in 2023.

Movements in Executive Board members' shareholdings break down as follows:

Shares

x 1	Koen Slippens	Rob van der Sluijs	Dries Bögels
Opening balance	114,151	17,867	5,455
Purchase	0	0	0
Sale	0	0	0
Closing balance	**114,151**	**17,867**	**5,455**

Executive Board and Supervisory Board remuneration is not charged to subsidiaries.

1) Fixed remuneration is the sum of fixed salary, pension contributions/compensation and statutory social security contributions. Variable remuneration is the sum of the short-term and long-term bonuses.

2) Cost of the long-term bonus recognised by the Group as a current-year expense in the statement of profit or loss under EU-IFRS. This amount does not reflect the value of the long-term bonus on either the award date or the vesting date.

Supervisory Board remuneration

The annual remuneration for the chair of the Supervisory Board amounted to €65 thousand (2023: €58 thousand) while the other Supervisory Board members were paid €46 thousand for a full year's service (2023: €40 thousand). Supervisory Board members also received compensation for attending Supervisory Board meetings amounting to €40 thousand (2023: €32 thousand). Supervisory Board chair and member remuneration does not depend on the company's results. Total remuneration amounted to €299 thousand (2023: €270 thousand). Supervisory Board members are not awarded shares and/or share options.
No loans, advances and/or guarantees have been granted to Executive Board and Supervisory Board members.

7. Audit fees

Recognised in the general and administrative expenses, fees paid for the audit of the financial statements and the ESG assurance engagement totalled €1,744 thousand in 2024 (2023: €1,384 thousand). In addition to the fees of EY Accountants B.V. and the EY network for 2024, additional costs of €219 thousand were recognised in relation to the audit from the previous financial year (2023: €183 thousand). These fees were invoiced by Deloitte Accountants B.V. and are not presented in the table below for 2024. Other assurance-related services consist primarily of other activities, including audits for customer-related arrangements. The auditor's fees for these services were €33 thousand in 2024 (2023: €27 thousand). The auditing firm is not engaged for consulting services.

Audit fees break down as follows:

		2024		**2023**
x € thousand	**EY Accountants B.V.**	**EY network**	**Deloitte Accountants B.V.**	**Deloitte network**
Audit of the parent company's financial statements	1,277	0	1,071	0
Audit of subsidiaries	0	74	0	313
Other assurance engagements (ESG)	393	0	0	0
Subtotal of consolidated financial statements	**1,670**	**74**	**1,071**	**313**
Other assurance-related services	33	3	27	0
	1,703	**77**	**1,098**	**313**

8. Finance income and costs

x € million	2024	2023
Finance income	**0**	**0**
Finance costs on leases	(8)	(6)
Finance costs on other financial liabilities	(10)	(10)
Finance costs	**(18)**	**(16)**

Finance income concerns income from loans granted to customers and late charges paid by customers, as well as interest on prepaid tax. Finance costs relating to other financial liabilities concern interest paid on loans and costs of amended loan contracts.

9. Taxation

9.A Taxation (income tax)
The Dutch and Belgian tax systems differ in how they treat the result in the financial statements and the result on which tax is payable/receivable. These differences arise partly as a result of the difference in the measurement of intangible assets, property, plant and equipment, right-of-use assets and lease liabilities, inventories, provisions, investment-related tax credits and amounts that are not or are only partly tax-deductible.

In 2023, the Pillar Two model rules published by the OECD came into effect. Under this legislation, the Group is obliged to pay a domestic top-up tax on profits earned by subsidiaries that are taxed at an effective tax rate of less than 15%. The Group has carried out an analysis of whether a qualified domestic top-up tax may apply in either of the two countries in which it operates. On the basis of this analysis, the conclusion is that a qualified domestic top-up tax will not be payable in either country. The impact of Pillar Two on the effective tax burden is limited in both countries. The Group will continue to assess the effect of the Pillar Two legislation on its future financial performance.
In addition, the Group makes use of the temporary exception with respect to deferred taxes pursuant to IAS 12, and therefore does not include the impact of Pillar Two in the determination and disclosure of its deferred tax position.

The taxation item in the statement of profit or loss can be explained as follows:

x € million	2024	2023
Payable (receivable) for financial year	8	6
Prior-year corrections	(1)	0
Current taxation	**7**	**6**
Recognition and reversal of temporary differences	(2)	(7)
Change in recognition of deferred tax assets and liabilities	0	0
Prior-year corrections	0	1
Deferred taxation	**(2)**	**(6)**
Income taxes	**5**	**0**

The tax expense per share is €0.11 (2023: €0.00)

9.B Effective tax rate

The effective tax rate can be explained as follows:

x € million	2024	2023
Profit (loss) before tax	**29**	**6**
Nominal tax rate (Netherlands 25.8%, Belgium 25.0%)	8	2
Changes not previously recognised in deferred tax assets	0	1
Prior-year corrections	(2)	(1)
Untaxed results	0	0
Effect of share in the result of associates	(1)	(2)
Other, including tax facilities and non-deductible amounts	0	0
Effective tax rate 17.1% (2023: -6.5%)	**5**	**0**

To reduce our greenhouse gas emissions, we are investing in more sustainable cooling and heating systems at our sites, for which we use the available tax credits.

The untaxed profits of associates relate to our share in our associates' result after tax, which qualify for the participation exemption. The other corrections mainly concern non-deductible expenditure for employee benefits, including our equity participation plan.

At the end of the financial year, we make an estimate for a number of tax-related items. When filing our tax returns, the actual outcomes may deviate from these estimates, causing (minor) inconsistencies.
The subsequent corrections from prior years are recognised in the current financial year. The transfer pricing method agreed on and applied within the context of the BAPA led to the following tax netting between the segments in 2024:

	Netherlands	Belgium	Group
Financial tax expense (income) for the financial year	4	1	5
Settlement as per transfer pricing method	8	(8)	0
Tax expense (income) per segment	**12**	**(7)**	**5**

The settlement in accordance with the transfer pricing method is not recognised in the financial statements, in order to provide clarity in the segment results.

9.C Income tax on receivables and payables

As at the financial year-end, the following items are recognised:

x € million	2024	2023
Receivables	1	0
Payables	(4)	(5)
Net closing balance	**(3)**	**(5)**

As at year-end 2024, all Dutch wholly-owned subsidiaries are included in the fiscal unity for corporation tax purposes,
meaning that taxes are levied as if it concerned one single company. This also means that all companies in the fiscal unity are liable for the unity's tax debt.

9.D Deferred tax assets and liabilities

As at the financial year-end, the following items are recognised:

x € million	2024	2023
Deferred tax assets	4	4
Deferred tax liabilities	(7)	(9)
Net closing balance	**(3)**	**(5)**

The deferred tax liabilities relate primarily to the recognition of intangible assets from acquisitions, right-of-use assets and related lease liabilities, and deviating measurement of property, for which fiscally specific rules are used.

Given that participations of over 5% in the equity of other companies qualify for the participation exemption, results and dividends are not taxed and/or are non-deductible. The difference in measurement of participations has, therefore, not been factored into the calculation of deferred tax liabilities.

Movements over the financial year were as follows:

x € million	1 January 2024	Recognised in statement of profit or loss	31 December 2024
Intangible assets	(7)	0	(7)
Property, plant and equipment	(9)	1	(8)
Right-of-use assets	(56)	(2)	(58)
Lease liabilities	64	2	66
Inventories	(1)	0	(1)
Tax loss carryforward	4	1	5
Other	0	0	0
Net deferred tax assets/ (liabilities)	**(5)**	**2**	**(3)**

x € million	1 January 2023	Recognised in statement of profit or loss	31 December 2023
Intangible assets	(7)	0	(7)
Property, plant and equipment	(12)	3	(9)
Right-of-use assets	(52)	(4)	(56)
Lease liabilities	59	5	64
Inventories	(1)	0	(1)
Tax loss carryforward	1	3	4
Other	1	(1)	0
Net deferred tax assets/ (liabilities)	**(11)**	**6**	**(5)**

At the end of 2024, tax carryforwards of €5 million were recognised as assets in respect of Sligro-MFS Belgium N.V., as this subsidiary is not included in the BAPA.

10. Goodwill and other intangible assets

Movements in this item can be broken down as follows:

x € million	Goodwill	Other intangible assets			
		Places of business, customer relation-ships, trademarks and other	Software	Assets under develop-ment	Total
Cost	168	180	109	3	292
Cumulative amortisation and impairment	(43)	(107)	(41)	0	(148)
Balance as at 31 December 2022	**125**	**73**	**68**	**3**	**144**
Investments	0	0	13	3	16
Divestments	0	0	0	0	0
Acquisitions	5	38	0	0	38
Transfers	0	0	2	(2)	0
Amortisation	0	(13)	(25)	0	(38)
Impairments	0	0	(17)	0	(17)
Total changes	5	25	(27)	1	(1)
Cost	173	218	118	4	340
Cumulative amortisation and impairment	(43)	(120)	(77)	0	(197)
Balance as at 31 December 2023	**130**	**98**	**41**	**4**	**143**
Investments	0	0	8	1	9
Divestments	0	0	0	0	0
Acquisitions	0	1	0	0	1
Transfers	0	0	1	(1)	0
Amortisation	0	(12)	(14)	0	(26)
Impairments and inefficiencies	0	0	0	0	0
Total changes	0	(11)	(5)	0	(16)
Cost	173	216	122	4	342
Cumulative amortisation and impairment	(43)	(129)	(86)	0	(215)
Balance as at 31 December 2024	**130**	**87**	**36**	**4**	**127**

Breakdown of intangible assets by cash-generating unit
The goodwill is distributed across the segments as follows:

Cash-generating unit

x € million	2024	2023
Netherlands	125	125
Belgium	5	5
Closing balance	**130**	**130**

The Group distinguishes two cash-generating units: the Netherlands and Belgium. These are identical to the Group's two segments. We now have a management team and local operations and sites in the two segments of the Netherlands and Belgium.
These segments are defined on the basis of their geographical location, given the importance of maintaining relationships with customers and understanding local market conditions.

The assessment of the annual impairment testing results was threefold:
1. the annual assessment of the goodwill of cash-generating units in the Netherlands
2. the annual assessment of the goodwill of the Belgium cash-generating unit
3. the annual assessment of the corporate assets under development, which are allocated to the carrying amount of the Netherlands and Belgium cash-generating units based on the 'revenue' allocation key.

The recoverable amount of the cash-generating units, i.e. the Netherlands and Belgium, is based on a calculation of the value in use and determined by calculating the net present value of estimated future cash flows generated through the continued use of these cash-generating units.

