Implementation Statement, covering the Scheme Year from 6 April 2024 to 5 April 2025

The Trustee of the Coca-Cola Enterprises Pension Scheme (the "Scheme") is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles ("SIP") during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, the Trustee (including the most significant votes cast by the Trustee or on its behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has had regard to the guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions ("DWP's guidance") in June 2022.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Scheme Year. The Trustee has, in its opinion, followed the Scheme's voting and engagement policies during the Scheme Year.

2. Voting and engagement

The Trustee has delegated to its investment managers the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustee takes ownership of the Scheme's stewardship by monitoring and engaging with managers.

The Scheme did not hold any listed equities either directly or via pooled funds over the Scheme Year. As the Scheme gains exposure to equity markets synthetically with equity derivatives, the Trustee does not have any voting rights in relation to the equities that the derivatives reference.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

The Trustee undertakes a comprehensive review of managers' voting and engagement practices on an annual basis. This review includes a summary of the managers' voting and engagement policies and summary statistics for their engagement over the previous year where available.

- In August 2024, the Trustee met with Aegon Asset Management ("Aegon") to review the integration of Responsible Investment ("RI") factors into the Scheme's property mandate. This review considered LCP's RI view of the manager and fund, and Aegon's 2023 ESG report for the Portfolio. As part its update, Aegon confirmed that Tom Richardson, one of the mandate's fund managers, had joined the Investor Committee for an underlying property fund. This would enhance Aegon's ability to influence the fund's practices going forwards.

- In October 2024, Aegon notified the Trustee of its intention to sell its indirect property business to Knight Frank Investment Management ("KFIM"), meaning it could no longer manage the Scheme's property mandate. As part of the sale, the property team responsible for managing the Scheme's property mandate also transitioned to KFIM, and therefore the Trustee was asked to formally novate the management agreement from Aegon to KFIM. Before formally appointing KFIM, the Trustee received an update from LCP on its view on KFIM's RI credentials and requested confirmation from KFIM that the same approach would be taken with respect to the management of the portfolio as under the management of Aegon. The Trustee was comfortable with the outcome of the review and formally appointed KFIM in Q1 2025.

- In November 2024, the Trustee conducted its annual review of Columbia Threadneedle Investments ("CTI") and its approach to RI. This included LCP's qualitative assessment of the Scheme's portfolio (a bespoke fund wrapper managed by CTI, which comprises investments in gilts, short-dated corporate bonds, and equity derivatives), placing particular focus on the climate strategies applied to the sub-portfolios within the wrapper. As part of the review, the Trustee confirmed that it was comfortable that its chosen ESG index used for the Scheme's synthetic equity exposure remained fit for purpose. In addition, it agreed that the climate guidelines for the short-dated corporate bond mandate remained suitable, in light of the enhancements made to the Trustee's climate target in Q1 2024.

- In November 2024, the Trustee also reviewed JUST's approach to RI and climate, which focused on results of the 2023 bulk annuity provider RI survey (conducted by LCP) and JUST's recently published engagement plan for top emitters in its portfolio. The review highlighted some areas for improvement in JUST's approach to engagement and stewardship, which were subsequently communicated to JUST. The Trustee agreed to monitor JUST's progress in implementing its engagement plan as part of its annual RI review of the provider.

- In February 2025, the Trustee received climate training from LCP, with input from the Sponsoring Employer. The training highlighted the importance of systemic stewardship, climate policy advocacy, and engaging with policymakers to address climate-related financial risks. The Trustee agreed to continue to engage with their managers and buy-in provider in respect of systemic stewardship. Noting that any future buy-in would be a multi-decade investment, the Trustee also agreed to engage early with buy-in providers ahead of any potential future buy-in transactions. The Trustee subsequently invited JUST to its May 2025 Trustee meeting to discuss its approach to RI for the Scheme's existing buy-in policy.

Following the introduction of DWP's guidance, the Trustee agreed to focus engagement with its investment managers by setting the following stewardship priorities: **Climate Change**, **Diversity, Equity & Inclusion** and **Corporate Transparency**.

These priorities were selected because the Trustee identified them as key market-wide risks and areas where it believes good stewardship and engagement can improve long-term financial outcomes for the Scheme's members. The Trustee communicated these priorities to its managers in Q1 2023, with both of managers confirming that the Trustee's priorities aligned with their own priorities for engagement. The Trustee also communicated its priorities with JUST following the inception of its partial buy-in policy in September 2023.

The Trustee reviews case studies of the managers' votes and engagements, as part of its ongoing quarterly monitoring. This helps the Trustee to better understand the managers' approaches to voting, engagement, and the Trustee's Stewardship Priorities, and form a view on the appropriateness for the Scheme.

Over the Scheme Year, the Trustee reviewed ten different case studies, covering Climate Change, Diversity, Equity & Inclusion and Corporate Transparency. Three examples of the case studies the Trustee reviewed over the Scheme Year are provided below. All three examples relate to holdings within the CTI short-dated bond portfolio.

Stewardship priority: Climate Change

In March 2025 CTI recorded two engagement milestones with the Toyota Motor Corp. The first of these involved an accelerated battery electric vehicle production. CTI has previously engaged with Toyota on this matter and Toyota has committed 5 trillion Yen to fund this strategy. This strategy will help increase capacity and optimise Toyota's vehicles further.

