

Registration number: 107727

GE Capital European Funding Unlimited Company

Directors' report and audited financial statements

Year ended 31 December 2023

GE Capital European Funding Unlimited Company
Directors' report and audited Financial Statements

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GE Capital European Funding Unlimited Company

Directors and other information

Directors	R. Holmes (resigned 31 December 2023) S. Pouch (resigned 20 March 2024) F. Mullin (resigned 20 March 2024) T. Geary M. Power S. O'Connor (appointed 29 September 2023) D Redmond (appointed 29 September 2023) K. Lynch (appointed 29 September 2023) J. Connor (appointed 6 December 2023)
Secretary	H. McAneny
Registered office	86-88 Lower Leeson Street Dublin 2 D02 A668 Ireland
Independent auditor	Deloitte Ireland LLP Chartered Accountants and Registered Auditors Deloitte and Touche House 29 Earlsfort Terrace Dublin 2 Ireland

GE Capital European Funding Unlimited Company

Directors and other information (continued)

Principal bankers

Danske Bank
International House
3 Harbourmaster Place
I.F.S.C.
Dublin 1
D01 KF81
Ireland

Citibank
CitiGroup Centre, Canary Wharf 33 Canada Square
London, England
E14 5LB

JP Morgan Chase Bank
270 Park Avenue
New York
NY 10017, USA

BNP Paribas
16, Boulevard des Italiens
Paris, France

Barclays Bank Plc
4th floor, Harbour Exchange Square
London E14 9GE, UK

Solicitor

A&L Goodbody
3 Dublin Landings, North Wall Quay
International Financial Services Centre
Dublin 1
D01C4E0
Ireland

GE Capital European Funding Unlimited Company

Directors' report

The Directors present their annual report and audited Company Financial Statements ('Financial Statements') for the year ended 31 December 2023.

Principal activities, business review and future developments

GE Capital European Funding Unlimited Company ('the Company') is incorporated and tax resident in Ireland and operates as a financial services company.

The Company is a public unlimited company. It is a wholly owned subsidiary of General Electric Company ('GEC') which is a limited liability company and therefore the Company, via section 1274, is in scope of Part 6 of the Companies Act 2014 for Financial Statements preparation purposes.

The Company has established a Euro Commercial Paper ('Commercial Paper' or 'CP') Programme and a Euro Medium Term Note ('MTN') Programme. The debt is principally listed on the London Stock Exchange with a small minority listed on Luxembourg Stock exchange and Euronext Dublin. The purpose of these programmes is to obtain financing in capital markets, primarily to fund the operations of GEC affiliates. GE Capital International Holdings Limited ("GECIHL"), has guaranteed (assigned from General Electric Capital Corporation 'GECC') the CP and MTN programmes of the Company, thus reducing the risk to any potential investor and supporting the CP and MTN programme. GEC (rated BBB+) (2022: rated BBB+), has also guaranteed the CP and MTN programmes of the Company thus reducing further the risk to any potential investor and supporting the CP and MTN programmes (See Note 19). During the year the Company had no requirement for excess cash and as a result did not participate in the CP market. The Company will continue in business for the foreseeable future to service existing MTN programmes.

The Directors have determined a number of metrics including total assets and the results of the Company to be key performance indicators. The total assets for the year are set out in the Statements of Financial Position on page 23. The results for the year are set out in the Statements of Comprehensive Income ('SOI') on page 22 and the related notes.

The results before taxation of the Company is loss of USD 22 million (2022: profit of USD 25 million), primarily driven by foreign exchange ('FX') losses as a result of the EUR/USD FX rate increasing from 1.070 as at 31 December 2022 to 1.104 as at 31 December 2023 (2022: FX rate decreases from 1.138 as at 31 December 2021 to 1.070 as at 31 December 2022). The decrease in total assets is primarily driven by MTN maturities and cash distribution to its parent GE Ireland USD Holdings Unlimited Company. During the period end of 31 December 2023, fixed rate debt with a nominal value of USD 457 million has matured and fixed rate debt with a nominal value of \$63 million failed hedge effectiveness as it is due to mature in February 2024 (2022: fixed rate debt with a nominal value of USD 349 million has matured and no debt failed hedge effectiveness).

The directors are not expecting a change in the principal activity of the company in the foreseeable future.

On 9 November 2021, GEC announced that it would form three global listed companies that are intended to be run independently and focus on the aerospace, healthcare, and energy segments. In this context, GEC spun off 80.1% of its Healthcare business on 3 Jan 2023.

In addition, GE Digital, Renewables and Power businesses are to be combined into one business and spun off from GEC on 2 April 2024 (going forward branded as GE Vernova). GEC is an aviation-focused company shaping the future of flight while retaining certain other assets and liabilities including its runoff insurance operations (going forward branded as GE Aerospace).

GE Capital European Funding Unlimited Company

Directors' report (continued)

Principal activities, business review and future developments (continued)

As a consequence of the operations, and going forward GEC will be known as GE Aerospace, the Company will be part of GE Aerospace. The spin-off has had no direct impact on this entity.

At the date of signing these financial statements there has been no impact from these transactions on this entity.

Dividends

During the year, as part of a simplification restructuring plan within the group, the Company made a distribution of USD 650,000,000 (2022: USD Nil) to its parent GE Ireland USD Holdings Unlimited Company following a share premium reduction of USD 980,000,000 (2022: USD Nil).

Going concern

The future growth of the Company is dependent on the cash needs of the GE Aerospace after spin off. The Directors have assessed the loan receivable positions and have concluded that the balances remain recoverable. The GEC Group does not expect the need for new long-term debt issuances by the Company for the foreseeable future. As noted above the debt issued by the Company through its CP and MTN arrangements is guaranteed by GEC and GECIHL. Maturity dates of debt issued are provided in Note 19.

The Directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements, also considering events reasonably foreseeable beyond this horizon, which indicates that, taking account of the inflationary impacts in the economy and higher interest rates, and in light of the Company's ability to access the group's cash pool facility if required, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors are confident that the Company will have sufficient funds to continue in operational existence for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Directors have also considered the below among other factors in concluding that it is appropriate to prepare the financial statements on a going concern basis:

- The Company has substantial positive equity and it is linked to the GE Aerospace's European and U.S. cash pool, therefore has the resources to continue in business.
- GECIHL has guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.
- GEC has also guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.

CP and MTN's

The following table sets out the year on year increase / (decrease) in MTNs issued, lending from GEC affiliates and lending to GEC affiliates. The Directors define GEC affiliates to be subsidiaries, associates and joint ventures of the wider GEC Group. The table has been calculated using the closing balances for the financial year.

GE Capital European Funding Unlimited Company

Directors' report (continued)

CP and MTN's (continued)

	2023	2022
	Year on year increase / (decrease)	
Type of debt / loan		
Liabilities		
Issued Medium Term Notes (Nominal)	(22.3)%	(20.5)%
Loans from GEC affiliates	(96.3)%	214.7%
Assets		
Loans to GEC affiliates	(41.4)%	(9.6)%

The movement in MTNs is primarily driven by MTN maturities and an increase of the EUR/USD foreign exchange rate from 1.070 as at 31 December 2022 to 1.104 as at 31 December 2023. During the year, \$457 million (2022: \$349 million) MTNs matured on 15 March 2023.

The following table sets out the average maturities of MTN in issue at 31 December 2023 and 31 December 2022. The weighted average maturity date on the medium term notes is 2038.

	31 December 2023	31 December 2022
Medium Term Notes (floating) at amortised cost	6.57 years	7.57 years
Medium Term Notes (fixed) in qualifying hedging relationships	9.57 years	10.11 years
Medium Term Notes (fixed) held at amortised cost	0.12 years	0.20 years

Principal risk and uncertainties

The main financial risks that the Company is exposed to are foreign exchange risk, liquidity risk, market risk, credit risk and other price risk. The Directors are responsible for the oversight of policies to manage these exposures, as set out in Note 15.

Foreign exchange risk

The Company has exposure to foreign exchange risk. This risk arises as some operations including loans and advances to GEC affiliates and all debt securities issued are in Euro while the functional currency of the Company is USD. Through the use of foreign currency forwards, the Company is generally able to reduce the foreign exchange risk. During the year, the Company recorded an FX loss of USD 28 million (31 December 2022: gain of USD 122 million) driven by movement in the EUR/USD rates.

Interest rate risk

As a funding company, it is exposed to interest rate volatility on variable funding arrangements. Through the use of derivatives, the Company was generally able to reduce interest rate mismatches and in so doing reduced their interest rate risk. The Directors continue to monitor interest rate exposure. See Note 15(c) for an analysis of interest rate exposure at the year-end.

GE Capital European Funding Unlimited Company

Directors' report (continued)

Principal risk and uncertainties (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. The Company has access to the cash pool of the wider GEC Group to fulfil any short-term liquidity requirements and to meet undrawn loan commitments. See further analysis of liquidity risk at the financial year end at Note 15(b).

Market risk

The carrying values of financial assets and financial liabilities may change due to interest rate volatility, credit spread changes and general market conditions. In an effort to ensure appropriate valuations were obtained, the Company relied on independent pricing providers such as International Data Corporation ('IDC') and models used by the wider GEC Group, which primarily use observable market data as inputs. Such valuations necessarily involve judgements and uncertainties on the selection of the inputs. Critical judgments and uncertainties surrounding valuations are discussed further in Note 3.

Credit risk

GEC affiliates may have difficulty in repaying loans. By carrying out comprehensive due diligence on each borrower the Company has been able to manage its exposure to credit risk and the Company experienced no defaults during the financial year. The closing impairment loss provision as at 31 December 2023 was USD 4.3 million (31 December 2022: USD 6.3 million) for the Company, please see Note 15 (a) for further details. The Directors will continue to monitor the financial strength of its borrowers to ensure the Company's exposure to the risk of default is minimised.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal requirements and generally accepted standards of corporate behaviour. Operational risk arises from all of the Company's operations and is similar to those faced by all business entities.

The Company seeks to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The Directors are responsible for the development and implementation of controls to address operational risk.

This responsibility is supported by the development of overall GEC standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- training and professional development;
- ethical and business standards.

GE Capital European Funding Unlimited Company

Directors' report (continued)

Principal risk and uncertainties (continued)

Compliance with the Company standards is supported by a programme of periodic reviews to ensure compliance with GEC Group risk management policies.

The Directors review the development, selection and disclosure of the Company's critical accounting policies and estimates, and the application of these policies and estimates.

Directors, Secretary and their interests

The Directors who served during the year and up to the date of signing the directors' report were Sarah O'Connor, David Redmond, Keith Lynch, John Connor, Tom Geary and Michael Power listed on page 1. In accordance with the Articles of Association, the Directors are not required to retire by rotation.

The Secretary is Helena McAneny listed on page 1.

Robert Holmes resigned effective from 31 December 2023. Sarah O'Connor, David Redmond and Keith Lynch were appointed as Directors effective from 29 September 2023. John Connor was appointed as Director effective from 6 December 2023.

In accordance with the Companies Act 2014, as none of the Directors or secretary holds a disclosable interest (representing shares in the Company of 1 percent or more in nominal value of GEC's issued share capital) in the shares of GEC or any GEC affiliates, there is no requirement to disclose their shareholdings.