The going-concern assumption was used in measuring the assets. Given the Group's current liquidity and solvency, it sees no reason to assume that it will be unable to continue its operations in the foreseeable future. This assessment is based on the realised operating result (EBIT) for the Netherlands and Belgium in the past year, the 2025 budget for the Netherlands and Belgium, projections for the 2026-2029 period and projections based on terminal growth rate for the years beyond 2029, which are based partly on external data on market developments and partly on empirical figures.

In early 2023, the Group made an acquisition in Belgium and subsequently invested in improving its logistics network in Belgium. In its expectations for the coming years, the Group assumes that revenue in Belgium will grow faster than the market and that scope remains for improvement in the gross margin and EBITDA margin. A comparable structure to that in the Netherlands has been established and the differences from the Group's Dutch business remain substantial, which means that the potential for improvement in Belgium is considerable. In 2024, the management of the business in Belgium has been further improved. The initial results are visible from the second half of 2024, both in terms of customer satisfaction and service level and, consequently, in revenue and EBITDA. These considerable improvements are expected to have an impact on results in the next few years.

The assumptions underlying the calculation of the recoverable amount concern the discount rate after taxes and the terminal growth rate. Other key assumptions were: the average annual revenue growth, average improvement of the gross profit margin percentage compared to revenue and average improvement of the EBITDA percentage compared to revenue for the next five years.

The assumptions are the following:

Assumptions used at year-end 2024

in %	Netherlands 2025-2029	Belgium 2025-2029
Terminal growth rate	2.0	2.0
Revenue growth	2.6	6.6
Gross profit percentage improvement (% point)	0.8	0.6
EBITDA percentage improvement (% point)	0.7	1.9
WACC (after tax)	8.9	9.4

The pre-tax discount rate used is derived from the weighted average cost of capital (WACC). The WACC is calculated by a professional external party, using parameters based on the peer group and market data. Forecast EBIT growth is expressed as the compound annual growth rate as a percentage of revenue over the five-year period covered by the projections used.

The conclusion drawn from this calculation is that the realisable value of both cash-generating units is higher than the carrying amount and therefore no impairment has been recognised.

The assumptions used are based on recent figures and plans for the coming year. Based on the expertise and experience from recent years, the Group deems these assumptions realistic.

A sensitivity analysis of the Belgium cash-generating unit and assumptions was used to estimate the present value of the cash flows. This involved considering what adjustment would have to be made to the assumptions to reduce the value to the point where the remaining headroom is nil.

Assumptions 2025-2029 Belgium

in %	Applied	Nil headroom scenario
Terminal growth rate	2.0	(28.3)
Revenue growth	6.6	1.2
Gross profit percentage improvement (% point)	0.6	0.5
EBITDA percentage improvement (% point)	1.9	1.8
WACC (after tax)	9.4	11.7

The places of business, customer relationships and trademarks can be broken down as follows:

x € million	2024	2023
Intangible assets relating to acquisitions		
Customer relationships	48	55
Places of business	34	38
Trademarks	5	5
	87	**98**
Intangible assets not relating to acquisitions		
Software	36	41
Assets under development	4	4
	40	**45**
Closing balance	**127**	**143**

Software impairments
The impairment of €17 million recognised on software in 2023 concerns part of the ERP software commissioned in 2022. This primarily concerns modules implemented for delivery service functionality that were decommissioned in the fourth quarter of 2023, based on an assessment of their technical operation and the amended action plan for further ERP implementation. These modules need to be reconfigured and reimplemented in order to generate future economic benefits.
This impairment was allocated to both segments, i.e. the Netherlands and Belgium. The remaining position was assessed in 2024, from which it did not appear that any further impairment was required.

We have no indications of a potential impairment of the other intangible assets.

Software amortisation period
In 2024, the amortisation period for the ERP software that entered use in 2022 were revised as a result of the most recent plans for the further development and implementation of the new ERP landscape. In 2024, in the light of the new overall plan for SAP, the contract with SAP and the 2025 annual plan, we expressed the expectation that we will go live with SAP from 2026. Based on the amortisation period of five years, its expected economic useful life will thus run until the end of 2031. We will use the same five-year amortisation period for future implementation of the new ERP landscape.

11. Property, plant and equipment

Movements in this item can be broken down as follows:

x € million	Land and buildings	Machinery and equipment	Other fixed operating assets	Assets under construction	Total
Cost	432	75	185	8	700
Cumulative depreciation	(196)	(62)	(161)	0	(419)
Balance as at 31 December 2022	**236**	**13**	**24**	**8**	**281**
Investments	18	6	32	9	65
Divestments	(3)	0	0	0	(3)
Acquisitions	0	0	1	0	1
Transfers	4	2	2	(8)	0
Depreciation	(16)	(5)	(17)	0	(38)
Impairments	(1)	0	0	0	(1)
Transfers to assets held for sale	(9)	0	0	0	(9)
Total changes	(7)	3	18	1	15
Cost	431	81	213	9	734
Cumulative depreciation	(202)	(65)	(171)	0	(438)
Balance as at 31 December 2023	**229**	**16**	**42**	**9**	**296**
Investments	10	4	25	7	46
Divestments	(2)	0	(6)	0	(8)
Acquisitions	0	0	9	0	9
Transfers	4	2	2	(8)	0
Depreciation	(16)	(5)	(19)	0	(40)
Impairments	0	0	0	0	0
Transfers to assets held for sale	0	0	0	0	0
Total changes	(4)	1	11	(1)	7
Cost	437	86	227	8	758
Cumulative depreciation	(212)	(69)	(174)	0	(455)
Balance as at 31 December 2024	**225**	**17**	**53**	**8**	**303**

Investments
In 2024, 26 electric trucks were acquired through a lease facility. For details of the lease facility, including collateral, please refer to Note 22 Borrowings. Investments were also made at our Amsterdam delivery service location in charging facilities for the electric vehicles and in mechanising the packaging process.

Divestments
In 2024, a number of trucks and buildings were sold by way of sale-and-leaseback transactions. For more details, please refer to Note 12 'Right-of-use assets and lease liabilities'. Other divestments mainly concerned the sale of trucks.

Assets under construction
The Group is constantly in the process of acquiring, expanding or improving cash-and-carry and delivery service wholesalers.

After completion of a project, assets under construction are transferred to the relevant property, plant and equipment categories.

Cash-and-carry outlets and distribution centres
The land and buildings item breaks down as follows:

x € million	2024	2023
Land	52	53
Buildings	98	106
Owned land and buildings	**150**	**159**
Rented property premises	2	2
Rented property refurbishments/extensions	73	68
Rented property and premises	**75**	**70**
Closing balance	**225**	**229**

The land covers a total surface of 617,644m² (2023: 635,894m²), of which 288,000m² is used for the central complex (2023: 288,000m²).

	Number		**GFA[1]**		**Carrying amount** (x € million)	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Cash-and-carry outlets	27	29	164	194	82	87
Delivery service wholesalers	1	1	18	13	12	13
Production sites	1	1	3	3	1	1
Central complex	1	1	154	154	53	56
Decommissioned assets	0	0	0	0	0	0
Other	1	2	4	5	2	2
Financial year-end	**31**	**34**	**343**	**369**	**150**	**159**

1 Gross floor area x 1000m².

12. Right-of-use assets and lease liabilities

Movements in right-of-use assets can be shown as follows:

x € million	Buildings	Other operating assets	Total
Cost	355	6	361
Cumulative depreciation	(155)	(3)	(158)
Balance as at 31 December 2022	**200**	**3**	**203**
Additions	17	4	21
Acquisitions	33	1	34
Renewals	10	0	10
Curtailments	(3)	0	(3)
Terminations	0	0	0
Depreciation	(24)	(3)	(27)
Impairments	(1)	0	(1)
Indexation	13	0	13
Total changes	45	2	47
Cost	423	9	432
Cumulative depreciation	(178)	(4)	(182)
Balance as at 31 December 2023	**245**	**5**	**250**
Additions	7	9	16
Acquisitions	0	0	0
Renewals	21	0	21
Curtailments	0	0	0
Terminations	0	0	0
Depreciation	(25)	(4)	(29)
Impairments	0	0	0
Indexation	5	0	5
Total changes	8	5	13
Cost	453	16	469
Cumulative depreciation	(200)	(6)	(206)
Balance as at 31 December 2024	**253**	**10**	**263**

Additions and acquisitions

In 2024, the trucks acquired as part of the Simon Loos acquisition were incorporated into a lease facility by way of a sale-and-leaseback transaction. No book profit was realised.
The term of the lease is five years. There is a buyback option, but this is not expected to be exercised. The purpose of this transaction is to optimise cash flow so as to achieve a cheaper and more efficient financing structure for the Group. The transaction gave rise to a cash inflow of €5 million.

In 2024, the Group sold a building in Groningen by way of a sale-and-leaseback transaction, resulting in a book profit of €2 million. The term of the lease is nine months, with no option to extend. There is no buyback option. The transaction was related to a relocation within the city of Groningen. The total cash inflow arising on the transaction in 2024 was €4 million.

In 2024, a building in Liège was sold by way of a sale-and-leaseback transaction, resulting in a book profit of €0 million. The term of the lease is 15 years, with two options to extend for five years each time. There is no buyback option.
The total cash inflow arising on the transaction in 2024 was €5 million.
All cash-and-carry outlets in Belgium are now in third-party ownership and are leased under long-term leases with extension options.

The lease liabilities have the following term:

x € million	2024	2023
Non-current lease liabilities	267	255
Current lease liabilities	29	26
Closing balance	**296**	**281**

Movements in total lease liabilities comprise: €25 million in additions (including €8 million in relation to the unwinding of discounts), €21 million in extensions and other lease amendments, €5 million in indexation and €36 million in lease instalments (including interest).

The total outflow of cash was:

x € million	2024	2023
Lease instalments paid	36	33
Payments in relation to short-term lease contracts, variable lease costs and leases of low-value assets	5	5
Total	**41**	**38**

Payments of lease instalments are presented in the cash flow from financing activities. Payments in relation to short-term lease contracts, variable lease costs and leases of low-value assets are presented in cash flow from operating activities.

The term of the contractual, non-discounted future lease liabilities is as follows:

x € million	2024	2023
Less than one year	36	34
One to five years	127	118
Over five years	186	178
Contractual future lease liabilities	**349**	**330**

The statement of profit or loss contains the following items in relation to the lease liabilities:

x € million	2024	2023
Finance costs under leases	(8)	(6)
Variable lease expenses not recognised in lease liabilities	(2)	(2)
Income from subleases	1	1
Costs of short-term lease contracts	(2)	(2)
Costs of low-value lease contracts	(1)	(1)
Total recognised in the statement of profit or loss	**(12)**	**(10)**

The term of the contractual, non-discounted future income from subleases is as follows:

x € million	2024	2023
Less than one year	1	1
One to five years	2	1
Over five years	0	0
Contractual future income from subleases	**3**	**2**

Leases with an intrinsic term of less than 15 years and an option for renewal have been included for up to a maximum of 15 years. If the contracts with a renewal option were included for 20 years rather than 15, this would result in an increase of both the right-to-use asset and the lease liability of approximately €29 million (2023: €28 million). The impact on EBIT and EBITDA is not material.