The second milestone involved Toyota releasing an updated sustainability strategy. The strategy and climate targets have been approved by the Science Based Targets Initiative ("SBTi"). CTI notes that this shows Toyota's improvement and solid backing of their transition strategy. This was another topic that CTI has previously engaged with Toyota on.

Stewardship priority: Diversity, Equity & Inclusion

CTI engaged with Siemens AG on behalf of the 30% Club Germany[1] in October 2024. It discussed governance and oversight of the diversity programs, Gender diversity Key Performance Indicators ("KPIs"), pipeline development and Equal pay. The company has a dedicated specialist to work on the topics surrounding diversity and explained its thoughtful approach to gender diversity.

CTI believes that the company provided a clear response to its questions and added additional context and information to its diversity numbers. According to CTI, the company is amongst the more successful companies within the DAX 40[2] when it comes to tackling diversity issues.

[1]The 30% Club Germany is a campaign led by Chairs and CEOs to achieve at least 30% female representation on the board and executive committees of DAX 40 companies.

[2]The DAX 40 is a stock market index consisting of the 40 major German blue chip companies trading on the Frankfurt Stock Exchange.

Stewardship priority: Corporate Transparency

In December 2024, CTI recorded an engagement milestone as Apple Inc published its Responsible Artificial Intelligence ("AI") principles at the launch of Apple Intelligence in June 2024.

CTI has been engaging with Apple on this topic since December 2023, including engaging with the company following a shareholder proposal around transparency on its responsible use of AI in early 2024. At the time, the company stated that it was in the process of engaging with different stakeholders to develop its Responsible AI guidelines.

CTI is pleased to see that these principles have now been made public. While this is a welcome first step, Apple is a large tech company and remains behind the curve relative to peers on the publication of these principles. Furthermore, CTI believes more is needed in terms of the operationalisation and validation of effectiveness of these principles. CTI will continue to engage with Apple Inc on the topic.

The Trustee was comfortable with the actions taken by CTI in relation to these case studies. When reviewing case studies, if required, the Trustee may: identify certain areas of concern; invite its managers or buy-in provider to provide more information; challenge certain approaches; agree to continue to monitor progress; or escalate where appropriate.

The Trustee is conscious that RI, including voting and engagement, is rapidly evolving and it therefore expects that most managers and insurers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with its managers and buy-in provider to clarify expectations and encourage improvements.

3. Description of voting behaviour during the Scheme Year

The Scheme was not invested in listed equities over the Scheme Year. Instead, the Scheme gains its equity exposure using derivatives that replicate the returns of both the FTSE 100 and MSCI World ESG Leaders Index, a specialist ESG index. As such, the Trustee was not able to direct how votes were exercised, and the Trustee itself has not used proxy voting services over the Scheme Year.

The Trustee contacted the Scheme's investment managers to ask if any of the assets held by the Scheme had voting opportunities over the period. KFIM, the Scheme's property manager, confirmed the Scheme was eligible to vote on eleven resolutions over the Scheme year (covering both the period where Aegon and KFIM were managing the portfolio) and provided the following comments:

"We believe taking responsibility as an investor also means being a truly active owner, not just as a unitholder in a property fund but as a financier more broadly. We aspire to influence positive change by engaging in dialogue with property managers, either bilaterally or as part of an investor consortium. This dialogue can provide opportunities to highlight ESG risks, inform management of sustainability concerns, or advocate for changes that align with responsible investment standards and best practice. Successful engagement can also create new investment opportunities. By spearheading engagement and exercising voting rights, we use our voice and actions to try to effect positive change."

Summary of voting behaviour – KFIM (previously managed by Aegon) property

A summary of the voting behaviour over the Scheme Year is provided in the table below.

	KFIM property portfolio
Total size of fund at end of Scheme Year	£151.6m*
Number of underlying property funds at end of Scheme Year	10
Number of meetings eligible to vote	3
Number of resolutions eligible to vote	11
% of resolutions voted	100%
Of the resolutions on which voted, % voted with management	64%
Of the resolutions on which voted, % voted against management	36%
Of the resolutions on which voted, % abstained from voting	0%

*Excludes cash allocation held in property portfolio. As at 31 March 2025 as this is the latest available date.

Votes in relation to assets other than listed equity

The Trustee has reported on one of KFIM's votes below. Whilst this does not relate to any of the Trustee's stewardship priorities, KFIM has deemed this vote to be most significant given it involves the termination of an underlying property fund.

Fierra Real Estate Long Income Fund, 24 May 2024

- **Summary of resolution:** A proposal to change the fund's documentation to allow an orderly, managed wind down of the fund between May 2024 and December 2026. The proposal involved voting on four separate resolutions.
- **Approximate size of the Scheme's holding at the date of the vote:** £18m.
- **Company management recommendation:** For. **KFIM vote:** For.
- **Rationale:** Given a significant number of lodged and accepted redemptions from other investors, post the payment of these redemptions, the fund would not be of sufficient scale to offer suitable levels of diversification to the market and therefore an orderly sale of the fund's portfolio and wind up of the fund was the best option to ensure all investors are treated fairly.
- **Was the vote communicated to the company ahead of the vote:** Yes
- **Outcome of the vote and next steps:** For, the fund is now conducting an organised and managed wind down in line with the original proposal.