Related parties

The Company's balance of loans and advances to related parties has decreased by 41.4% driven by GE Financial Funding Unlimited Company ('GEFF') due to termination and repayment of a loan facility, and cash distribution to its parent. The Company's balance of loans and advances from related parties has decreased by 96.3% primarily driven by Cash Management Services Inc ('CMS') due to reducing the cashpool borrowing after GEFF termination and repayment of the loan facility.

Accounting records

The Directors have reasonable grounds to believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to books of account by utilising accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at 86-88 Lower Leeson Street, Dublin 2, D02 A668, Ireland.

Corporate governance statement

The Directors have put in place a framework for corporate governance which it believes is suitable for the Company and which enables the Company to operate in an environment of good governance throughout the financial year.

The Company's internal control procedures are designed to safeguard the Company's net assets, support effective management of the Company's resources and provide reliable and timely financial reporting both internally to management and to those charged with governance, and externally to other stakeholders. They include the following:

- An organisational structure with formally defined lines of responsibility and delegation of authority.
- Established systems and procedures to identify, control and report on key risks. Exposure to these risks is monitored by the Directors.

GE Capital European Funding Unlimited Company

Directors' report (continued)

Corporate governance statement (Continued)

The preparation and issue of financial reports, including the Financial Statements is managed by the finance function with oversight from the Directors. The Company's financial reporting process is controlled using documented accounting policies and reporting formats issued by the finance function to all reporting entities (including subsidiaries) within the GEC Group in advance of each reporting year end. The finance function of the GEC Group supports all reporting entities with guidance in the preparation of financial information. The process is supported by a network of finance professionals throughout the GEC Group, who have responsibility and accountability to provide information in keeping with agreed policies, including the completion of reconciliation of financial information to processing systems. Its quality is underpinned by arrangements for the segregation of duties to facilitate independent checks on the integrity of financial data. The financial information for each entity is subject to a review at reporting entity and Company level by senior management.

The Company and Company's risk management policies are based on the policies of the ultimate parent GEC and are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

As the Company has debt securities principally listed on the London Stock Exchange with a small minority is listed on Luxembourg Stock exchange and Euronext Dublin, it has availed of an exemption from the Financial Services Authority's requirements to make corporate governance disclosures and from auditor review thereof. The Company does not have transferable securities as defined by S.I. No. 255/2006 - European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 ("Takeover Bids Regulations") and therefore the Company is not required to include in its Corporate Governance Statement the disclosures required by Section 21 thereof.

Financial reporting

The Company is responsible for establishing and maintaining adequate internal control and risk management systems in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable it to ensure that the Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (E.U.) and comply with the Irish Companies Act 2014.

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and the employment of competent persons. The Company has procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including production of annual Financial Statements. The statutory Financial Statements of the Company are required to be approved by the Directors of the Company and filed with the London Stock Exchange, Euronext Dublin and the Companies Registration Office. The statutory Financial Statements are required to be audited by independent auditors who report annually to the Directors on their findings. The Directors evaluate and discuss significant accounting and reporting issues as the need arises.

GE Capital European Funding Unlimited Company

Directors' report (continued)

Corporate governance statement (Continued)

Shareholder meetings

The convening and conduct of shareholder meetings are governed by the Articles of Association of the Company and the Companies Act 2014. The Company is required to hold an annual general meeting each year and not more than fifteen months may elapse between the date of one annual general meeting of the Company and that of the next. The Directors may call general meetings and extraordinary general meetings may be convened in such manner as provided by the Companies Act 2014.

Subject to the provisions of the Companies Act 2014 allowing a general meeting to be called by shorter notice, an annual general meeting and a general meeting called for by the passing of a special resolution will be called by at least twenty-one clear days' notice.

Composition and operation of the Board

The Directors have established an on-going process for identifying, evaluating and managing the significant risks faced by the Company for the year under review and up to the date of approval of the Financial Statements. This risk management process is regularly reviewed by the Directors. The Directors review the internal audit programmes and the Financial Statements and there are formal procedures in place for the external auditors to report findings and recommendations to the Directors. Any significant findings or identified risks are examined so that appropriate action can be taken.

The business of the Company is managed by the Directors who exercise all such powers of the Company as are not exercised by the Companies Act 2014 or by the Articles of Association of the Company required to be exercised by the shareholders in a general meeting. Unless otherwise determined by the shareholders in a general meeting, the number of Directors shall not be less than two. Currently the Board of Directors of the Company is composed of eight Directors, being those listed on page 1 of these Financial Statements.

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number will be two. Matters arising at any meeting of the Directors are determined by a majority of votes. A Director may, and the Company's secretaries on the request of a Director will, at any time call a meeting of the Directors.

Audit committee

The Company's ultimate parent, GEC, is a regulated entity that must meet certain requirements in accordance with its New York Stock Exchange listing. As a result, the GEC Group has internal audit and finance functions with responsibility for, amongst other things, the monitoring of the effectiveness of the GEC Group's systems of internal control, internal audit and risk management. On that basis, the Directors having considered the matter, established an audit committee. The Members of the Committee are Thomas Geary, Michael Power and Keith Lynch. Thomas Geary and Michael Power are non-executive Directors. Robert Holmes resigned effective from 31 December 2023 and Keith Lynch was appointed as a committee member effective from 6 December 2023.

GE Capital European Funding Unlimited Company

Directors' report (continued)

Subsequent events

On 13 February 2024, one of the issued MTNs matured with a nominal value of USD 63 million.

Fergal Mullin and Shane Pouch resigned as directors effective from 20 March 2024.

On 2 April 2024 GEC completed the spin-off of its Digital, Renewables and Power businesses into GE Vernova, going forward GEC will be known as GE Aerospace. This has had no direct impact on the Company.

No other significant events affecting the Company have occurred since the reporting date, which require adjustment to the Financial Statements or inclusion of a note therein.

Compliance statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014 where applicable, the Market Abuse Regulation, the Market Abuse (Criminal Sanctions) Directive, the Irish European Union (Market Abuse) Regulations 2016, the Prospectus (Directive 2003/71/EC) Regulations 2005, the Transparency (Directive 2004/109EC) Regulations 2007, the Financial Conduct Authority's Transparency Rules and Tax laws ('relevant obligations'). The Directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regard to such compliance;
- appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- a review has been conducted, during the financial year, of those arrangements and structures.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all of the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

Independent Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm have expressed their willingness to continue in office.

Responsibility Statement in accordance with the Transparency Regulations

Each of the Directors whose names are listed on page 1 of these Financial Statements confirm that, to the best of each person's knowledge and belief:

- The Company Financial Statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and its financial performance for the financial year then ended.
- The Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

GE Capital European Funding Unlimited Company


Directors' report (continued)

On behalf of the board

DocuSigned by:

8DAE3CFB17FD40D...
K. Lynch
Director

Date 19 April 2024

DocuSigned by:

B95DAB43E0C6416...
J. Connor
Director

GE Capital European Funding Unlimited Company

Statement of Directors' responsibilities in respect of the directors' report and the Financial Statements

The directors are responsible for preparing the directors' report and financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

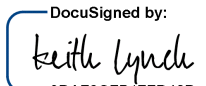
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

DocuSigned by:

K. Lynch
8DAF36FB17FD40D...
Director

DocuSigned by:

J. Connor
B85DAB43E0C6416...
Director

Date 19 April 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

Report on the audit of the financial statements

Opinion on the financial statements of GE Capital European Funding Unlimited Company (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2023 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Cash Flow Statement; and
- the related notes 1 to 26, including material accounting policy information as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> • Recoverability of Loans and Advances to General Electric Company ("GEC") Affiliates – Expected Credit Loss Provisioning • Hedge Accounting and Valuation of Derivatives Including CVA/DVA <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used in the current year was US \$4,656k which was determined on the basis of approximately 1% of net assets.</p>
Scoping	<p>We determined the scope of our audit by obtaining an understanding of the company and its environment, including the identification of relevant controls. We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. As part of our risk assessment, we assessed the control environment in place to the extent relevant to our audit. The risks of material misstatement that have the greatest effect on our audit are identified as key audit matters in the "Key Audit Matters" section of our report.</p>

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

Significant changes in our approach

No significant changes in our audit approach from prior year.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of the company's business model, objectives, strategy and related business risks and the manner in which the company is structured and financed;
- reviewing the company's financial performance, including forecasts, future cash flows, and management's budgeting processes;
- performing discussions with management on the directors' going concern assessment, the future plans for the company and the feasibility of those plans;
- reviewing board meeting minutes available for the current year up to the date of approval of the financial statements;
- reviewing the cash pool agreements and guarantees from General Electric Capital International Holdings Limited ("GECIHL") and GEC to the company;
- reviewing the company's activity subsequent to the financial year end; and
- assessing the adequacy of the relevant going concern disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Loans and Advances to GEC Affiliates – Expected Credit Loss Provisioning

Key audit matter description



As of 31 December 2023, the company holds US \$4,270k (2022: \$6,315k) of expected credit losses against:

Non-current assets: US \$1,081,101k (2022: US \$1,068,247k) of loans and advances to GEC affiliates.
Current assets: US \$1,200,749k (2022: US \$2,824,315k) of loans and advances to GEC affiliates.

In line with IFRS 9- Financial Instruments, losses on financial assets which are classified at amortised cost are recognised on an Expected Credit Loss ("ECL") basis. ECLs are required to incorporate forward looking information, reflecting management's view of potential future economic environments.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

The complexity involved in the ECL calculations requires management to develop methodologies involving the use of significant judgements.

Measurement of the ECL allowance on loans and advances to GEC affiliates is considered a key audit matter as the determination of assumptions for ECLs is highly subjective due to the level of judgement required to be applied by management. The appropriate accounting treatment for the impairment of loans and receivables, and the provision of impairment required by IFRS 9 is crucial to ensuring the financial statements are free from material misstatement. Furthermore, the audit team have engaged an internal valuation specialist to assess the ECL models.

Please refer to note 2 (Material accounting policy information – Financial assets and liabilities), note 15 (Financial risk management) and note 18 (Loans and advances) in the financial statements.

How the scope of our audit responded to the key audit matter



The procedures we performed, included:

- In conjunction with our internal specialists, assessing the ECL models and methodology in accordance with the requirements of IFRS 9;
- Gaining an understanding on the movements in the ECL balance with reference to the underlying loan portfolios, credit quality changes and market factors;
- Challenging the appropriateness of management's key assumptions used in the ECL model, in particular the Probability of Default and Loss Given Default assumptions, by reference to the company's data and externally sourced information available; and
- Reviewing the supporting documentation for the ECL model and assessing the appropriateness of the approach adopted by management and the reasonableness of the ECL conclusions.

Based on the work performed, the ECL recorded in the financial statements is within a range we consider reasonable.

Hedge Accounting and Valuation of Derivatives including CVA/DVA



Key audit matter description



As of 31 December 2023, the fair value of derivatives held for risk management were:

Non-current assets / (liabilities): Derivative assets / (liabilities) held for qualifying hedging relationships US \$9,932k (2022: US \$(56,046)).