13. Investments in associates and other non-current financial assets

x € million	2024	2023
Associates	**56**	**56**
Other non-current financial assets		
Loans to customers	4	4
Non-current receivables	8	8
Financial subleases	1	1
Closing balance	**13**	**13**

Associates

The associates can be broken down as follows:

Interest as at financial year-end	2024	2023
M. Ruig & Zn. B.V., Oostzaan	25%	25%
G. Verhoeven Bakkerij B.V., Veldhoven	25%	25%
Slagerij Kaldenberg B.V., Herwijnen	33%	33%
Vemaro B.V., Venlo	0%	40%
Spar Holding B.V., Waalwijk	45%	45%
Coöperatie Inkoopvereniging Superunie B.A.[1], Beesd		

Measurement is based on associates' last-known figures. All participations held are of a strategic nature. Voting rights equal the percentage of the interest held.
In 2024, the Group sold its interest in Vemaro B.V., Venlo, following the decision to end tobacco sales as from 1 January 2025.

Movements in associates were as follows:

x € million	2024	2023
Opening balance	56	56
Investments/divestments	0	0
Transfers to assets held for sale	0	0
Result	4	7
Dividend	(4)	(7)
Closing balance	**56**	**56**

Summarised financial details for the material associate Spar Holding B.V. are shown in the table below as per its most recent financial statements (i.e. 2023 and 2022, respectively), based on a 100% interest. The summarised financial details for the remaining associates are shown based on their most recent financial statements (i.e. 2023 and 2022, respectively), in accordance with the Group's actual percentage of ownership.

	Spar Holding B.V.		Other associates	
x € million	2023	2022	2023	2022
Fixed assets	33	27	4	4
Current assets	100	103	9	19
Non-current liabilities	1	1	1	1
Current liabilities	81	74	6	17
Shareholders' equity as at financial year-end	51	55	6	5
	2023	2022	2023	2022
Revenue	760	718	51	274
Profit (loss)	11	14	2	2

The carrying value of the associate Spar Holding B.V. is higher than the proportional interest in shareholders' equity. The difference is mainly attributable to the difference between the acquisition price and the net assets, such as goodwill, arising on the acquisition in 2007. No impairment has been charged to this difference in the past.

Other non-current financial assets

Non-current receivables are receivables in relation to the agreed relocation of De Kweker in Amsterdam, part of which are payable to the former owner (presented under other non-current liabilities). Loans to customers have an average term of several years and are generally granted at market rate, while some loans are granted interest-free.

14. Inventories

The inventories item breaks down as follows:

x € million	2023	2022
Central Distribution Centre Veghel	90	86
Sites	162	170
Packaging	10	10
Inventories in transit	5	2
Closing balance	**267**	**268**

[1] Concerns membership of procurement organisation

The measurement of inventories includes a write-down to expected net realisable value of €4 million (2023: €4 million). The cost of holding inventory, as included in cost of sales, was €2,125 million in 2024 (2023: €2,097 million).

15. Trade and other receivables

x € million	2024	2023
Accounts receivable	178	190
Suppliers	53	54
Closing balance	**231**	**244**

Receivables from suppliers concern bonuses, promotional benefits and outstanding credit notes, which are customary in the industry. Bonuses and benefits are dependent on purchase volumes and payment behaviour. In some cases they are not finally determined until after the year-end, which means that calculating the outstanding receivable involves a degree of estimation. The Group makes use of a forecasting tool in which the actual purchases and applicable bonus terms are recorded.

Certain trade receivables are sold under a new securitisation agreement. Further information on this arrangement is included in Note 22. As other significant risks, such as exposure to credit and market risk, are not substantially transferred to the finance provider and are retained by the Group, the receivables that are sold continued to be classified as current assets.
Details of the Group's exposure to credit and market risks and the age analysis for trade receivables are provided in Note 25.

The accounts receivable item includes a provision for doubtful debts of €7 million (2023: €7 million). This provision was formed under IFRS 9 based on the model for calculation of the provision for expected credit losses. Given that the Group assesses supplier bonuses separately, these were not deducted when setting the provision.

Movements in this item were as follows:

x € million	2024	2023
Opening balance	7	5
Items written down	(1)	(1)
Added from result	1	3
Closing balance	**7**	**7**

16. Other current assets

x € million	2024	2023
Contract assets	5	4
Prepaid expenses	5	17
Purchasing discounts receivable	0	0
Other receivables	48	16
Closing balance	**58**	**37**

The other current assets include €7 million in commitments entered into and paid for transport and refrigeration equipment to be delivered at the beginning of 2025. An amount of €23 million is also included in respect of customer bonuses paid in advance.
Specific signing fees with customers are recognised under contract assets. The contract assets item includes a write down to the fair value of €0 million (2023: €0 million). Movements in contract assets were as follows:

x € million	2024	2023
Opening balance	4	4
Paid out	4	3
Amortisation	(3)	(3)
Closing balance	**5**	**4**

17. cash

x € million	2024	2023
Cash balances and cash in transit	11	8
Free bank balances	67	24
Closing balance	**78**	**32**

18. Assets held for sale

Non-current assets held for sale
In 2024, properties in the Netherlands and Belgium with a total book value of €9 million were sold. This concerns two buildings in the Netherlands which will be progressively surrendered as and when requested in connection with the redevelopment of a business park. In addition, one building and the associated land were sold in Belgium, with the building being leased back. A book loss of €0 million was realised, which has been recognised in other operating income.

Movements in this item were as follows:

x € million	2024	2023
Opening balance	9	1
Transfers	0	9
Sales	(9)	(1)
Closing balance	**0**	**9**

19. Shareholders' equity

Paid-up and called-up capital
The authorised share capital of €12,000,000 consists of 200,000,000 shares with a nominal value of €0.06 each. As at 31 December 2024, the number of shares in issue and paid up was 44,255,015 (2023: 44,255,015), representing capital of €2,655,300.90 (as at 31 December 2023: €2,655,300.90).

Movements in the number of shares in issue were as follows:

x 1	2024	2023
Opening balance	44,186,315	44,186,315
Effect of treasury share transactions	(75,000)	0
Closing balance	**44,111,315**	**44,186,315**

All shareholders are entitled to dividend as announced from time to time, and they also have the right to cast one vote per share at the shareholders' meeting. The movement in shareholders' equity is specified in the consolidated statement of changes in shareholders' equity.

Share premium
Under share premium, amounts paid on shares above the nominal value are recorded.

Retained earnings
An amount of €21 million (2023: €20 million) of this reserve is not distributable. This relates to the difference between the retained earnings calculated based on the parent company's accounting policies and the direct changes in equity as a result of revaluations of the participations on the one hand and the part thereof that the parent company could have distributed on the other.

Undistributed profit/dividend
The dividend for 2023 was set at €0.30 per share in the Annual General Meeting held on 27 March 2024.
After the balance sheet date, the Executive Board, with the approval of the Supervisory Board, has proposed the following appropriation of the profit realised in 2024:

x € million	2024	2023
Interim dividend paid		
(2024: €0.30 per share; 2023 €0.33)	13	13
Available for final dividend		
(2024: €0.10 per share; 2023: €0.00)	5	0
Transfer to (from) other reserves	6	(7)
Profit for the financial year	**24**	**6**

20. Earnings per share

The calculation of basic and diluted earnings (loss) per share is based on the profit (loss) attributable to shareholders of the company, the weighted average number of shares in issue and the diluted weighted average number of shares in issue.

x € million	2024	2023
Profit (loss) for the financial year	24	6
Basic earnings (loss) per share (x €1)	0.54	0.14
Diluted earnings (loss) per share (x €1)	0.54	0.14

x 1	2024	2023
Total shares issued and paid up	44,255,015	44,255,015
Purchases of own shares	(143,700)	(68,700)
Shares in issue	44,111,315	44,186,315
Diluted shares	0	0
Shares in issue after dilution	44,111,315	44,186,315
Weighted average number of shares in issue	44,148,815	44,237,840
Diluted weighted average number of shares in issue	44,148,815	44,237,840

Purchases of own shares represent treasury shares held to cover the obligations under the long-term bonus plans.

21. Other provisions and other non-current liabilities

The other non-current provisions relate to warranty obligations.
Other non-current liabilities comprise a liability in relation to the non-current receivable in connection with the De Kweker relocation, which is recognised in non-current financial assets.

22. Loans

x € million	Interest	Remaining term (years)	2024	2023
€40 million loan (Bullet)	1.67%	1	40	40
€20 million loan	3.84%	5	16	0
€61 million loan[1]	variable	2	61	61
Long-term borrowings (including amounts repayable in <1 year)			**117**	**101**
Short-term borrowings for financing activities[1]			124	100
Short-term borrowings for operating activities			0	0
Closing balance			**241**	**201**
Repayment obligations				
Within 1 year			43	0
Between 1 and 5 years[1]			74	101
After 5 years			0	0
Closing balance			**117**	**101**

In April 2023, the Group completed a refinancing plan and opted to take out a committed facility totalling €260 million with three major Dutch banks. This facility is made up of two components: A three-year component of €160 million with an option to extend for one or two years, divided into a loan of €61 million and a credit facility of €99 million.

The loan must be actively extended several times a year at the time of repayment over the course of the (three-year) term. The second component of €100 million has a term of one year and an option to extend for one year (up to April 2025). Both components have a variable rate of interest. In 2024, the Group repaid €50 million of the second component. At the year-end, €111 million was utilised under these facilities, comprising the €61 million loan plus €50 million under the second component.

Long-term borrowings
In September 2017, the Group took out a USPP loan, amounting to €40 million, with a term of 8 years and a fixed annual rate of interest of 1.67%. It will be repaid in 2025.

An acquisition bank facility was negotiated in 2019. This is a non-committed facility with a ceiling of €200 million, which is available to the Group for a period of five years. The interest rate is determined on the date of the drawdown. The Group had not yet made use of this facility.

Long-term borrowings at the year-end include €61 million under the committed facility taken out in April 2023.

[1] The comparative figures have been adjusted in connection with an amendment to IAS 1. See paragraph on 'IAS 1 accounting policy change' in section E1.

In January 2024, the Group entered into a lease facility with a maximum amount of €20 million and a term of 15 months.
All pre-existing drawdown facilities remained in full effect. The facility is intended to cover purchases of operating assets. The operating assets purchased are made available as collateral for the lease facility.
At year-end 2024, €16 million of the facility had been utilised, at an average interest rate of 3.84%. The term of each tranche is 5 years.
The difference of €4 million between the utilised amount of the facility and the balance of the loan is due to operating assets acquired as part of the Simon Loos acquisition, which are classified as leases under IFRS 16 and are therefore disclosed as lease liabilities on the consolidated statement of financial position.

No other collateral has been granted for long-term borrowings.

Movements in long-term borrowings were as follows:

x € million	2024	2023
Opening balance	101	140
Long-term borrowings drawn	16	61
Repayments on long-term borrowings	0	(70)
Long-term borrowings	117	131
Transfers to current portion of long-term borrowings	(43)	(30)
Closing balance	**74**	**101**

Short-term borrowings
No collateral has been provided to the credit institutions providing the short-term borrowings under the financing facility.

Short-term borrowings at the year-end include €50 million under the committed facility taken out in April 2023.

In September 2024, the Group entered into an agreement for the sale of the trade receivables of Sligro Food Group Netherlands B.V. Trade receivables are legally transferred on a monthly basis, but the risk of non-payment remains primarily with the Group. At year-end 2024, the (short-term) credit facility under the securitisation arrangement amounted to €74 million. The agreement runs for one year, ending on 11 September 2025 or earlier if the terms of the agreement are not met. These terms mainly concern a Delinquency Ratio of 1.56%, a default ratio of 0.99%, a dilution ratio of 6.37% and a DBO of 22 days. The agreement is accounted for as a short-term liability. The interest rate is the cost of funds plus a variable margin. The key terms concern the quality requirements for the trade receivables sold and compliance with the payment obligations. The bank accounts in which payments from debtors are received are pledged as security for the credit facility. The maximum amount of finance under the securitisation arrangement is €85 million. Under the financing agreements, securitisation finance does not form part of net interest-bearing debt as referred to in the ratios below.

No other collateral has been granted for these borrowings.

Movements in short-term borrowings, excluding the current portion of long-term borrowings, were as follows:

x € million	2024	2023
Opening balance	100	0
Short-term borrowings drawn	74	100
Repayments on short-term borrowings	(50)	0
Closing balance	**124**	**100**

Current portion of long-term borrowings
Movements in the current portion of long-term borrowings were as follows:

x € million	2024	2023
Opening balance	0	30
Transfers from long-term borrowings	43	0
Repayments of current portion long-term borrowings	0	(30)
Closing balance	**43**	**0**

The Group is required to determine the following ratios according to two methods for its non-current liabilities and current credit facilities:

1. Based on the figures reported in the financial statements at 31 December 2024:

	Condition	Actual
Committed facility: Net interest-bearing debt/ EBITDA	< 3.5	2.8
USPP loan: Net interest-bearing debt/EBITDA	< 3.0	3.3

2. Based on the contractually agreed normalised figures at 31 December 2024:

The facilities' documentation states that if the covenants are breached due to changes in accounting rules, the report may be based on the rules that were applicable before the change. The calculation is therefore performed on figures that ignore the application of IFRS 16. As a result of the new securitisation programme in 2024, the definition of net interest-bearing debt used for the calculation of the short-term debt ratio was changed. The securitisation finance does not form part of net interest-bearing debt.

	Condition	Actual
Committed facility: Net interest-bearing debt/ EBITDA	< 3.5	0.8
USPP loan: Net interest-bearing debt/EBITDA	< 3.0	1.6

The designated ratios in accordance with method 2 were met at the end of the financial year.

23. Other taxes and social security contributions

x € million	2024	2023
VAT, excise duties and waste management charge	19	28
Wage tax and social security contributions	7	9
Pension premiums	0	0
Closing balance	**26**	**37**

24. Other liabilities, accruals and deferred income

x € million	2024	2023
Employees	27	27
Customer bonuses	38	41
Packaging	9	9
Invoices to be received	59	22
Other	1	20
Closing balance	**134**	**119**

Customer bonuses are mostly based on annual agreements. The bonuses are partly dependent on the volumes purchased by the customers. In most cases they are not finally determined and paid until after the year-end, which means that calculating the amount payable at the balance sheet date involves a degree of estimation. The Group makes use of a forecasting tool in which the actual sales and applicable bonus terms are recorded. Payables to employees includes liabilities for profit sharing, holiday pay and holiday leave.

25. Risk management

As part of its normal operations, the Group is exposed to a credit, liquidity and market risk (interest, currency and other market risk). The Group's policy and controls with respect to these risks have not changed compared to the previous year.

Credit risk
Part of the deliveries to customers as part of the foodservice operations are provided without guaranteed prepayment. The ensuing receivables are largely settled through European Business-to-Business Direct Debits. In a small number of cases, payment is initiated by the customer. The above direct debit method is not a payment tool that guarantees payment, as it is conditional on the customer having sufficient funds in the account. Given the great spread of customers and short payment terms, the credit risk on deliveries on credit is relatively small in the foodservice operations.

At year-end 2024, receivables from foodservice customers, as recognised under financial assets, amounted to approx. €4 million (2023: €4 million).

The credit risk the Group is exposed to, particularly in relation to receivables from foodservice customers, has been reassessed.

The age of these debts can be broken down as follows:

x € million	2024	2023
< 1 month	139	159
1-3 months	33	23
3-12 months	6	8
> 12 months	0	0
Closing balance	**178**	**190**

At year-end 2024, the Group's receivables from suppliers amounted to €53 million (2023: €54 million). These receivables relate mainly to procurement-related annual arrangements that are paid out after the end of the year. In the event of non-payment by the supplier, the Group is generally able to set off these items against outstanding liabilities.

Expected credit loss calculation
The Group's accounts receivable are made up of a large number of relatively small amounts. The Group uses a matrix to measure the ECLs of individual customers. Loss rates are calculated using a roll rate method based on the likelihood of a receivable progressing through the consecutive stages of delinquency having to be written off. Roll rates are calculated separately for exposures in the Group's various operations, based on the following shared credit risk features – geographical area, length of the customer relationship and type of product purchased. For customers where it is clear that they are in major financial difficulty or where payment arrangements have been breached significantly, a specific provision is created to cover the potential loss. If there is no reasonable expectation that trade receivables will be paid or recovered, they will be written off.

The table below shows the age and ECLs for accounts receivable as at the end of the financial year:

x € million		2024	
	Average weighted loss rate	Gross carrying amount	Projected credit loss
< 1 month	0.12%	139	0
1-3 months	1.37%	34	1
3-12 months	3.53%	6	0
> 12 months	43.47%	1	1
Doubtful debts	90.66%	5	5
Closing balance		**185**	**7**

x € million	Average weighted loss rate	Gross carrying amount	Projected credit loss
			2023
< 1 month	0.15%	159	0
1-3 months	0.89%	23	0
3-12 months	11.59%	9	1
> 12 months	100.00%	1	1
Doubtful debts	94.74%	5	5
Closing balance		**197**	**7**

Expected credit losses on contract assets, receivables from foodservice customers and suppliers are measured based on the general approach, factoring in the creditworthiness of the customers and suppliers in question, and amount to €0 million as at the end of the year (2023: €0 million).

Liquidity risks
The Group aims to maintain sufficient liquidity (partly in the form of commitments from financial institutions) to be able to meet its financial liabilities at all times. It does so by, among other things, using a mix of long and short-term borrowings with a range of repayment schedules to finance its business operations. Besides that, the availability of €260 million in short-term facilities is legally enforceable.

The following breaks down the financial liabilities, including estimated interest payments.

x € million	Non-current liabilities	Current liabilities
< 1 year	46	128
1-5 years	78	0
> 5 years	0	0
Contractual cash flows	**124**	**128**
Carrying amount as at 31 December 2024	**117**	**124**

Interest rate risk
Note 22 explains the long-term financing and associated interest rate conditions.

Currency risk
The Group is exposed to a currency risk on procurement. The annual USD-denominated procurement volume amounts to approx. USD 19 million, with an average term of approximately two months. The Group does not have any forward exchange contracts. The currency impact is recognised in the cost of sales.

Capital management
Where possible, the Group aims to make maximum use of its credit facilities for its financing, provided the associated covenants can be met. The Group does not have an explicit return objective with respect to the capital used.
Instead, the Group targets average net profit growth that is at least on a par with the targeted average revenue growth.

Fair value

The carrying amount of financial instruments is virtually equal to the fair value. Assets held for sale are measured at fair value and fall into 'level 3' (own measurement method based on knowledge available at the Group, as explained under F in the accounting policies).

Sensitivity analyses

The following shows for a number of external factors how changes to these factors impact on the Group's profit (loss) before tax. The following table provides a simplified rundown of the results:

x € million	2024		2023	
	Percentage increase	Effect on profit (loss) before tax	Percentage increase	Effect on profit (loss) before tax
Interest	1% point	0	1% point	(2)
Currency (USD)	1%	0	1%	0
Wages	1%	(4)	1%	(3)
Oil/energy	5%	(1)	5%	(1)
Rents	5%	(2)	5%	(2)

26. Investment commitments

At year-end 2024, investment commitments totalled approx. €22 million (2023: €22 million). These mainly relate to investments in a number of cash-and-carry outlets that will be converted in 2024 and electric trucks that are on order.

27. Contingent liabilities

Claims

A small number of claims have been filed against Sligro Food Group and/or group companies, which the Group disputes. None of these claims is material.

28. Statement of cash flows

The statement of cash flows has been prepared using what is known as the direct method. The statement of cash flows shows cash receipts and disbursements instead of income and expenditure. Acquisitions are recognised in the statement of cash flows at the purchase price, less cash and cash equivalents. Receipts from customers concern revenue inclusive of VAT and the change in receivables from customers. Payments to the government include both VAT and excise duty payments and payments of wage tax, social security contributions and pension premiums. Income tax paid is recognised separately. The following statement shows the reconciliation of cash flow from business operations to the operating result:

x € million	2024	2023
Operating result	43	15
Amortisation and depreciation	95	103
Impairments	0	19
Gross operating result	**138**	**137**
Other operating income included in cash flow from investing activities	(3)	(7)
	135	**130**
Movements in working capital and other changes:		
Inventories	1	(2)
Trade receivables and other current assets	(6)	(2)
Current liabilities	(18)	25
Provisions	1	1
Shareholders' equity	0	0
	(22)	**22**
Net cash flow from business operations	**113**	**152**

The cash and cash equivalents item is reconciled to the consolidated statement of financial position as follows:

x € million	2024	2023
cash	78	32
Short-term borrowings for operating activities	0	0
Closing balance	**78**	**32**

Short-term borrowings are bank overdrafts which are due on call and are an integral part of the Group's cash management. If the balance on these overdraft accounts is positive at the end of the reporting period, the amounts concerned are regarded as part of cash and cash equivalents.