Current assets: Derivative assets held for trading US \$12,578k (2022: US \$31,343k) and Derivative assets held for qualifying hedging relationships US \$33,860 (2022: US \$Nil).

This is considered a key audit matter as there is a risk that the incorrect application of IAS 39 hedge accounting rules and the valuation of underlying derivatives, including any valuation adjustments, could lead to a material misstatement in the financial statements. Furthermore, the audit team have engaged internal valuation specialists to assess the valuation methodologies applied by the company.

Please refer to note 2 (Material accounting policy information – Derivatives held for risk management purposes and hedge accounting), note 15 (Financial risk management) and note 17 (Financial assets and liabilities) in the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

How the scope of our audit responded to the key audit matter



The procedures we performed, included:

In relation to the application of IAS 39 hedge accounting and in conjunction with our internal valuation specialists:

- We assessed the eligibility of each hedge designation by reviewing the hedge accounting policy.
- Furthermore, we reviewed the hedge effectiveness testing to ensure the approach was in line with the requirements of IAS 39.

With respect to the valuation of derivatives:

- We independently valued a sample of derivatives based on the terms of the underlying contracts and compared to the valuations recorded by the company.
- In conjunction with our valuation specialists, we independently assessed the Credit Valuation Adjustment ("CVA") and Debit Valuation Adjustment ("DVA") methodologies applied by the company.
- We recalculated the CVA or DVA, where applicable, on a sample of open positions and compared to management calculation. No differences were above our clearly trivial threshold.

We also reviewed the classification and adequacy of relevant disclosures in the financial statements in accordance with the IFRS.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

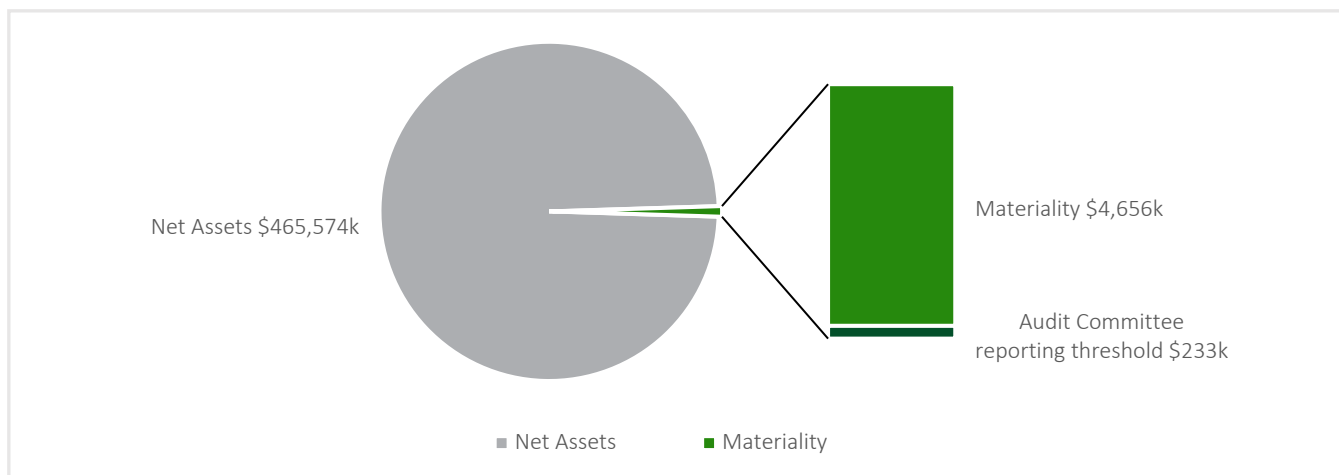
Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	\$4,656k (2022 : \$15,822k)
Basis for determining materiality	Approximately 1% of net assets (2022: 1.4% of net assets)
Rationale for the benchmark applied	<p>We have considered the users of the financial statements (the investors) and have concluded net assets to be the critical component for determining materiality because it is the key indicator of assessing the company's financial position. In determining this benchmark we considered the following:</p> <ul style="list-style-type: none"> • The key balances within the financial statements; • Whether there are items on which the attention of the users of the financial statements is focused; • The nature of the business and the industry and economic environment; • The ownership and finance structure of the company; and • Regulatory requirements of the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

Performance materiality was set at 70% of materiality for the 2023 audit (2022: 70%). In determining performance materiality, we considered the following factors:

- Our understanding of the entity including nature of the business and the industry;
- The reliability of the entity's internal control over Financial reporting;
- The entity's history of misstatements, both corrected and uncorrected;
- Any changes in the business that would affect the auditor's ability to forecast potential misstatements;
- Whether there is a disproportionate number of risks of material misstatement at the higher end of the spectrum.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of US \$233k (2022: US \$791k) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

We structured our approach to the audit to reflect how the company is organised, with a primary focus on the key drivers of the company's main business operations and key risks. Our audit was scoped by obtaining an understanding of the company and its environment, including the controls operating within the company, and assessing the risks of material misstatement related to the financial statements of the company. The risks of material misstatement that have the greatest effect on our audit are identified as key audit matters in the table above. In establishing the overall approach to the audit, we determined the type of work that required the involvement of specialists, as a result, we engaged tax, IT, and valuation specialists. This ensured that our audit is both effective and risk focused. The company is primarily involved in obtaining finance in the capital markets to fund the operations of the wider GEC Group. The company has established a Euro Commercial Paper and a Euro Medium Term Note Programme. We have conducted our audit based on the books and records maintained by the company at 86-88 Lower Leeson Street, Dublin 2, D02 A668, Ireland.

The company is ultimately a wholly owned subsidiary of GEC. In establishing the overall scope of the audit, we determined the type of work that needed to be performed by component auditor(s) for the purposes of this audit. We used the work of Deloitte member firm in the United States of America, operating under our instructions, in relation to the testing of the loans and advances, derivative assets and liabilities, and debt securities issued. We had regular interaction with the component team including virtual meetings and review of certain working papers. This, together with the additional procedures performed by Ireland, gave us the evidence we needed to form our opinion on the financial statements as a whole.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

Other information

The other information comprises the information included in the directors' report and audited financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the directors' report and audited financial statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the audit committee about their own identification and assessment of the risks of irregularities;

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations & IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2014, the applicable Listing Rules of the London Stock Exchange, Luxembourg Stock Exchange and Euronext Dublin, and Tax Legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists and significant component audit team, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate Governance Statement required by the Companies Act 2014

We report, in relation to information given in the Corporate Governance Statement on pages 8 to 10 that:

- In our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsections 2(c) and (d) of section 1373 of the Companies Act 2014 is consistent with the company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014.

Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

The Listing Rules of the Euronext Dublin require us to review six specified elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee. We have nothing to report in this regard.

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the Board of Directors on the 23 May 2022 to audit the financial statements for the financial year ended 31 December 2022. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 2 years, covering the years ended 31 December 2022 to 31 December 2023.

The non-audit services prohibited by IAASA's Ethical Standard were not provided and we remained independent of the company in conducting the audit.

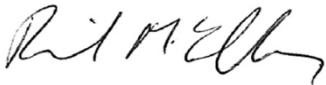
Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISA (Ireland) 260.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GE CAPITAL EUROPEAN FUNDING UNLIMITED COMPANY

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David McCaffrey
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

24 April 2024

GE Capital European Funding Unlimited Company

Statement of Comprehensive Income for the year ended 31 December 2023

	Note	2023 USD'000	2022 USD'000
Interest income	4	81,780	19,429
Interest expense	5	<u>(80,096)</u>	<u>(18,783)</u>
Net interest income		1,684	646
Fee and commission income	6	<u>402</u>	<u>563</u>
Net trading income		<u>2,086</u>	<u>1,209</u>
Net gain/(loss) from financial instruments carried at fair value	8	4,147	(99,718)
Service and commitment fee expense	7	(1,862)	(954)
Other expenses		(122)	(229)
Movement in provision for impairment	15	2,045	2,728
Foreign exchange (loss)/gain	9	<u>(27,876)</u>	<u>122,288</u>
Operating (loss)/income		<u>(23,668)</u>	<u>24,115</u>
(Loss)/profit before income tax	10	<u>(21,582)</u>	<u>25,324</u>
Income tax charge	11	<u>-</u>	<u>-</u>
(Loss)/profit for the year		<u>(21,582)</u>	<u>25,324</u>
Total (loss)/profit for the year		<u>(21,582)</u>	<u>25,324</u>
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		<u>(21,582)</u>	<u>25,324</u>

The accompanying notes form an integral part of the financial statements.

GE Capital European Funding Unlimited Company

Statement of Financial Position

As at 31 December 2023

	Note	31 December 2023 USD'000	31 December 2022 USD'000
Non-current assets			
Derivative assets held for qualifying hedging relationships	17	9,932	-
Loans and advances to GEC affiliates	18	1,081,101	1,068,247
Current assets			
Cash and cash equivalents	13	235	223
Derivative assets held for qualifying hedging relationships	17	33,860	-
Derivative assets held for trading	17	12,578	31,343
Loans and advances to GEC affiliates	18	1,200,749	2,824,315
Other assets		22	-
Total assets		<u>2,338,477</u>	<u>3,924,128</u>
Current liabilities			
Loans and advances from GEC affiliates	18	(18,511)	(495,637)
Debt securities issued	19	(111,413)	(520,601)
Other liabilities		(8)	(3,269)
Current liabilities		<u>(129,932)</u>	<u>(1,019,507)</u>
Net current assets		1,117,512	1,836,374
Total assets less current liabilities		2,208,545	2,904,621
Non-current liabilities			
Derivative liabilities held for qualifying hedging relationships	17	-	(56,046)
Debt securities issued	19	(1,742,971)	(1,711,419)
Total Liabilities		<u>(1,872,903)</u>	<u>(2,786,972)</u>
Net assets		<u>465,574</u>	<u>1,137,156</u>
Capital and reserves			
Share capital	14	125,789	125,789
Share premium	14	295,653	1,275,653
Capital contribution	14	305,020	305,020
Undenominated capital reserve	14	15,402	15,402
Accumulated losses		(1,360)	(309,778)
Foreign exchange reserves	14	(274,930)	(274,930)
Shareholders' equity		<u>465,574</u>	<u>1,137,156</u>

GE Capital European Funding Unlimited Company

Statement of Financial Position

As at 31 December 2023 (continued)

The accompanying notes an integral part of the Financial Statements.

On behalf of the board

DocuSigned by:

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K. Lynch
Director

Date 19 April 2024

DocuSigned by:

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J. Connor
Director

GE Capital European Funding Unlimited Company

Statement of Changes in Equity for the year ended 31 December 2023

	Share capital USD'000	Share premium USD'000	Undenominated capital reserves USD'000	Accumulated losses USD'000	Foreign exchange Reserve USD'000	Capital Contribution USD'000	Total USD'000
Balance at 1 January 2022	125,789	1,275,653	15,402	(335,102)	(274,930)	293,048	1,099,860
Total comprehensive profit for the year	-	-	-	25,324	-	-	25,324
Capital contribution *	-	-	-	-	-	11,972	11,972
Balance at 31 December 2022	<u>125,789</u>	<u>1,275,653</u>	<u>15,402</u>	<u>(309,778)</u>	<u>(274,930)</u>	<u>305,020</u>	<u>1,137,156</u>
Balance at 1 January 2023	125,789	1,275,653	15,402	(309,778)	(274,930)	305,020	1,137,156
Total comprehensive loss for the year	-	-	-	(21,582)	-	-	(21,582)
Share premium reduction*	-	(980,000)	-	980,000	-	-	-
Distribution	-	-	-	(650,000)	-	-	(650,000)
Balance at 31 December 2023	<u>125,789</u>	<u>295,653</u>	<u>15,402</u>	<u>(1,360)</u>	<u>(274,930)</u>	<u>305,020</u>	<u>465,574</u>

* Please refer to Note 14 for further details on movement in capital contribution and share premium.

The accompanying notes form an integral part of the Financial Statements.

GE Capital European Funding Unlimited Company

Cash Flow Statement for the year ended 31 December 2023

	<i>Note</i>	31 December 2023 USD'000	31 December 2022 USD'000
Cash flows from operating activities			
(Loss)/profit for the year		(21,582)	25,324
Adjustments for:			
Net interest income		(1,684)	(646)
Movement in impairment loss provision	15	(2,045)	(2,728)
Change in loans and advances to GEC affiliates		2,273,622	447,600
Change in other assets		(22)	609
Change in derivative assets held for qualifying hedging relationships		(43,792)	-
Change in derivative liabilities held for qualifying hedging relationships		(21,988)	243,736
FX and fair value movement on fixed rate debt securities in qualifying hedging relationships		117,815	(406,319)
Change in accrued interest on debt securities issued		1,418	(4,573)
Change in derivative assets held for trading		18,765	(22,977)
Change in loans and advances from GEC affiliates		(46)	46
Change in other liabilities and provisions		(3,265)	(1,428)
		<u>2,317,196</u>	<u>278,644</u>
Interest received		69,993	8,371
Interest paid		(110,703)	(85,430)
Derivative payments		(40,992)	(186,843)
Net cash provided by operating activities		<u>2,235,494</u>	<u>14,742</u>
Cash flows from financing activities			
Repayment of cashpool borrowings		(458,366)	-
Drawdown of cashpool borrowings/(lendings)		(670,233)	334,524
Distribution paid		(650,000)	-
Debt securities matured		(456,883)	(349,294)
Net cash flows from financing activities		<u>(2,235,482)</u>	<u>(14,770)</u>
Net increase/(decrease) in cash and cash equivalents		12	(28)
Cash and cash equivalents at 1 January	13	<u>223</u>	<u>251</u>
Cash and cash equivalents at 31 December	13	<u><u>235</u></u>	<u><u>223</u></u>

The accompanying notes form an integral part of the Financial Statements.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023

1 Basis of preparation

Reporting entity

GE Capital European Funding Unlimited Company is an Irish incorporated, public unlimited company and is Irish tax resident. The address of the Company's registered office is 86-88 Lower Leeson Street, Dublin 2, D02 A668, Ireland. The Financial Statements of the Company are as at and for the year ended 31 December 2023 and consist of the financial performance and financial position. The Company is primarily involved in obtaining finance in the capital markets to fund the operations of the wider GEC Group. The Company has established a Euro Commercial Paper ("CP") and a Euro Medium Term Note ('MTN') Programme. This debt is principally listed on the London Stock Exchange with a small minority is listed on Luxembourg Stock exchange and Euronext Dublin.

Statement of compliance

The Financial Statements of the Company have been prepared in accordance with IFRS as adopted by the EU. The Financial Statements also comply with the requirements of the relevant Irish legislation including the Companies Act 2014.

Basis of measurement

The Company Financial Statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value;
- certain fixed rate debt securities issued in qualifying hedging relationships at amortised cost adjusted by the fair value of the hedged risk; and
- de-designated fixed rate debt securities which were formerly in a qualifying hedging relationship are measured at adjusted amortised cost.

Functional and presentation currency

The Financial Statements are presented in USD which is the functional currency of the Company. Except as indicated, financial information presented in USD has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the Company Financial Statements are allowances for credit losses and determining the fair value of financial instruments. These are described in Note 3.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

1 Basis of preparation (continued)

Going concern

The future growth of the Company is dependent on the cash needs of the GE Aerospace after spin off. The Directors have assessed the loan receivable positions and have concluded that the balances remain recoverable. The GEC Group does not expect the need for new long-term debt issuances by the Company for the foreseeable future. The debt issued by the Company through its CP and MTN arrangements is guaranteed by GEC and GECIHL. Maturity dates of debt issued are provided in Note 19.

The Directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements, also considering events reasonably foreseeable beyond this horizon, which indicates that, taking account of the inflationary impacts in the economy and higher interest rates, and in light of the Company's ability to access the group's cash pool facility if required, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors are confident that the Company will have sufficient funds to continue in operational existence for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Directors have also considered the below among other factors in concluding that it is appropriate to prepare the financial statements on a going concern basis:

- The Company has substantial positive equity and it is linked to the GE Aerospace's European and U.S. cash pool, therefore has the resources to continue in business.
- GECIHL has guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.
- GEC has also guaranteed the Company's liabilities under its CP and MTN programmes, substantially mitigating liquidity risk.

2 Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. Although the amendments did not result in any changes to the accounting policies themselves. Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

Amendments to IAS 12 Income Taxes-International Tax Reform-Pillar Two Model Rules

The Company has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes. Please see Note 11 for further details.

(a) New currently effective requirements

The below table lists the recent changes to Accounting Standards that are required to be applied with the year beginning on 1 January 2023. The Directors have assessed the impact of the below and do not determine to have a material impact on the financial statements of the Company.

Newly effective EU-endorsed standard for 01 Jan 2023 to 31 Dec 2023

New standards of amendments	Effective date
Disclosure of Accounting Policies (Amendments to IAS 1)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023
Insurance Contracts (Amendments to IFRS 17)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	1 January 2023
International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)	23 May 2023

(b) Standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations have been issued and have not been applied in preparing these Financial Statements. The directors have reviewed the below and are not determined to have a material impact on the statements when they are effective. These are set out below:

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(b) Standards and interpretations not yet adopted (continued)

New standards of amendments	Effective Date
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024
Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)	1 January 2024
Classification of Liabilities as Current or Non-current Date and Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024
The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendment to IAS 21)	1 January 2025

(c) Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates applicable to the period in which the transaction occurred. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the period end of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income (SOI). Non-monetary items denominated in foreign currencies are translated using the exchange rate on the date of the initial transaction and recorded at historical cost.

The assets and liabilities of foreign currency are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the average monthly rate during the year.

(d) Interest

Interest income and expense are recognised in the Statement of Comprehensive Income using the effective interest rate method. The effective interest rate is the rate that discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument but not future credit losses.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the Statements of Comprehensive Income include interest on financial assets and liabilities at amortised cost on an effective interest rate basis together with interest on financial assets and liabilities designated at fair value through SOI.

(e) Commission

Commission income and expense represented in the Statement of Comprehensive Income include commitment fees on financial assets and liabilities. However, commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(f) Fees

Fees and other expenses consist of transaction and service fees. They are expensed as the services are received.

(g) Net gain/(loss) from financial instruments at fair value

Net gain/(loss) from financial instruments at fair value relates to fair value movement on fixed debt securities issued in qualifying hedging relationships, fair value movement on derivatives related to interest rate swaps, gain/(loss) on foreign currency forwards and gain/(loss) on termination of interest rate swaps, details see Note 2(i), Note 2(j) and Note 8.

(h) Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Statement of Comprehensive Income except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Additional taxes that arise from the distribution of dividends by the Company is recognised at the same time as the liability to pay the related dividend is recognised.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(i) Financial assets and liabilities

Recognition and initial measurement

The Company initially recognise loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that are created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Classification and subsequent measurement of financial assets and financial liabilities

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective it is to hold assets to collect contractual cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income ('FVOCI') if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective it is to both collect contractual cash flows and sell financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The business model of the Company for loans and advances is to hold assets to collect contractual cash flows. As such, cash and the Company's loans and advances are typically measured at amortised cost. All other financial assets are typically classified as measured at FVTPL.

The Company does not hold any assets measured at FVOCI.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities are measured at amortised cost using the effective interest method.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(i) Financial assets and liabilities (continued)

Modification of financial assets and financial liabilities

If the terms of a financial asset or liability are modified and the cash flows are substantially different, the original instrument is derecognised and a new instrument recognised.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the Company first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in SOCI.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in SOCI. The difference between the carrying amount of the financial liability is derecognised and the consideration paid is recognised in SOCI.

Interest rate benchmark reform

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Company updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis - i.e. the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Company first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Company applies the policies on accounting for modifications set out above to the additional changes.

Offsetting

Financial assets and liabilities are set off and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(j) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Company establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes use of market inputs, relies as little as possible on estimates specific to the Company, incorporates factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

Inputs to valuation techniques reasonably represent market expectations and measures the risk return factors inherent in the financial instrument. The Company calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data where possible.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction date and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in the Statements of Comprehensive Income depending on the individual facts and circumstances of the transaction but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Assets and long positions are measured at a mid-price; liabilities and short positions are measured at an ask price. Where the Company has positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or ask price adjustment is applied only to the net open position as appropriate.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company entity and counterparty where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Company believe a third-party market participant would take them into account in pricing a transaction.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(k) Impairment

Identification and measurement of impairment

The Company uses the general expected credit loss ('ECL') model to assess impairment on the Company's financial assets measured at amortised cost. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of cashflows. ECLs are discounted at the effective rate of interest of the financial asset. Note 15 provides further detail of how expected credit losses are measured.

For loans and advances to GEC affiliates measured at amortised cost, the Company recognises a loss allowance equal to the ECLs that result from possible default events within the 12 months after the reporting date if there is not a significant increase in credit risk.

If the credit risk of a financial asset has increased significantly since initial recognition, the Company recognises lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since the initial recognition when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and expert credit assessment and including forward looking information.

The Company considers a debt security to have a low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be BBB- or higher as per Standard and Poor's ('S&P') rating scale.

The indicators below are used to identify receivables which have experienced a significant increase in credit risk and should be individually reviewed for impairment. The triggers which would indicate a significant increase in credit risk are:

- The receivable is highlighted by the business as a potential risk and requires further review.
- The borrower has a significant increase in GE's Obligor Rating, being defined as a drop of 4 notches in the original grade (outside of investment grade of BBB-).
- Payments are 30 days overdue

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. Loans and advances are considered to be credit-impaired when the Company determines that there is objective evidence of impairment and does not expect to collect all principal and interest due according to the contractual terms of the loan agreement(s).

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(k) Impairment (continued)

Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired include observable data about the following:

- Significant financial difficulty of the borrower.
- Default in the payment of interest or commitment fees which is not rectified within 5 business days of having received notice from the lender.
- Default in the payment of other amount is due under the terms of the loan agreement which is not rectified within 5 business days of having received notice from the lender.
- The lender, for economic or contractual reasons relating to the borrower's financial difficulty, has granted a concession that the lender would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- The borrower is highlighted by the business as a potential risk and requires further review.