The proceeds from and repayment of short-term and long-term borrowings in the statement of cash flows can be reconciled to the movements in the borrowings as follows:

x € million	2024	2023
Long-term borrowings drawn	16	61
Short-term borrowings drawn	74	100
Repayments on long-term borrowings	0	(70)
Repayments of current portion of long-term borrowings	0	(30)
Repayments on short-term borrowings	(50)	0
Total cash flow from borrowings	**40**	**61**
Proceeds from long-term and short-term borrowings	90	161
Repayment of long-term and short-term borrowings	(50)	(100)
Movements in the statement of cash flows	**40**	**61**

29. Related parties

In the fresh produce segment, the Group has partnerships with and acquired participations in the fresh produce companies listed in Note 13. In 2024, these partnerships and participations represented a total procurement value of €187 million (2023: €143 million) at prices that were in line with market conditions. At year-end 2024, net trade payables to these companies amounted to €33 million (2023: €31 million). Given the nature of these payables, they are recognised under trade and other payables. At year-end 2024, there was also an item of €2 million in accounts receivable (2023: €0 million) and a payable of €1 million in relation to customer bonuses (2023: €1 million).

The Group formerly had a 40% interest in Vemaro B.V. for tobacco products. The Group guaranteed Vemaro's receivables from certain customers without limits. At year-end 2024, net trade payables to Vemaro amounted to €0 million (2023: €7 million). Given the nature of these payables, this item is recognised under trade and other payables. The Group is a member of the Superunie procurement cooperative, which covers a significant part of the Group's procurement needs.
In 2024, the procurement value amounted to €650 million (2023: €647 million). At year-end 2024, net trade payables amounted to €48 million (2023: €49 million). Given the nature of these payables, they are recognised under trade and other payables.

Please refer to Note 6 for details of the relationship with members of the Executive Board and members of the Supervisory Board. On balance, 0 shares in Sligro Food Group were bought in 2024 (2023: 0) from Stichting Werknemersaandelen Sligro Food Group at market price.

30. Supply Chain Finance

The Group has a Supply Chain Finance programme that offers participating suppliers the option to get credit to the amount of their invoices at participating banks at an interest rate of the 1-month Euribor rate plus 1.15% on an annual basis. The trade and other payables item included an amount of €91 million at year-end 2024 (2023: €99 million) relating to the participating suppliers. Sligro Food Group receives a (small) consideration under this programme, which has been recognised under Other operating income.

Sligro Food Group has a Supply Chain Finance facility available at two banks.

x € million	Made available	Utilised at end of 2024
Rabobank	60	42
ING	60	19

At the end of 2024, 85 suppliers were active on the platform. A total of €61 million was collected and discounted by the bank. On average, the offered invoices were collected after 37 days. The average payment period for comparable creditors is 46 days. The supply chain finance programme has not given rise to any non-cash changes in the book values of financial liabilities that would affect the comparability of these book values.

31. Events after the reporting period

On 19 February 2025, the second component of the committed facility of €100 million was extended for one year.

On 13 February 2025, the short-term credit facility under the securitisation arrangement was extended for six months until March 2026.

Company statement of profit or loss

x € million

	2024	2023	2022
Finance income	1	1	0
Result from participations	23	5	39
Profit (loss) before tax	**24**	**6**	**39**
Income taxes	0	0	0
Profit (loss) for the financial year	**24**	**6**	**39**

Company statement of financial position before profit distribution

x € million

	31 December 2024	31 December 2023
Assets		
Non-current financial assets	467	458
Total non-current assets	**467**	**458**
Receivables from group companies	4	3
Total current assets	**4**	**3**
Total assets	**471**	**461**
Liabilities		
Paid-up and called-up capital	3	3
Share premium	31	31
Other reserves	392	401
Legal reserves	21	20
Undistributed profit (loss)	24	6
Total equity	**471**	**461**
Payables to group companies	0	0
Total current liabilities	**0**	**0**
Total liabilities	**471**	**461**

Notes to the company financial statements

General

Sligro Food Group N.V. is based in Veghel and registered with the Chamber of Commerce under number 160.45.002 and LEI code 724500YLB8OA6WK5CH48. The company financial statements were prepared in compliance with Title 9, Book 2 of the Dutch Civil Code based on the accounting policies specified in Section D of the summary of accounting policies, whereby participations over which dominant control is exercised were measured based on net asset value, while applying the accounting policies of the consolidated financial statements.

Taxation

Sligro Food Group N.V. is the head of the Group's Dutch fiscal unity. The Group has opted to recognise the chosen tax positions at the level of the Group entity where agreements are entered into and transactions are concluded. This goes for both the transfer pricing method with Belgium, which was agreed by Sligro Food Group Nederland B.V., and the tax positions based on the Group entities' taxable results. This means that neither tax positions nor payable positions with the Dutch Tax and Customs Administration in the context of the transfer pricing method have been recognised in the company financial statements for Sligro Food Group N.V., because these are settled by Sligro Food Group Nederland B.V.

Non-current financial assets

x € million	2024	2023
Subsidiaries	442	433
Receivables from group companies	25	25
Closing balance	**467**	**458**

Subsidiaries

Movements in this item can be broken down as follows:

x € million	2024	2023
Opening balance	433	450
Result	23	6
Share-based payments	0	0
Net result recognised directly in shareholders' equity	0	0
Change in treasury shares	0	0
Dividend	(14)	(23)
Closing balance	**442**	**433**

Receivables from group companies

A loan granted with a total principal of €25 million and a term through to 22 June 2027 is recognised under this item. The loan will be repaid in full on the maturity date and bears interest at an annual rate of 1%.

Shareholders' equity

Changes in shareholders' equity are detailed on page 158. For further details on shareholders' equity, please see Note 19 to the consolidated financial statements.

The reserves in the company financial statements reconcile to the consolidated financial statements as follows:

x € million	2024	2023
Consolidated		
Other reserves	441	429
Treasury share reserve	(4)	(2)
	437	**427**
Company		
Other reserves	392	401
Legal reserves	21	20
Undistributed profit (loss)	24	6
	437	**427**

Other reserves

Movements in other reserves were as follows:

x € million	2024	2023
Opening balance	401	383
Result on previous reporting period	6	39
Change in legal reserves	(1)	2
Change in treasury shares	(2)	0
Dividend	(13)	(24)
Other changes	1	1
Closing balance	**392**	**401**

Legal reserves

The legal reserves of €21 million (2023: €20 million) relate to the difference between the retained earnings calculated based on the parent company's accounting policies and the direct changes in equity as a result of revaluations of the group company on the one hand and the part thereof that the parent company could have distributed on the other. The legal reserves are determined on an individual basis.

Employee expenses and number of employees

Sligro Food Group N.V. has no employees. Its employee expenses are nil.

Proposed appropriation of profit

As stated in note 19, the Executive Board, with the approval of the Supervisory Board, has proposed the following profit appropriation:

x € million	2024	2023
Interim dividend paid (2024: €0.30 per share; 2023 €0.30)	13	13
Available for final dividend (2024: €0.10 per share; 2023: €0.00)	5	0
Transfer to (from) other reserves	6	(7)
Profit for the financial year	**24**	**6**

Other notes

Contingent liabilities

As the head of the fiscal unity of the Group in the Netherlands as a whole, the company is liable for the tax debt of the fiscal unity as a whole.

The company has assumed joint and several liability for debts ensuing from the legal acts of its direct and indirect subsidiaries (Section 403, Book 2, Dutch Civil Code), as specified on page 168.

As approved for publication, Veghel,

26 March 2025

The Supervisory Board

Dirk Anbeek, Chair
Gert van de Weerdhof
Angelique de Vries
Inge Plochaet
Aart Duijzer

The Executive Board

Koen Slippens, Chair
Rob van der Sluijs
Dries Bögels

Other information

The following is an English translation of the independent auditor's report issued 26 March 2025.

Independent auditor's report

To: the shareholders and supervisory board of Sligro Food Group N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2024 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the accompanying financial statements 2024 of Sligro Food Group N.V. based in Veghel. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Sligro Food Group N.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Sligro Food Group N.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2024
- The following statements for 2024: the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and consolidated statement of cash flows
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:

- The company statement of financial position as at 31 December 2024
- The company statement of profit or loss account for 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Sligro Food Group N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Sligro Food Group N.V. (Sligro, the Company, or, together with its consolidated subsidiaries, the group) is a listed entity in food wholesale on both the Dutch and Belgium markets. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€7,000,000
Benchmark applied	0.25% of revenues for 2024
Explanation	Based on our professional judgment, we consider an activity-based benchmark as most appropriate and relevant for the users of the financial statements to determine materiality. Given the current market conditions and the long-term focus of management and shareholders, we consider revenue to be a stable and appropriate basis, also because of the insight it provides into the size and performance of the company.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €350,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Sligro Food Group N.V. is at the head of a group of entities. The financial information of this group is included in the financial statements.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements.

We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group.

Because a large part of the processes within Sligro have a high degree of centralization, a large proportion of the transactions are initiated, administered, processed and accounted for at a central level. As a result, we applied a centralized audit approach for a large proportion of the financial statement accounts, in which we carried out the audit work ourselves. We also communicated the audit work to be performed and identified risks to the auditors of the group's components Sligro Food Group Belgium N.V. and Sligro-MFS Belgium N.V., and requested them to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

This resulted in a coverage of 99% of revenue and 99% of total assets. For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

We reviewed and evaluated the adequacy of the deliverables from component auditors and, where required, reviewed key working papers to address the risks of material misstatement. For Sligro Food Group Belgium N.V. and Sligro-MFS Belgium N.V. we held planning meetings and key meetings required based on circumstances. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed. Any further work deemed necessary by the primary or component team were determined and then performed.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and the use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the food wholesale industry. We included specialists in the areas of IT audit, forensics and income tax. In addition we have made use of our own experts in the areas of valuations of goodwill, lease liabilities including related interest and share based payments.

Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO_2 reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets (stranded assets) and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO_2 footprint.