Presentation of impairment

Impairment losses on financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and presented separately in the statement of comprehensive income.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and highly liquid financial assets with original maturities of less than three months which are subject to insignificant risk of changes in their fair value and are used by the Company in the management of their short-term commitments.

Cash is carried at amortised cost in the Statement of Financial Position.

(m) Derivatives held for risk management purposes and hedge accounting

The Company has elected to continue to apply the hedge accounting requirements of IAS 39 instead of the requirements of new hedge accounting requirements of IFRS 9.

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. All derivatives held for risk management purposes are measured at fair value in the Statement of Financial Position. The Company designate certain derivatives held for risk management as hedged instruments in qualifying hedging relationships.

Hedges directly affected by interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Company amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform. For this purpose, the hedge designation is amended only to make one or more of the following changes:

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(m) Derivatives held for risk management purposes and hedge accounting (continued)

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

The Company amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by IBOR reform by using an approach other than changing the basis for determining the contractual cash flows of the hedging instrument;
- the chosen approach is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Company amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform described above, then the Company first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Company amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Company deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Policy applicable for all hedging relationships

On initial designation of the hedge, the Company formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Company makes an assessment, both on inception of the hedging relationship and on an ongoing basis, of whether the hedging instrument(s) is (are) expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item(s) during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125%.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(m) Derivatives held for risk management purposes and hedge accounting (continued)

(i) Fair value hedges

When a derivative is designated as the hedging instrument in a hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect SOCI, changes in the fair value of the derivative are recognised immediately in SOCI. The change in fair value of the hedged item attributable to the hedged risk is recognised in SOCI. If the hedged item would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used is amortised to SOCI as an adjustment to the recalculated effective interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is used is amortised to SOCI by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in SOCI when the item is derecognised.

(ii) Derivatives held for trading

When a derivative is not designated in a qualifying hedge relationship including all foreign currency forwards, all changes in fair value are recognised immediately through SOCI.

(n) Loans and advances

Loans and advances captions in the Statement of Financial Position include loans and advances measured at amortised cost. They are initially measured at fair value plus incremental direct transaction costs and subsequently at their amortised cost using the effective interest method.

The interest rate on loans advanced to GEC affiliates is deemed to be an arms length rate.

(o) Debt securities issued

Debt securities issued are the Company's source of debt funding.

The Company classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument.

Debt securities issued are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Company choose to designate at inception the debt securities at fair value through profit or loss in the Statement of Comprehensive income.

The Company carries certain debt securities at fair value through the profit or loss, with fair value changes recognised immediately through profit or loss in the Statement of Comprehensive Income.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

2 Material accounting policy information (continued)

(p) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are reviewed regularly by the Directors (being the chief operating decision maker) to make decisions about resources allocated to each segment and to assess its performance.

3 Use of estimates and judgements

The Directors review the development, selection and disclosure of the Company's critical accounting policies and estimates, and the application of these policies and estimates on a regular basis.

These disclosures supplement the commentary on financial risk management (see Note 15).

A. Judgements

Critical accounting judgements made in applying the Company's accounting policies include:

(a) Allowances for impairment

Note 2 (k) and Note 15 (a) outline the following:

Criteria for establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL as described in Note 15.

B. Sources of estimation uncertainty

(a) Determining fair values of financial instruments where a quoted market price is unavailable

As indicated in Note 16, certain of the Company's derivative instruments are measured at fair value on the respective Statements of Financial Position and it is usually possible to determine their fair values within a reasonable range of estimates.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve market uncertainties and matters of judgement (including interest rates, volatility, estimated cash flows) and therefore, cannot be determined with precision.

The Company has estimated the fair value of its loans and advances to GEC affiliates taking into account market risk and the changes in credit quality of its borrowers.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

3 Use of estimates and judgements (continued)

The Company measure fair values using the following hierarchy of methods:

- Level 1 - Quoted market price in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments.

(b) Valuation of financial assets and liabilities

The valuation techniques and significant inputs used in determining the fair values for financial assets and liabilities classified as Level 1, Level 2 and Level 3 are as follows;

Loans and advances from GEC affiliates - The fair value of loans received is estimated from the present value of the cash flows, using current market rates from similar loans.

Loans and advances to GEC affiliates - The fair value of issued loans is estimated from the present value of the cash flows, using current market rates from similar loans.

Debt securities -The Company determine fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond prices, foreign currency exchange rates, expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Derivative assets and liabilities - the Company use widely recognised valuation models for determining the fair value of common and more simple financial instruments, such as interest rate swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt securities of the parent, GEC, exchange traded derivatives and simple over the counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets. Derivatives are shown gross on statements of financial position as they do not qualify for offset in accordance with IAS 32. In addition there are no master netting agreements in place. All derivatives are executed with Hedge Management Services, Inc. (HMS) and a credit valuation adjustment ("CVA") is calculated to reflect the credit risk of HMS. A debit valuation adjustment ("DVA") is calculated to reflect the credit risk of the Company with the bilateral adjustment recorded in the measurement of the derivatives in the Financial Statements.

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***3 Use of estimates and judgements (continued)**

	Measured at Fair Value			Measured at Amortised Cost	Total
	Level 1	Level 2	Level 3		
<i>In million of USD</i>					
31 December 2023					
Assets					
Loans and advances to GEC affiliates	-	-	-	2,282	2,282
Derivative assets- held for qualifying hedging relationships	-	44	-	-	44
Derivative assets held for trading	-	2	-	-	2
FX forward held for trading	-	11	-	-	11
	<u>-</u>	<u>57</u>	<u>-</u>	<u>2,282</u>	<u>2,339</u>
<i>In million of USD</i>					
Liabilities					
Debt securities issued	-	-	-	(1,854)	(1,854)
Derivative liabilities - held for qualifying hedging relationships	-	-	-	-	-
Loans and advances from GEC affiliates	-	-	-	(19)	(19)
Other liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,873)</u>	<u>(1,873)</u>

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

3 Use of estimates and judgements (continued)

	Measured at Fair Value			Measured at Amortised Cost	Total
	Level 1	Level 2	Level 3		
<i>In million of USD</i>					
31 December 2022					
Assets					
Loans and advances to GEC affiliates	-	-	-	3,893	3,893
Derivative assets held for trading	-	31	-	-	31
	<u>-</u>	<u>31</u>	<u>-</u>	<u>3,893</u>	<u>3,924</u>
<i>In million of USD</i>					
Liabilities					
Debt securities issued	-	-	-	(2,232)	(2,232)
Derivative liabilities held for qualifying hedging relationships	-	(56)	-	-	(56)
Loans and advances from GEC affiliates	-	-	-	(496)	(496)
Other liabilities	-	-	-	(3)	(3)
	<u>-</u>	<u>(56)</u>	<u>-</u>	<u>(2,731)</u>	<u>(2,787)</u>

Significant transfers between Level 2 and Level 3 of the fair value hierarchy

During the year ended 31 December 2023 and 31 December 2022, there were no transfers between Level 2 and Level 3 of the fair value hierarchy.

Qualifying hedge relationships

In designating financial instruments into qualifying hedge relationships, the Company has determined that it expects the hedge to be highly effective over the life of the hedging instrument. For disclosure of the impact of hedge ineffectiveness in the period, see Note 8.

4 Interest income

Interest income is earned on loans made by the Company directly to other GEC affiliates.

	2023 USD'000	2022 USD'000
Interest Income	<u>81,780</u>	<u>19,429</u>
	<u>81,780</u>	<u>19,429</u>

Interest income is earned on loans made by the Company directly to other GEC affiliates.

The increase in interest income is primarily driven by the average USD loan interest rate increase and the interest income generated from a higher average cashpool lending position during 2023 compared to 2022.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

5 Interest expense

The following table details the interest expense incurred by the Company during the year.

	2023	2022
	USD'000	USD'000
Net interest expense for financial assets and liabilities:		
Debt securities issued;		
- in qualifying hedging relationships at adjusted amortised cost	(66,877)	(67,939)
- at amortised cost	(11,287)	(3,422)
Adjustment for the amortisation of fair value component of debt associated with terminated derivative assets, or those no longer in a hedging relationship	30,568	58,228
Interest expense on loans and advances from GEC affiliates	(32,498)	(5,646)
Bank charges	(2)	(4)
	<u>(80,096)</u>	<u>(18,783)</u>

Interest expense on loans and advances from GEC affiliates relates to borrowings from GEC and Cash Management Services Inc.("CMS"). Increase in the year is primarily driven by an increase in the interest rate during the year and the basis adjustment amortisation decrease during the year.

6 Fee and commission income

	2023	2022
	USD'000	USD'000
Commitment fee income from GEC affiliates	402	563
	<u>402</u>	<u>563</u>

7 Service and commitment fee expense

	2023	2022
	USD'000	USD'000
Commitment fee expense	(121)	(46)
Service fee expense to GEC affiliates	(1,741)	(908)
	<u>(1,862)</u>	<u>(954)</u>

Effective 15 February 2019, an affiliated company GE Treasury Ireland Services UC ("T2K") began providing management and administrative services to the Company. Following this, all of the Company's staff transferred to T2K. The service fee expense above reflects services fees payable in respect of services provided to the Company by T2K during the year ending 31 December 2023 and 31 December 2022.

GE Capital European Funding Unlimited Company
Notes forming part of the financial statements 31 December 2023 (continued)

8 Net gain/(loss) from financial instruments carried at fair value

	2023	2022
	USD'000	USD'000
Fair value movement on interest rate swaps:		
- in qualifying hedging relationships	67,157	(56,275)
- not in qualifying hedging relationships	(97)	-
Realised loss on early termination of interest rate swap	-	(186,843)
Fair value movement on debt securities		
issued in qualifying hedging relationships	(68,515)	234,093
Gain/(loss) on foreign currency forwards	5,602	(90,693)
	<u>4,147</u>	<u>(99,718)</u>

In the 2022 financial year, a number of derivatives in qualifying relationships were early terminated and de-designated in qualifying hedging relationships. The effect of the transaction resulted a realised loss on the terminated derivatives of USD 187 million, which had previously been recognised as an unrealised loss prior to the termination date.

9 Foreign exchange gain/(loss)

	2023	2022
	USD'000	USD'000
Foreign exchange gain/(loss)	<u>(27,876)</u>	<u>122,288</u>
Total foreign exchange gain/(loss)	<u><u>(27,876)</u></u>	<u><u>122,288</u></u>

The foreign exchange loss in the current year is primarily due to the movement in the EUR/USD exchange rate from 1.070 as at 31 December 2022 to 1.104 as at 31 December 2023 (2022: FX rate decreases from 1.138 as at 31 December 2021 to 1.070 as at 31 December 2022).

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***10 Profit/(loss) before taxation**

	2023	2022
	USD'000	USD'000
Profit before taxation has been arrived at after charging		
Directors' remuneration *	122	61
Auditor's remuneration		
Audit of Company financial statements**	95	95
Other assurance services***	22	24
Tax advisory services	-	-
Other non-audit services	-	-
	<u> </u>	<u> </u>

*Includes, short term benefits and post-employment benefits in respect of key management personnel. Directors' remuneration for the year ended 31 December 2023 was paid by an affiliated entity, T2K, Directors remuneration has been included in the service fee charged from this company. A portion of annual Directors' remuneration attributable to the Company was estimated at USD 122,002 for the year ended 31 December 2023 (2022: USD 60,753).

** Auditor's remuneration paid to Deloitte Ireland LLP is \$57,000 (2022: \$57,000). Payments to other Deloitte member firms is \$38,000 (2022: \$38,000).

*** Other assurance services cost relates to the interim review fee per the ISRE 2410 standard.

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***11 Income tax charge**

	2023	2022
	USD'000	USD'000
Analysis of charge/(credit) in year		
<i>Current tax:</i>		
Total current tax	-	-
<i>Deferred tax:</i>		
Total tax charge in the Income Statement	-	-
Reconciliation of effective rate		
	2023	2022
	USD'000	USD'000
(Loss)/profit before taxation	(21,582)	25,324
(Loss)/profit multiplied by the standard rate of corporation tax in Republic of Ireland of 12.5% (2022:12.5%)	(2,698)	3,166
<i>Tax effect of:</i>		
Non-taxable income	(1)	(317)
Non-deductible expenditure	240	45
Losses carried forward/(utilized)	2,459	(2,894)
Total tax charge/(credit) in the profit or loss	-	-

The GE Group is within the scope of the global minimum top-up tax under the OECD Pillar Two model rules. Under the new legislation, the GE Group is liable to pay a top-up tax for the difference between the Pillar Two effective tax rate per jurisdiction and the 15% minimum rate. Specific adjustments envisaged in the Pillar Two legislation can give rise to different effective tax rates compared to those calculated for IFRS purposes.

Since the newly enacted legislation in Ireland is only effective for the Group from 1 January 2024, there is no current tax impact for the year ended 31 December 2023.

The Company has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Company neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The GE Group and the Company are continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

12 Deferred tax

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be recovered. The Directors have considered the assumptions underpinning the recognition of a deferred tax asset and have determined that it is appropriate to recognise no deferred tax asset for the year ending 31 December 2023 (31 December 2022: USD Nil). The Company has an unrecognised deferred tax asset at year end of USD 75.7 million (2022: USD 73.4 million) which relates to losses carried forward. These losses may be carried forward indefinitely against profits of the same trade.

13 Cash and cash equivalents

	31 December 2023 USD'000	31 December 2022 USD'000
Cash and balances with banks	235	223
	<u>235</u>	<u>223</u>

There were no restricted cash balances at the year end (31 December 2022: USD Nil). Cash balances are held with Barclays rated BBB+ (2022: Barclays rated BBB). The percentage of cash held by bank is Barclays Bank 100% (2022 Barclays Bank 100%).

All 2023 and 2022 ratings are S&P long-term counterparty credit ratings as at 31 December 2023 and 31 December 2022.

14 Share capital, share premium and reserves

Company	31 December 2023 USD'000	31 December 2022 USD'000
<i>Authorised</i>		
100,000,000 Ordinary Shares of USD 1.328674 each	<u>132,867</u>	<u>132,867</u>
<i>Allotted</i>		
94,672,930 Ordinary Shares of USD 1.328674 each	<u>125,789</u>	<u>125,789</u>

	Share capital USD'000	Share premium USD'000	Undenominated capital reserves USD'000	Foreign exchange reserve USD'000	Capital contribution USD'000	Total USD'000
Opening at 1 January 2022	125,789	1,275,653	15,402	(274,930)	293,048	1,434,962
Capital contribution*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,972</u>	<u>11,972</u>
Balance at 31 December 2022	<u>125,789</u>	<u>1,275,653</u>	<u>15,402</u>	<u>(274,930)</u>	<u>305,020</u>	<u>1,446,934</u>

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

14 Share capital, share premium and reserves (continued)

	Share capital USD'000	Share premium USD'000	Undenominated capital reserves USD'000	Foreign exchange reserve USD'000	Capital contribution USD'000	Total USD'000
Opening at 1 January 2023	125,789	1,275,653	15,402	(274,930)	305,020	1,446,934
Share Premium reduction	-	(980,000)	-	-	-	(980,000)
Balance at 31 December 2023	<u>125,789</u>	<u>295,653</u>	<u>15,402</u>	<u>(274,930)</u>	<u>305,020</u>	<u>466,934</u>

*In prior years, the Company had advanced loans to other group companies at an interest rate that was not considered to correspond to market rates. The excess of interest over market rates was therefore treated as a capital contribution on initial recognition of these loans. It was agreed that the interest rates charged by the Company did correspond to market rates so no further capital contribution was recognised since 2022. The increase in the capital contribution for the 2022 year relates to the reversal of the capital contribution recorded in the 2021 year end financial statements for difference between cost plus and market rate from 1 January 2022 to maturity dates of the loans advanced to group companies in the amount of USD 12 million.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The ordinary shares rank pari passu in all respects. On 5 December 2023, the Company passed a written resolution to reduce the share premium account of the Company by an amount of USD 980,000,000 in connection with an internal reorganization, and made a cash distribution of USD 650,000,000 to the Company's parent GE Ireland USD Holdings Unlimited Company on 7 December 2023. The Company does not have any externally imposed capital requirements.

The opening undenominated capital reserve arises due to the redenomination of issued share capital from EUR to USD on 16 December 2016.

The opening foreign exchange reserve arises due to the retranslation of share capital, share premium and other reserves at the historic rates prevailing at the dates of transactions following the change in functional currency of the Company from EUR to USD on 3 December 2015.

15 Financial risk management

Introduction and overview

The Company has exposure to the following risks from the use of financial instruments:

- (a) credit risk
- (b) liquidity risk
- (c) market risk
- (d) other price risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

Risk management framework

The Directors have overall responsibility for the establishment and oversight of the Company's risk management framework in line with overall GEC risk framework.

The Company's risk management policies are based on the policies of the Company's ultimate parent GEC and are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

The Directors are responsible for monitoring compliance with the Company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Company. The Directors are assisted in these functions by GE Corporate Audit Staff and Internal Audit.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to GEC affiliates. For risk management reporting purposes the Company considers and consolidates all elements of credit risk exposure (such as individual obligor risk, default risk and country risk). The Directors monitor performance of borrowers and continually assess recoverability of loans (see points below). The Directors set the credit policy to minimise the risk to earnings and capital. All loans and advances made by the Company with GEC affiliates are the loans on demand. All loans are uncollateralized.

Management of credit risk

The Directors are responsible for the oversight of the Company's credit risk in line with the overall GEC risk framework, including:

- Following GEC credit policies covering credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements;
- Establishing the authorization structure for the approval and renewal of credit facilities;
- Reviewing and assessing credit risk. The Directors assess all credit exposures prior to facilities being committed, and these facilities are subject to periodic review based on the overall risk associated as determined by Management.

A comprehensive due diligence is carried out on each borrower annually as part of the repricing process.

As at 31 December 2023 the total carrying amount of lending exposed to credit risk in the Company amounted to USD 2,282 million (*31 December 2022: USD 3,893 million*).

As at 31 December 2023, the loans and advances to CMS was 93% (2022: 27%) of the total loan portfolio for the Company. As at 31 December 2023, the loans and advances to GEFF was 0% (2022: 72%) of the total loan portfolio for the Company. The Directors monitor the performance of GEC affiliates to assess the recoverability of the loans in line with the overall GEC risk framework. As at 31 December 2023, the Directors considers none of the loans and advances to GEC affiliates to be either past due or impaired.

Cash and cash equivalents are held with financial institutions rated BBB+ (2022: BBB) by S&P at the year-end as per Note 13.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(a) Credit risk (continued)

Loans with renegotiated terms

Loans with renegotiated terms are loans that have been restructured due to the deterioration of the borrower's financial position. No loans were renegotiated during the years ended 31 December 2023 and 2022.

Allowances for impairment

The Company establishes an allowance for impairment losses on assets carried at amortised costs based on the three-stage ECL model as described in Note 2. It is considered that all loans and advances are Stage 1, as all loans are to GEC affiliates and interest and principal are paid in a timely manner as per the terms of the loan agreements. No history of default or non repayment in respect of the borrowers. Additionally, the Company have determined that the credit risk on financial assets has not significantly increased since initial application.

Measuring ECL - explanation of inputs, assumptions and estimation techniques:

The ECL is measured on either a 12-month or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECLs are the discounted product of Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), defined as follows:

The PD represents the likelihood of a borrower defaulting on its financial obligation either in the next 12 months or the remaining lifetime of the obligation. The PD for the loans in the Company is considered low as all loans are to Group undertakings. S&P's Credit Model is used to assign a rating to internal GEC entities. This model produces outputs on the S&P rating scale. Reviewing S&P's model documents confirms that the Credit Model rating output maps directly to the S&P scale. Since the S&P rating is the industry reference, this is also used to set the GE Obligor Rating scale which was directly mapped to the S&P scale, which in turn assigns a PD.

EAD is based on the amounts the Company expects to be owed at the time of default. For revolving credit agreements ('RCAs'), the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

LGD is assumed to be 60%. For GE intercompany loans, given the fact that all these loans are senior unsecured, an external benchmark is leveraged for the LGD assumption. According to Moody's Corporate Default and Recovery dataset, the LGD of 60% is estimated based on the summary statistics from US Corporate Senior Unsecured Bonds population.

The discount rate used in the ECL calculation is determined to be the original effective interest rate on the loan (market rate of interest).

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(a) Credit risk (continued)

GE has replaced its PD Term Structure Model from the Moody's Expected Default Frequency ('EDF') model to FHR-TPM model which uses historical RapidRatings Financial Health Rating (FHR) scores since 2022. The model forecasts quarterly cumulative PDs for a horizon of up to 30 years over a range of FHR scores. The PD forecasts over the first 3 years are based on economic conditions provided by end-users, and thereafter a through-the-cycle (TTC) mean condition is assumed over the remaining forecasting horizon.

RapidRatings is a quantitative rating system that produces the Financial Health Rating (FHR), a score ranging from 0 (highest risk) to 100 (lowest risk). FHR measures a firm's overall ability to remain competitive against its industry peers and exhibits certain discriminating power between low-risk survivors and high-risk defaulters over a future 12-month period.

A specifically designed macro scenario with exact response from each industry to this scenario may generate false precision in the portfolio PD projection, especially when a long period macro forecast is used. The model will become less accurate if the historical relationship between FRI and macro variables breaks in the future. Given these considerations, a simplified fixed-state output provides more intuitive solutions. The fixed-state scenario generates PDTs based on a specified series of discrete state input rather than the continuum of the exact state implied by any macro forecasts.

The following tables provides information about exposure to credit risk and ECLs for the Company as at 31 December 2023. All loans are considered low-risk. The impairment allowance includes the ECL on loan commitments.

31 December 2023	S&P rating	Gross carrying amount *	Impairment allowance	Credit-impaired?
		USD'000	USD'000	
Loans and advances to GEC affiliates	BBB+	3,130,721	(4,270)	No
31 December 2022	S&P rating	Gross carrying amount *	Impairment allowance	Credit-impaired?
		USD'000	USD'000	
Loans and advances to GEC affiliates	BBB+	5,089,855	(6,315)	No
Impairment allowance		31 December 2022	31 December 2023	Movement
		USD'000	USD'000	USD'000
Loans and advances to GEC affiliates		(6,315)	(4,270)	2,045
Impairment allowance		31 December 2021	31 December 2022	Movement
		USD'000	USD'000	USD'000
Loans and advances to GEC affiliates		(9,044)	(6,315)	2,728

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(a) Credit risk (continued)

*The gross carrying amount in the above table includes USD 1,511 million (2022: USD 1,197 million to GEFF) of commitments made to GEC and GE SCF SOCIETE EN COMMANDITE PAR ACTIONS for future loan financing.