Management summarized Sligro's commitments and obligations, and reported in the section Risk management of the annual report how Sligro is addressing climate-related and environmental risks.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the commitments and (constructive) obligations, are taken into account in estimates and significant assumptions. Furthermore, we read the annual report and considered whether there is any material inconsistency between the non-financial information in the annual report and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at 31 December 2024.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility
Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks
We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to Section Risk management of the annual report for management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct of Sligro Food Group N.V., whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic and legal specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Section Judgments, estimates and assumptions in paragraph D of the statement of accounting policies in the notes to the consolidated financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

The following fraud risks identified required significant attention during our audit.

Presumed risks of fraud in revenue recognition	
Fraud risk	We presumed that there are risks of fraud in revenue recognition. We consider that the transactions related to the recognition of customer bonuses for top customers in particular give rise to such risks.
Our audit approach	We describe the audit procedures responsive to the presumed risk of fraud in revenue recognition in the description of our audit approach for the key audit matter ***Valuation of customer bonuses for top customers***.

Valuation of (in)tangible assets of the cash-generating unit in Belgium, whether or not as a result of the management override of controls	
Fraud risk	We consider the risk of management override of controls in management’s assessment of impairment triggers and in the impairment test of the (in)tangible assets of the cash-generating unit Belgium.
Our audit approach	We describe the audit procedures responsive to the risk of management override of controls in the description of our audit approach for the key audit matter ***Valuation of (in)tangible assets of the cash-generating unit Belgium***.

We considered available information and made enquiries of management, the international board, group control, the internal audit, legal, compliance officer and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with management, group control, reading minutes, inspection of internal audit reports, compliance officer, discussions with legal and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section Going concern in paragraph D. Accounting policies applied in the preparation of the consolidated financial statements in notes to the consolidated financial statements and paragraph Statement of management in section Risk management in the annual report, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of Sligro's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on Sligro's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

Valuation of (in)tangible assets of the cash-generating unit Belgium

Risk	Belgium is one of the two cash-generating units of Sligro Food Group N.V. as disclosed in accounting policy G.3 and Note 10 Goodwill and other intangible assets to the consolidated financial statements. The 2024 performance in Belgium is below budget and there is a recurring negative result, as disclosed in Note 2 Segment reporting. Based on the value-in-use calculation performed by the management, the recoverable amount is higher than the carrying amount and it has been concluded that no impairment is required. The value-in-use is determined by discounting the estimated future cash flows. The main assumptions underlying the value-in-use calculation concern: terminal growth rate, revenue growth, gross profit percentage improvement, EBITDA percentage improvement and the discount rate used for discounting. Given the underperformance of the cash-generating unit Belgium in recent years and the recent further expansion of the Belgian activities with the acquisition of Sligro-M in 2023, the valuation of (in)tangible assets of the cash-generating unit Belgium requires significant attention in our audit. Due to the significant estimates and the identified risk of management override of controls in determining the key assumptions, specifically in assessing whether there is an impairment of the (in)tangible assets of the cash-generating unit Belgium, this is a key audit matter.
Our audit approach	Our audit procedures include, among other things, evaluating the appropriateness of Sligro's model used for determining the impairment in accordance with IAS 36 Impairment of Assets and IAS 38 Intangible Assets. We obtained an understanding of the process of management's estimate and evaluated the design and implementation of relevant internal controls. In particular, our audit procedures focused on: • obtaining and reconciling the 2025 budget approved by the Supervisory Board with the valuation model; • obtaining information on the key assumptions of the valuation model through discussions with management; • assessing objective impairment triggers for the (other) (in)tangible assets other than goodwill; • assessing the approved budget by benchmarking previous years' budgets against the actual results up to 2024; • involving our own specialists to assess the model used, the calculated discount rate and the long-term growth rate as determined by the external management specialists of Sligro; • performing sensitivity analyses on the significant assumptions; • evaluating the accuracy and completeness of the related disclosures in the annual report.
Key observations	The assumptions and estimates used by management regarding the valuation of the cash-generating unit Belgium are within the acceptable range. There is no impairment of goodwill. There are no indications of objective impairment triggers of the (other) (in)tangible assets other than goodwill.

Valuation of customer bonuses

Risk	Sligro has entered into bonus agreements with larger customers, as disclosed in Note 24 Other liabilities, accruals and deferred income. These bonus agreements, which have been agreed with larger customers of Sligro Netherlands and Sligro Belgium, are complex in nature and are increasing in terms of size. The settlement of the bonus agreements takes place partly after the publication of the annual report. There is a risk that revenues have been materially misstated, whether intentionally or not, due to incomplete recording of customer bonuses. Consequently, we consider the customer bonuses as a key audit matter.
Our audit approach	Our audit procedures include, among other things, evaluating the appropriateness of Sligro's accounting policies for revenue recognition, including customer bonuses, in accordance with IFRS 15 Revenue from contracts with customers. We obtained an understanding of the process of management's assessment and evaluated the design and implementation of relevant internal controls. In particular, our audit procedures focused on: • testing the subsequent settlement of the accrued customer bonuses as recorded in prior year (opening balance) and assessing the reasons for deviations; • performing substantive analytical procedures on customer bonus recorded per top customer in current year; • reconciling the inputs used in the 2024 customer bonus calculation with source documentation, such as contracts and agreements. We incorporated elements of unpredictability in our selecting method; • testing the settlement of the customer bonuses by means of inspection of settlements during the financial year and after financial year-end until preparation of the annual report • requesting and obtaining external confirmations regarding the bonus conditions for a selection of contracts; • evaluating the accuracy and completeness of the related disclosures in the annual report.
Key observations	Based on our procedures performed we concur with the valuation of the customer bonuses.

REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. Management and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS AND ESEF

Engagement

We were engaged by the general meeting as auditor of Sligro on 22 March 2023, as of the audit for the year 2024.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Reporting Format (ESEF)

Sligro has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by Sligro, complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of Sligro's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
  - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sligro's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

In this respect we also submit an additional report to the audit committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Eindhoven, 26 March 2025

EY Accountants B.V.

M.H. de Hair

The following is an English translation of the limited assurance report of the independent auditor on the sustainability statement issued 26 March 2025.

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE SUSTAINABILITY STATEMENT

To: the shareholders and the supervisory board of Sligro Food Group N.V.

Our conclusion

We have performed a limited assurance engagement on the consolidated sustainability statement for 2024 of Sligro Food Group N.V. based in Veghel (hereinafter: Sligro) in section "Sustainability statement" of the accompanying management report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and compliant with the double materiality assessment process carried out by Sligro to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, "Assurance-opdrachten inzake duurzaamheidsverslaggeving" (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information".

Our assurance engagement was aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report.

We are independent of Sligro Food Group N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement and we are not involved in the preparation of the sustainability statement, as doing so may compromise our independence. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of public interest entities in the European Union.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

The sustainability statement has been prepared in a context of new sustainability reporting standards, requiring entity-specific interpretations and addressing inherent measurement or evaluation uncertainties. In this context, we want to emphasize the following matters:

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section "Limitations to our sustainability report" in the sustainability statement that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgments Sligro has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Emphasis on the double materiality assessment process
We draw attention to section "Limitations of the double materiality assessment process" in the sustainability statement. This disclosure explains future improvements in the ongoing due diligence and double materiality assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process requires Sligro to make key judgments and use thresholds and may also be impacted in time by sector-specific standards to be adopted.

Therefore, the sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

Comparative information not assured
Sustainability information for the year 2023 and previous years included in the sustainability statement, has not been part of this limited assurance engagement. Consequently, we do not provide any assurance on the comparative information and thereto related disclosures in the sustainability statement for the year 2023 and previous years.

Our conclusion is not modified in respect of this matter.

Limitation to the scope of our assurance engagement
In reporting forward-looking information in accordance with the ESRS, management describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the Sligro (actions). Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. We do not provide assurance on the achievability of forward-looking information.

Our conclusion is not modified in respect of this matter.

Responsibilities of management and the supervisory board for the sustainability statement
Management is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by Sligro as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, management is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Management is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by Sligro.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of Sligro, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls
- Assessing the double materiality assessment process carried out by Sligro and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). Designing and performing further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by management appears consistent with the process carried out by Sligro.
- Determining the nature and extent of the procedures to be performed for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive.
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends.
- Assessing whether Sligro's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate management's estimates.
- Analyzing, on a limited sample basis, relevant internal and external documentation available to Sligro (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement.
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of Sligro and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented.
- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the sustainability statement as a whole, is free from material misstatements and prepared in accordance with the ESRS.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Eindhoven, 26 March 2025

EY Accountants B.V.

M.H. de Hair

Profit distribution policy in the articles of association

Article 46 of the articles of association stipulates as follows on dividends and reserves:

1) The company can only pay dividend to shareholders and other entitled parties from profits eligible for distribution to the extent that its shareholders' equity exceeds the amount of the paid-up and called-up part of the equity plus reserves that have to be maintained by law or under the articles of association.
2) The Executive Board is authorised to allocate all or part of the profits to the reserves, albeit only with the Supervisory Board's consent. The general meeting of shareholders can reverse such an allocation to the reserves by a two-thirds majority vote at a meeting where over half of the issued share capital is represented.
3) Any profits remaining after the aforementioned allocation to the reserves will be available to the general meeting of shareholders to distribute.
4) If the general meeting of shareholders does not decide to pay out the remaining profits for any financial year, these profits will be added to the reserves.
5) The Executive Board can, albeit only with the Supervisory Board's consent, decide to pay interim dividend, provided the requirement specified in paragraph 1 of this article is met and it is justified by an interim statement of assets and liabilities as specified in Section 2:105, subsection 4, of the Dutch Civil Code. The company shall make such a statement of assets and liabilities available at its offices for inspection within eight days of the announcement of the decision to pay interim dividend. The payment of interim dividend is also subject to paragraph 9 of this article.
6) The general meeting of shareholders can, following a proposal submitted by the Executive Board, opt for profit distribution from a distributable reserve, albeit only with the Supervisory Board's consent.
7) The general meeting of shareholders can, following a proposal submitted by the Executive Board, decide to distribute profits in the form of shares in the company, albeit only with the Supervisory Board's consent. Such distribution shall be without prejudice to share issue stipulations in these articles of association.
8) Dividends will be paid at the time and place defined by the general meeting of shareholders, albeit no later than one month after the relevant decision adopted by the general meeting of shareholders.
9) Dividends that have not been claimed within five years of the date on which they became payable will expire and revert to the company.
10) A deficit may be offset against the legal reserves only to the extent permitted by law.