The decrease in loss allowance is mainly attributable to the reduction in the principal of loans and advances to GEC affiliates and loan and advances to GEC affiliates moving closer to maturity at 31 December 2023. As a result, USD 2 million impairment allowance is released in profit and loss. PD rates are consistent with the prior year (average PD rate is 0.24% as at 31 December 2023 and 0.26% as at 31 December 2022).

Write-off policy

The Company write off loans and advances when they are determined to be uncollectable. All amounts owed by group undertakings were made to GEC Group companies and payments were received as they fell due. There were no write-offs in the year ended 31 December 2023 (2022: USD Nil).

Fair value adjustment for credit risk

The Company assesses the valuation adjustments required for credit risks associated with derivatives measured at fair value as at 31 December 2023. All derivatives are executed with HMS and a credit valuation adjustment ('CVA') is calculated to reflect the credit risk of HMS. A debit valuation adjustment ('DVA') is calculated to reflect the credit risk of the Company with the bilateral adjustment recorded in the measurement of the derivatives in the Financial Statements. As at 31 December 2023 the bilateral adjustment for the Company amounted to USD 0.3 million which has been recorded as a debit to the 'Net loss from financial instruments carried at fair value' in the Statements of Comprehensive Income (2022: USD 1 million debit).

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities.

Management of liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As a result of the GE Capital restructuring it is anticipated that there will be no requirement for the Company to issue new long term debt for the foreseeable future with the expectation that the current MTN portfolio remains until maturity. The CP programme continues presently albeit no CP is in issue at year end. The Company has access to the cash pool should it be required.

GECIHL has guaranteed that it will meet the liabilities of the CP and MTN programmes should the Company, be unable to meet these liabilities. GEC, rated BBB+, has also guaranteed the CP and MTN programmes of the Company thus reducing further the risk to any potential investor and supporting the CP and MTN programmes. As part of the Company's processes, management monitor the ratings of GEC.

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***15 Financial risk management (continued)****(b) Liquidity risk (continued)**

GEC receives information from other business units regarding the liquidity profile of their financial assets and financial liabilities and details of other projected cash flows arising from projected future business. GEC then maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Company. The Company also has access to short term liquidity through their access to the GE Cashpool operated by GE Capital Treasury Services Ireland Unlimited Company (“GECETSI”) and CMS. The Directors, with the assistance of GEC, monitor the ongoing liquidity requirements of the Company, and by way of short-term loans from GEC cover any short-term fluctuations and obtain longer term funding to address any structural liquidity requirements. The overall company daily liquidity position is monitored by GEC.

At 31 December 2023, the Company held derivative assets for qualifying hedging relationships purposes of USD 44 million (2022: USD Nil) and derivative assets for trading purposes of USD 13 million (2022: USD 32 million). The Company held derivative liabilities for qualifying hedging relationships purposes of USD Nil million (2022: USD 56 million) and derivative liabilities for trading purposes of USD Nil (2022: USD Nil).

All derivatives were placed with another GEC affiliate whose external derivative liabilities are backed by GEC’s BBB+ (2022: BBB+) credit rating. The derivative assets and liabilities have been split between qualifying hedging relationships and not in hedging relationships, disclosing separately those derivatives that qualify as hedges under IAS39 from those that do not.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(b) Liquidity risk (continued)

Residual contractual maturities of financial assets

	Note	Carrying amount	Current amount	Non-current amount
<i>In millions of USD</i>				
31 December 2023				
<i>Non-derivative financial assets</i>				
Loans and advances to GEC affiliates	18	2,282	1,201	1,081
Cash and cash equivalents	13	-	-	-
		<u>2,282</u>	<u>1,201</u>	<u>1,081</u>
<i>Derivative assets</i>				
Inflow - held for qualifying hedging relationships	17	1,532	34	1,498
Inflow - held for trading	17	300	300	-
Outflow - held for qualifying hedging relationships	17	(1,488)	-	(1,488)
Outflow - held for trading	17	(287)	(287)	-
		<u>57</u>	<u>47</u>	<u>10</u>
		<u>2,339</u>	<u>1,248</u>	<u>1,091</u>
	Note	Carrying amount	Current amount	Non-current amount
<i>In millions of USD</i>				
31 December 2022				
<i>Non-derivative financial assets</i>				
Loans and advances to GEC affiliates	18	3,892	2,824	1,068
Cash and cash equivalents	13	-	-	-
		<u>3,892</u>	<u>2,824</u>	<u>1,068</u>
<i>Derivative assets</i>				
Inflow - held for trading	17	812	812	-
Outflow - held for trading	17	(780)	(780)	-
		<u>32</u>	<u>32</u>	<u>-</u>
		<u>3,924</u>	<u>2,856</u>	<u>1,068</u>

The above tables show the discounted cash flows on the Company's financial assets on the basis of their contractual maturity.

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***15 Financial risk management (continued)****(b) Liquidity risk (continued)****Residual contractual maturities of financial liabilities**

	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
<i>In millions of USD</i>								
31 December 2023								
<i>Non derivative liabilities</i>								
Loans and advances from GEC affiliates	18	19	(19)	(19)	-	-	-	-
Debt securities issued	19	1,854	(2,129)	(48)	(63)	(62)	(531)	(1,425)
Other liabilities		-	-	-	-	-	-	-
		<u>1,873</u>	<u>(2,148)</u>	<u>(67)</u>	<u>(63)</u>	<u>(62)</u>	<u>(531)</u>	<u>(1,425)</u>
<i>Derivative liabilities</i>								
Inflow - held for qualifying hedging relationships	17	-	-	-	-	-	-	-
Outflow - held for qualifying hedging relationship	17	-	-	-	-	-	-	-
Outflow - held for trading	17	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Undrawn loan commitments		-	(1,511)	-	-	(1,511)	-	-
		<u>1,873</u>	<u>(3,659)</u>	<u>(67)</u>	<u>(63)</u>	<u>(1,573)</u>	<u>(531)</u>	<u>(1,425)</u>

As at 31 December 2023, loans and advances from GEC affiliates represent outstanding principal and interest balances on cashpool borrowings with a GEC affiliate.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(b) Liquidity risk (continued)

Residual contractual maturities of financial liabilities (continued)

	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
<i>In millions of USD</i>								
31 December 2022								
<i>Non derivative liabilities</i>								
Loans and advances from GEC affiliates	18	496	(496)	(496)	-	-	-	-
Debt securities issued	19	2,232	(2,602)	(56)	(465)	(63)	(590)	(1,428)
Other liabilities		3	(3)	-	-	(3)	-	-
		<u>2,731</u>	<u>(3,101)</u>	<u>(552)</u>	<u>(465)</u>	<u>(66)</u>	<u>(590)</u>	<u>(1,428)</u>
<i>Derivative liabilities</i>								
Intflow - held for qualifying hedging relationship	17	(1,459)	1,459	-	-	-	1,013	446
Outflow - held for qualifying hedging relationship	17	1,515	(1,515)	-	-	-	(1,052)	(463)
		56	(56)	-	-	-	(39)	(17)
Undrawn loan commitments		-	(1,197)	-	-	-	(1,197)	-
		<u>2,787</u>	<u>(4,354)</u>	<u>(552)</u>	<u>(465)</u>	<u>(66)</u>	<u>(1,826)</u>	<u>(1,445)</u>

As at 31 December 2022, loans and advances from GEC affiliates represent outstanding principal and interest balances on cashpool borrowings with a GEC affiliate.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(b) Liquidity risk (continued)

Loans and advances from GEC affiliates represent outstanding principal and interest balances on borrowings with GEC affiliates in the capital structure.

The tables above show the undiscounted cash flows on the Company's financial liabilities and unrecognised loan commitments on the basis of their earliest possible contractual maturity. The Company's expected cash flows on these instruments may vary significantly from this analysis.

The gross nominal inflow / (outflow) disclosed in the previous table is the contractual, undiscounted cash flow on the financial liability or commitment. The disclosure for derivatives shows a net amount for derivatives that are net settled, and a gross inflow and outflow amount for derivatives that have simultaneous gross settlement.

To manage the liquidity risk arising from financial liabilities, the Company holds liquid assets comprising cash and cash equivalents and is linked to the GEC European and U.S. Cashpool. Hence, the Company believes that it is not necessary to disclose a maturity analysis in respect of these assets to enable users to evaluate the nature and extent of liquidity risk. The cash pools with another GEC affiliate nightly, is payable on demand and is recorded under loans and advances from GEC affiliates and/or loans and advances to GEC affiliates depending on whether cash has been borrowed from or lent to the cashpool.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Exposure to foreign currency risk

The principal market risk faced by the Company relates to currency risk as some borrowing and lending is in Euro while the functional currency is USD. The following table sets out the Company's non-USD monetary assets and liabilities at 31 December 2023 and 31 December 2022 and the net exposure in original currency and USD of those monetary assets and liabilities.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(c) Market risks (continued)

Exposure to foreign currency risk (continued)

31 December 2023

Currency	Original Currency Amounts		Swaps/FX forwards	Net Exposure	Rates	Net Exposure
	Monetary Assets	Monetary Liabilities				
	'000	'000	'000	'000		USD'000
EUR	984,051	(1,696,463)	379,299	(333,113)	1.104	(367,757)
GBP	184	-	-	184	1.275	235

31 December
2022

Currency	Original Currency Amounts		Swaps/FX forwards	Net Exposure	Rates	Net Exposure
	Monetary Assets	Monetary Liabilities				
	'000	'000	'000	'000		USD'000
EUR	979,258	(2,108,193)	771,417	(357,518)	1.0705	(382,705)
GBP	185	-	-	185	1.209	223

The Company reduces currency exposure through the use of foreign currency forwards.

A 1% appreciation/depreciation in the EUR/USD exchange rate as at 31 December 2023 would give rise to approximately a USD 3.7 million loss/profit based on the net exposure at 31 December 2023 (2022: A 1% appreciation/depreciation gave rise to approximately a USD 3.8 million loss/profit).

A 1% appreciation/depreciation in the GBP/USD exchange rate as at 31 December 2023 would give rise to approximately a USD 0.002 million loss/profit based on the net exposure at 31 December 2023 (2022: A 1% appreciation/depreciation gave rise to approximately a USD 0.002 million loss/profit).