Other information

Five-year overview

x € million	2024	2023	2022	2021	2020
Result					
Revenue	2,890	2,859	2,483	1,898	1,946
EBITDA[1]	138	137	126	109	75
EBITA[1]	69	70	67	49	7
EBIT	43	15	43	25	(76)
Net profit (loss)	24	6	39	20	(70)
Net cash flow from operating activities	97	142	91	73	101
Free cash flow[1]	29	34	6	15	67
Dividend paid	13	24	13	0	0
Equity					
Shareholders' equity	471	461	479	453	432
Net invested capital[1]	883	866	800	805	802
Net interest-bearing debts[1]	459	450	365	382	402
Total equity	1,531	1,482	1,421	1,233	1,198
Employees					
Number of employees (FTEs)[2]	4,541	4,524	4,113	3,987	4,046
Workforce male/female ratio[2]	71/29	69/31	70/30	71/29	71/29
Senior management male/female ratio[2]	65/35	68/32	72/28	70/30	
Executive Board male/female ratio	100/0	100/0	100/0	100/0	100/0
Supervisory Board male/female ratio[2]	60/40	67/33	67/33	100/0	80/20
Employee satisfaction	67	66	66	62	63

x € million	2024	2023	2022	2021	2020
Other					
Carbon reduction since 2010 as %	(48.6)	(38.9)	(33.4)	(19.5)	(22.7)
'Eerlijk & heerlijk' product range as % of revenue	14.4	14.3	11.8	10.8	10.5
Customer satisfaction	70	71	68	69	73
Investments					
Net investments[1]	38	78	59	47	13
Amortisation and depreciation	(54)	(63)	(48)	(49)	(58)
Ratios[3]					
Revenue increase (decrease) as %	1.1	15.2	30.8	(2.5)	(18.7)
Organic revenue growth[1] as %	1.1	8.8	30.8	(2.5)	(20.5)
Profit increase (decrease) as %	273.8	(83.4)	93.6	128.5	(304.3)
Gross profit as % of revenue	26.5	26.7	26.7	26.3	24.0
EBITDA[1] as % of revenue	4.8	4.8	5.1	5.8	3.9
EBITA[1] as % of revenue	2.4	2.4	2.7	2.6	0.4
EBIT as % of revenue	1.5	0.5	1.7	1.3	(3.9)
Profit (loss) as % of revenue	0.8	0.2	1.6	1.1	(3.6)
Net profit as % of average shareholders' equity[1]	5.1	1.4	8.3	4.5	(15.0)
EBIT as % of average net invested capital	4.9	1.8	5.3	3.1	(8.9)
Net interest-bearing debts/EBITDA (not including IFRS 16)[1]	1.6	1.6	1.4	1.8	2.8
Shareholders' equity as % of total equity	30.9	31.1	33.7	36.7	36.0
Details per share with nominal value of €0.06 (x 1 €)					
Number of shares in issue (x million)	44.1	44.2	44.2	44.2	44.1
Shareholders' equity	10.67	10.43	10.84	10.25	9.78
Profit	0.54	0.14	0.88	0.45	(1.59)
Dividend	0.40	0.30	0.55	0.00	0.00

1) This is an alternative performance measure. For the definition and a reconciliation with the most directly comparable IFRS measure, see 'Definitions and alternative performance measures' on page 220 onwards.

2) The definition was changed as of 2020 from the average over the year to the average at the end of the year.

3) The ratios have been calculated based on figures in thousands.

Definitions and alternative performance measures

The financial information in this annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and as explained in the Notes to the consolidated financial statements. This annual report also includes alternative financial and non-financial performance measures. The Executive Board assesses and uses these alternative performance measures as important additional metrics to measure the Group's performance.
The definitions used by the Group and the significance of these measures and other metrics used in the annual report are explained below.

Alternative financial performance measures

Organic revenue growth
Revenue growth achieved through the Group's own initiatives and resources. This does not include growth attributable to mergers and acquisitions. This measure shows the extent to which the Group achieves growth with existing customers, through price increases or higher sales, and the level of independent growth realised by acquiring new customers.

Gross operating result (EBITDA)
EBITDA is short for Earnings Before Interest, Taxes, Depreciation and Amortisation and is calculated as follows: operating result (EBIT) plus depreciation, amortisation and impairment. EBITDA is considered a useful measure for analysing profitability by excluding the effects of taxes, financing (finance income and expenses) and fixed asset investments (depreciation, amortisation and impairment). For the reconciliation of EBITDA to EBIT, please refer to the abridged statement of profit or loss in the ‘Financial results’ section.

Gross operating result before amortisation (EBITA)
EBITA is short for Earnings Before Interest, Taxes and Amortisation and is calculated as follows: operating result (EBIT) plus amortisation and impairment of intangible assets. EBITA is considered a useful measure for analysing profitability by excluding the effects of taxes, financing (finance income and expenses) and investments in intangible assets (amortisation and impairment of intangible assets). For the reconciliation of EBITA to EBIT, please refer to the abridged statement of profit or loss in the ‘Financial results’ section.

Cash conversion as %
Free cash flow divided by net profit. The indicator shows the extent to which net profit can be converted into free cash flows and is thus a measure of operating efficiency. For the calculation, please refer to the ‘Abridged statement of cash flows’ table in the ‘Financial results’ section.

Net investments
The balance of investments and divestments in intangible assets and property, plant and equipment, excluding intangible assets from acquisitions, i.e. goodwill and the value of places of business, customer relationships and brand names. This measure is a good measure of long-term value creation from the reinvestments taking place within the Group. For the calculation, please refer to the ‘Net change in fixed assets’ table in the ‘Financial results’ section.

EBIT as % of average net invested capital
The operating result (EBIT) as a percentage of the average net invested capital is a measure of the return generated by the capital invested by the Group. The measure provides a guideline for long-term value creation. The net invested capital is calculated as the sum of shareholders’ equity plus net interest-bearing debts, long-term provisions and deferred tax assets, excluding investments in associates.

x € million	31 December 2024	31 December 2023
Shareholders' equity	471	461
Net interest-bearing debts	459	450
Deferred tax liabilities	7	9
Employee benefits provision	3	2
Other non-current liabilities	3	3
Other non-current provisions	0	1
Minus: deferred tax assets	(4)	(4)
Minus: investments in associates	(56)	(56)
Net invested capital at financial year-end	**883**	**866**
Operating result (EBIT)	43	15
Average net invested capital	874	833
EBIT as % of average net invested capital	**4.9**	**1.8**

Net change in non-current assets
The balance of net investments in and depreciation, amortisation and impairment relating to intangible assets and property, plant and equipment, excluding intangible assets from acquisitions, i.e. goodwill and the value of the places of business, customer relationships and brand names.
This measure is a good measure of long-term value creation from the reinvestments taking place within the Group. For the calculation, please refer to the 'Net change in fixed assets' table in the 'Financial results' section.

Net interest-bearing debts
Total interest-bearing debts minus cash and cash equivalents.

Net interest-bearing debts/EBITDA
Net interest-bearing debts divided by the gross operating result (EBITDA) for the past 12 months. This measure shows how many years the Group would have to perform at the current level to pay off its debts.

Net interest-bearing debts/EBITDA (not including IFRS 16)
Net interest-bearing debts excluding non-current and current lease liabilities divided by the gross operating result (EBITDA) plus expenses for lease contracts for the past 12 months.

x € million	31 December 2024	31 December 2023
Long-term borrowings	74	101
Non-current lease liabilities	267	255
Current portion of long-term borrowings	43	0
Short-term borrowings	124	100
Current lease liabilities	29	26
Minus: cash	(78)	(32)
Net interest-bearing debts	**459**	**450**
Gross operating result (EBITDA)	138	137
Net interest-bearing debts/EBITDA	**3.3**	**3.3**
Net interest-bearing debts	459	450
Minus: non-current and current lease liabilities	(296)	(281)
Net interest-bearing debt (not including IFRS 16)	**163**	**169**
Gross operating result (EBITDA)	138	137
Costs of lease contracts	(38)	(34)
EBITDA (not including IFRS 16)	**100**	**103**
Net interest-bearing debt/EBITDA (not including IFRS 16)	**1.6**	**1.6**

Free cash flow
Net cash flow from operating activities minus lease payments paid minus net investment activities (excluding cash flows arising from: the acquisition and/or sale of subsidiaries and/or the purchase or sale of interests in associates).
The free cash flow shows the cash flow available to repay debt or pay dividends. For the calculation, please refer to the 'Abridged statement of cash flows' table in the 'Financial results' section.

Working capital
Current assets excluding cash and cash equivalents minus current liabilities excluding interest-bearing items. The interest-bearing items are the total of the current portion of long-term borrowings, short-term borrowings and current lease liabilities. This measure shows the extent to which the Group can continue its operations and whether there is sufficient cash available to meet maturing current liabilities and upcoming operating expenses. For the calculation, please refer to the ‘Development of working capital’ table in the ‘Financial results’ section.

Non-financial performance measures

Number of employees (FTEs)
The number of people with an employment contract with the Group, expressed as the number of full-time equivalents (FTEs). Full-time Equivalent is a unit of measure based on the hours during which an employee carries out work-related activities. An FTE of 1.0 means that the employee is equivalent to a full-time employee, while an FTE of 0.5 indicates that the employee works half-time. The number of employees is measured at the end of the financial year, unless used in the calculation of a KPI over a period. In the latter case, the average number of employees (FTEs) over that period is used, determined at the end of each month.

Average remuneration
Annual total remuneration costs, divided by the average number of employees in FTEs. Annual remuneration costs include salary, bonuses, stock and option plans, social security expenses and pension expenses.

Carbon reduction compared to 2010 in %
The Group has set a target for reducing its CO_2 emissions, with 2010 as the reference year. The target is related to revenue to also reflect the development of our company. Since 2010, we have used the same definition, scope and conversion factors to calculate the reduction in our CO_2 emissions. This involves the CO_2 emissions arising from the Group's core activities: the gas and electricity consumption of the Group's own buildings and rental premises plus the fuel consumption related to transport for the delivery service activities, comprising both in-house organised transport and outsourced transport, including the transport activities for Heineken. The CO_2 emissions and revenue of subsidiaries acquired are included in the calculations from the date of ownership. The CO_2 emissions are measured in CO_2 equivalents (CO_2-eq), a unit of measurement that indicates the global warming potential (GWP) of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide.

‘Eerlijk & heerlijk’ product range as % of revenue
The revenue generated by the items in our ‘eerlijk & heerlijk’ products relative to total Group revenue. ‘Eerlijk & heerlijk’ is not a quality mark, but a classification method we use to help our customers make a responsible choice. ‘Eerlijk & heerlijk’ is based on four pillars: organic, sustainable, fair trade and regional.
Items in our product database are classed as ‘eerlijk & heerlijk’ if they have at least one independent, transparent and audited quality mark as defined by Milieu Centraal. We track 11 of Milieu Centraal’s 12 top quality marks, plus some other quality marks that appear in their Keurmerkenwijzer (quality mark guide), depending on the score for transparency, auditing and independence of the ‘animals’, ‘environment’ or ‘people’ mark. The top quality marks set the toughest requirements in relation to the environment, animal welfare and people & labour. The figures up to 2021 relate only to the product range in the Netherlands. From 2022 onward, they relate to the entire Group.

Customer satisfaction
The level of satisfaction among customers is an important indicator for our performance. We measure satisfaction by means of StakeholderWatch, a research method in which customers are surveyed on a daily basis. This enables us to constantly ‘take the temperature’ in the organisation, so that we can identify trends sooner and respond to them where required. It provides both quantitative and qualitative information. StakeholderWatch captures stakeholder satisfaction on a scale of 0 to 100. StakeholderWatch scores are also used as KPIs when setting targets for managers and teams. The reported scores are the average for the last 90 days. The scores for all years exclude Belgium.

Profile

Sligro Food Group consists of companies that specifically focus on the foodservice market in the Netherlands and Belgium by offering a comprehensive range of food and food-related non-food products and services in the wholesale market.

Netherlands

In the Netherlands, we are the market leader and operate a nationwide network of Sligro cash-and-carry and delivery service wholesale outlets serving large and small-scale companies in the hospitality industry, leisure facilities, caterers, large-volume users, company restaurants, petrol stations, small and medium-sized enterprises, small retail businesses, and the institutional market. Van Hoeckel focuses specifically on the institutional market, while Sligro serves all the other segments. We operate in the City Region of Amsterdam under the wholesale format ‘De Kweker’. In a long-term strategic partnership with Heineken, Sligro is responsible for the exclusive distribution of Heineken keg beer in the Netherlands. Sligro/De Kweker and Van Hoeckel each have a dedicated commercial organisation focusing on their specific markets, while they make operational use of joint delivery and other shared networks and the back-office organisation.

Belgium

In Belgium, Sligro and Sligro-M focus on food professionals, the gastronomic catering market, bulk consumers and SMEs through a nationwide network of cash-and-carry wholesale outlets and delivery service centres. JAVA Foodservice focuses primarily on the institutional, corporate catering and hotel chain market segments. The brands in Belgium have their own commercial organisations and make increasing use of a common delivery structure and shared services.

Sligro Food Group

Sligro Food Group has its own production facilities for specialist convenience products (Culivers) and fresh fish (SmitVis). The company also sources meat, game and poultry, and bread and pastries through its participations in fresh partners, which serve both the Dutch and Belgian market. In Bouter, Sligro Food Group has a specialist company for consultancy, design, supply, installation and maintenance of professional kitchen equipment, appliances and refrigeration and freezing equipment. Sligro Food Group is one of the largest players in the end-of-year gift market, with traditional Christmas hampers being offered through Sligro and online gift concepts through Tintelingen.

Our customers have access to more than 75,000 food and food-related non-food products, together with numerous services to support our customers’ businesses and help them to advance. Most of the procurement for specific foodservice products is handled directly through the Sligro Food Group, although a portion is arranged through CIV Superunie BA.

Sligro Food Group companies actively seek to share knowledge and make good use of the extensive scope for synergy and economies of scale. Both countries are centrally managed based on a BeNe organisational model. Activities that are primarily customer-related are carried out in the separate countries and business units. By combining our central procurement with direct, meticulous category and margin management, we aim to continuously improve our gross margins and offer our customers a unique and innovative product range. Operating expenses are kept under control by having an integrated supply chain and through our constant focus on cost control. Centralised management of our IT landscape, centralised design and control of master data management, and centralised talent and management development all work to further enhance group synergy.

Sligro Food Group strives to be a high-quality business for all its stakeholders that constantly grows in a controlled manner. Sligro Food Group shares are listed on Euronext Amsterdam. The Group’s head office is located in Veghel, Netherlands.

Important dates

Agenda

Scheduled press releases will be published at 7.30 a.m.

7 January 2025	2024 annual revenue
27 March 2025	2024 annual figures
27 March 2025	Publication of the annual report
27 March 2025	Press conference, 11.00 a.m.
27 March 2025	Analysts' meeting, 1.30 p.m.
17 April 2025	First-quarter trading update
14 May 2025	General Meeting of Shareholders for 2024 at the company's offices, 10.30 a.m.
16 May 2025	Ex-dividend date for 2024 final dividend
19 May 2025	Record date for 2024 final dividend
3 June 2025	Payable date for 2024 final dividend
17 July 2025	2025 half-year figures
17 July 2025	Analysts' meeting, 1.30 p.m.

16 October 2025	Third-quarter trading update
8 January 2026	2025 annual revenue
5 February 2026	Preliminary 2025 annual figures (unaudited)
5 February 2026	Press conference, 11.00 a.m.
5 February 2026	Analysts' meeting, 1.30 p.m.
26 March 2026	Publication of the annual report
13 May 2026	Annual General Meeting for 2025 at the company's offices, 10.30 a.m.

The company is based in Veghel and registered in the trade register of the Chamber of Commerce and Industry for East Brabant in Eindhoven under number 160.45.002.

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Shares and dividend policy

Sligro Food Group N.V.'s shares are traded on the Euronext Amsterdam N.V. stock exchange and are included in the AScX index.

The share

There were 44,111,315 shares in issue at the end of 2024, a decrease of 75,000 compared with year-end 2023. This decrease can be attributed to the change in the number of shares held to cover the long-term bonus scheme.

The volume of shares traded on the Euronext exchange in the reporting year was 7,148 thousand (2023: 7,840) and the total value of shares traded was €91 million (2023: €129).

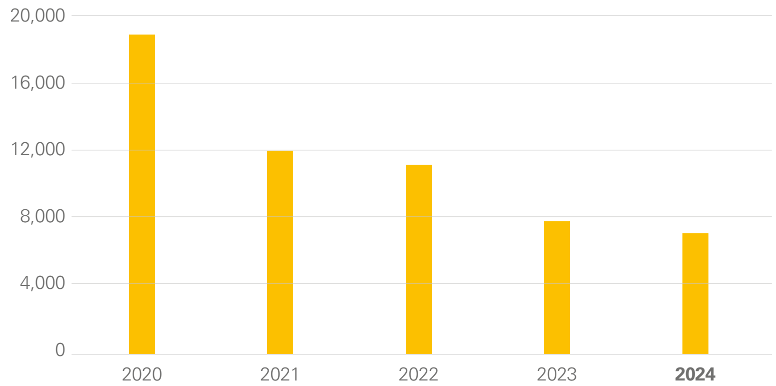
Following the change to the Dutch law on converting bearer shares, traditional bearer shares that are not included in the book-entry securities transfer system will automatically be converted into registered shares on 1 January 2020. As a result, physical bearer certificates automatically ceased to be valid. The amendment to the articles of association on 27 June 2020 in connection with this law gives holders of former traditional bearer shares the opportunity to report to Sligro Food Group by 2 January 2026 to hand in bearer certificates and receive shares that will be included in the book-entry securities transfer system. As at 31 December 2024, Sligro shareholders hold a total of 3,720 (2023: 3,740) former traditional bearer shares.

The majority of these shares are held by Dutch investors. Market information has been used to estimate the geographical distribution of share capital. This information covers 83% of the capital in 2024 (2023: 85%).

Breakdown of share capital

	Private individuals		Institutions		Total	
in %	2024	2023	2024	2023	2024	2023
Netherlands	48	48	33	31	81	79
USA	0	0	2	2	2	2
Belgium	0	0	0	2	0	2
Norway	0	0	0	1	0	1
Canada	0	0	0	0	0	0
Other countries	0	0	0	1	0	1
Total	**48**	**48**	**35**	**37**	**83**	**85**

Number of shares traded
(x 1,000)



Given that shareholders are required by law to report any substantial holding or short position reaching, exceeding, or falling below a certain threshold, this can result in shares being counted more than once, meaning that these notifications do not always provide an accurate view of the number of freely tradable shares. In the table below, where possible this 'double-counting' has been taken into account and corrected.

Substantial participations[1)]

Date of most recent disclosure	Subject to reporting obligations	in %
30 September 2024	APG Asset Management N.V.	9.99
17 July 2024	Van Lanschot Kempen Investment Management N.V.	5.05
28 April 2021	B.V. 'Hoogh Blarick' investment fund	4.61
2 September 2020	NN Group N.V.	10.15
3 July 2015	Boron Holding N.V.	5.03
6 April 2009	Stichting Administratiekantoor Arkelhave B.V.	5.06
1 November 2006	Stichting Administratiekantoor Slippens	33.95

We seek to have regular contact with our investors and analysts. Twice a year, with the publication of the half-year report and the annual figures, we organise an analysts' meeting at our cash-and-carry outlet in Amsterdam. Additionally, we actively seek contact with analysts and investors during roadshows and conferences.
The Annual General Meeting will be held on 14 May 2025.

1) This summary has been compiled on the basis of the 'Register of substantial participations and gross short positions' (www.afm.nl).

Dividend policy

Sligro Food Group aims to pay a regular dividend of approximately 60% of the result after tax (excluding non-recurring items). A proposal may be made to pay a variable dividend, depending on the solvency and liquidity position. The dividend is paid in two instalments, i.e. an interim dividend in the second half of the year and a final dividend after the General Meeting of Shareholders.

Earnings and dividend per share 2020-2024

x €1	**2024**	**2023**	**2022**	**2021[1)]**	**2020[1)]**
Profit (loss) from continuing operations	0.54	0.14	0.88	0.45	(1.59)
Dividend	0.40	0.30	0.55	0.00	0.00

For 2024, the proposed dividend payment amounts to €0.40, which equates to a payment percentage of 74%.
Of the total dividend, €0.30 per share was already paid as an interim dividend on 7 October 2024, leaving a final dividend of €0.10.
On a cash basis, a dividend of €0.30 per share was paid in 2024, being the interim dividend for 2024.

More information about Sligro Food Group

Sligro Food Group's website (www.sligrofoodgroup.nl) provides information about the Group, its financial position, press releases, articles of association, remuneration, directors' shareholdings and share transactions, and corporate governance. This information is available in both Dutch and English.

1) No dividend was paid for the 2020 and 2021 financial years because COVID-19 relief provided under the Dutch government's NOW wage subsidy scheme was conditional on not paying out dividends.

Design: CF Report

Project management: CF Report/Sligro Food Group

Text: Sligro Food Group

Photography: Sander van der Veen Photography
New. Brand Activators
Stick to the Brand
iMediate
Total Creation

Printing: Bek 1 op 1 publiceren

Paper: This report is printed on FSC®-certified paper using eco-friendly ink.

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