Interest rate benchmark reform

(i) Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as "IBOR reform"). In 2021, the Company undertook amendments to most financial instruments with contractual terms indexed to IBORs such that they incorporate new benchmark rates. As at 31 December 2023, the Company remaining unreformed IBOR exposure is indexed to US dollar LIBOR. The alternative reference rate for US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). The Company finished the process of implementing appropriate fallback clauses for all US dollar LIBOR indexed exposures in 2022. These clauses automatically switch the instrument from USD LIBOR to SOFR as and when USD LIBOR ceases. As announced by the Financial Conduct Authority (FCA) in early 2022, the panel bank submissions for the overnight and 12-month US Dollar LIBOR ceased on 31 June 2023. In addition, the FCA announced in early 2023 that the one-, three- and six-month synthetic US dollar LIBOR settings will cease on 31 September 2024.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(c) Market risks (continued)

At 31 December 2023, the Company held the following instruments to hedge exposures to change in interest rates.

Exposure to interest rate risk

31 December 2023	Carrying Amount USD'm	Non Interest bearing USD'm	Less than 3 month USD'm	3-6 month USD'm	6-12 month USD'm	1-5 years USD'm	More than 5 years USD'm
Derivative assets held for qualifying hedging purposes	44	34	-	-	-	10	-
Derivative assets held for trading	13	13	-	-	-	-	-
Loans and advances to GEC affiliates	2,282	14	1,039	20	127	1,081	-
	2,339	61	1,039	20	127	1,091	-
Derivative liabilities held for qualifying hedging purposes	-	-	-	-	-	-	-
Loans and advances from GEC affiliates	(19)	(1)	(18)	-	-	-	-
Debt securities issued	(1,854)	(48)	(63)	-	-	(336)	(1,406)
Other liabilities	-	-	-	-	-	-	-
	(1,873)	(49)	(81)	-	-	(336)	(1,406)
Effect of derivatives held for risk management (notional)	-	-	(1,220)	-	-	309	911
Average fixed interest rate			4.05%	-	-	4.63%	5.14%
Sensitivity gap			(262)	20	127	1,064	(495)

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***15 Financial risk management (continued)****(c) Market risks (continued)**

At 31 December 2022, the Company held the following instruments to hedge exposures to change in interest rates.

Exposure to interest rate risk

31 December 2022	Carrying Amount	Non Interest bearing	Less than 3 month	3-6 month	6-12 month	1-5 years	More than 5 years
	USD'm	USD'm	USD'm	USD'm	USD'm	USD'm	USD'm
Derivative assets held for trading	31	31					
Loans and advances to GEC affiliates	3,893	8	-	-	2,817	1,068	-
	3,924	39	-	-	2,817	1,068	-
Derivative liabilities held for qualifying hedging purposes	(56)					(39)	(17)
Loans and advances from GEC affiliates	(496)	(4)	(492)	-	-	-	-
Debt securities issued	(2,232)	(56)	(465)	-	-	(387)	(1,324)
Other liabilities	(3)	(3)	-	-	-	-	-
	(2,787)	(63)	(957)	-	-	(426)	(1,341)
Effect of derivatives held for risk management (notional)	-	-	(1,244)	-	-	361	883
Average fixed interest rate			2.63%	-	-	3.43%	5.14%
Sensitivity gap			(2,201)	-	2,817	1,003	(458)

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(c) Market risk (continued)

In millions of USD

	31 December 2023	Carrying amount		Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in SOCI	Hedge ineffectiveness recognised in SOCI	Line item in SOCI that includes hedging ineffectiveness
		Nominal amount	Assets				
Interest rate swaps held for qualifying hedging relationships	1,220	44	-	Non-Current Assets: Derivative assets held for qualifying hedging relationships; Current Assets: Derivative assets held for qualifying hedging relationships	67	(1)	Net expense from financial instruments carried at fair value
	31 December 2022						
Interest rate swaps held for qualifying hedging relationships	1,243	-	56	Non-Current Assets: Derivative assets held for qualifying hedging relationships; Current Assets: Derivative assets held for qualifying hedging relationships	(56)	179	Net expense from financial instruments carried at fair value

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

15 Financial risk management (continued)

(d) Other price risk

Other price risk is the risk that the fair value of the financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual instrument, its issuer or factors affecting all instruments traded in the market.

One GEC affiliate, GEFF, accounted for 65% (2022: 93%) of Company revenue. and another GEC affiliate, CMS, accounted for 30% (2022: 0%) of Company revenue.

In addition to the above, the Company entered into lending commitments of USD 1,511 million (*31 December 2022: USD 1,197 million*) with 100% owned GEC affiliates.

The Directors consider the impact of other price risk to be low. The process for monitoring and measuring this risk is unchanged from the prior year.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

16 Accounting classifications and fair values

The table below sets out the carrying amounts and fair values of the Company's financial assets and liabilities.

<i>In millions of USD</i>	Fair value through SOCI		Amortised Cost			Total Carrying Amount	Fair Value *
	Held for qualifying hedging relationships	Derivatives not in qualifying hedging relationships	Loans and receivables	Amortised cost	Qualifying hedging relationships at amortised cost		
31 December 2023							
Cash and cash equivalents	-	-	-	-	-	-	-
Derivative assets held for qualifying hedging relationships	44	-	-	-	-	44	44
Derivative assets held for trading	-	13	-	-	-	13	13
Loans and advances to GEC affiliates	-	-	2,282	-	-	2,282	2,248
Other assets	-	-	-	-	-	-	-
	<u>44</u>	<u>13</u>	<u>2,282</u>	<u>-</u>	<u>-</u>	<u>2,339</u>	<u>2,305</u>
Loans and advances from GEC affiliates	-	-	(19)	-	-	(19)	(19)
Derivative liabilities held for qualifying hedging relationships	-	-	-	-	-	-	-
Derivative liabilities not in qualifying hedging relationships	-	-	-	-	-	-	-
Debt securities issued	-	-	-	(236)	(1,618)	(1,854)	(1,653)
Other liabilities	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(19)</u>	<u>(236)</u>	<u>(1,618)</u>	<u>(1,873)</u>	<u>(1,672)</u>

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

16 Accounting classifications and fair values (continued)

<i>In millions of USD</i> 31 December 2022	Fair value through SOCI		Amortised Cost			Total Carrying Amount	Fair Value *
	Held for qualifying hedging relationships	Derivatives not in qualifying hedging relationships	Loans and receivables	Amortised cost	Qualifying hedging relationships at amortised cost		
Cash and cash equivalents	-	-	-	-	-	-	-
Derivatives assets held for qualifying hedging relationships	-	-	-	-	-	-	-
Derivative assets not in qualifying hedging relationships	-	31	-	-	-	31	31
Loans and advances to GEC affiliates	-	-	3,893	-	-	3,893	3,800
	<u>-</u>	<u>31</u>	<u>3,893</u>	<u>-</u>	<u>-</u>	<u>3,924</u>	<u>3,831</u>
Loans and advances from GEC affiliates	-	-	(496)	-	-	(496)	(496)
Derivative liabilities held for qualifying hedging relationships	(56)	-	-	-	-	(56)	(56)
Derivative liabilities not in qualifying hedging relationships	-	-	-	-	-	-	-
Debt securities issued	-	-	-	(639)	(1,593)	(2,232)	(2,013)
Other liabilities	-	-	-	(3)	-	(3)	(3)
	<u>(56)</u>	<u>-</u>	<u>(496)</u>	<u>(642)</u>	<u>(1,593)</u>	<u>(2,787)</u>	<u>(2,568)</u>

*All "Loans and advances to affiliates" are with GEC affiliates and planned to be held to maturity and are Level 2 inputs. Market risks are key assumptions in the estimation of the fair value of "loans and advances to GEC affiliates". Derivative assets and liabilities are valued using internal models. These models maximise the use of market observable inputs including market observable swap rates and spread indicators obtained from three leading market makers.

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

17 Financial assets and liabilities

Fair value hedging relationships

At 31 December 2023, certain MTN's shown within debt securities issued are in interest rate hedging relationships valued at \$1,220 million (31 December 2022: \$1,243 million). These are nominal valued with respect to the hedged interest risk.

Derivatives held for risk management

All derivatives are entered into for risk management purposes. However, those that qualify under IAS 39 for hedge accounting are disclosed separately from those that are not. All the derivatives are with a GEC affiliate, HMS.

	31 December 2023 USD'000	31 December 2022 USD'000
Derivative assets		
Instrument type:		
Interest rate swaps held for qualifying hedging relationships	43,792	-
Foreign currency forwards held for trading	10,873	31,343
Interest rate swaps held for trading	1,705	-
Derivative liabilities		
Instrument type:		
Interest rate swaps held for qualifying hedging relationships	-	(56,046)
Foreign currency forwards held for trading	-	-
	56,370	(24,703)

Fair value hedges of interest rate risk

The Company used interest rate swaps to hedge its exposure to changes in the fair value of its fixed rate EURO MTN's. Interest rate swaps were matched to specific issuances of fixed rate notes. At 31 December 2023, the fair value of derivative assets designated as fair value hedges is USD 44 million (31 December 2022: USD Nil) and the fair value of derivative liabilities designated as fair value hedges is USD Nil million (31 December 2022: USD 56 million).

Other derivatives held for qualifying trading

The Company uses other derivatives, not designated in a qualifying hedge relationship, to manage the exposure to foreign exchange risk. The instruments used are foreign currency forwards. The fair values of those derivatives are shown in the table above.

The notional amounts of all interest rate swaps outstanding at 31 December 2023 were 1,283 million (2022: USD 1,243 million). The notional amounts of foreign currency forwards outstanding at 31 December 2023 were USD 372 million (2022: USD 823 million).

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***18 Loans and advances****Loans and advances to GEC affiliates at amortised cost**

	31 December 2023	31 December 2022
	USD'000	USD'000
Amounts falling due within one year	1,200,749	2,824,315
Amounts falling after one year	1,081,101	1,068,247
	<u>2,281,850</u>	<u>3,892,562</u>

Loans and advances from GEC affiliates at amortised cost

	31 December 2023	31 December 2022
	USD'000	USD'000
Amounts falling due within one year	18,511	495,637
	<u>18,511</u>	<u>495,637</u>

Please see Note 15 for details of impairment loss provision recognised in relation to loans and advances to GEC affiliates.

Schedule 3.58 of the Companies Act 2014 requires the disclosure of the aggregate amount of any debt outstanding at year end. The outstanding debt of the Company is as follows:

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
2023				
EUR	16,767	18,511	3.8717%	On demand
Total		<u>18,511</u>		
2022				
EUR	22,645	24,241	0.2625%	On demand
USD	471,350	471,350	1.9924%	On demand
USD	46	46	0.3600%	Within 3 months
Total		<u>495,637</u>		

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***19 Debt securities issued**

	31 December 2023	31 December 2022
	USD'000	USD'000
Fixed rate debt securities in qualifying hedging relationship	1,618,445	1,592,985
Floating rate debt securities issued at amortised cost	170,759	165,208
Fixed rate debt securities held at amortised cost (no longer in qualifying hedging relationships)	65,180	473,827
	<u>1,854,384</u>	<u>2,232,020</u>

At 31 December 2023, USD 1,390 million (31 December 2022: USD 1,409 million) of nominal debt securities issued are expected to be settled more than twelve months after the reporting date.

The carrying amount of financial liabilities designated at amortised cost in qualifying hedging relationships at 31 December 2023 was USD 352 million higher than the contractual amount at maturity (2022: USD 302 million).

Schedule 3.58 of the Companies Act 2014 requires the disclosure of the aggregate amount of any debt outstanding at year end. The outstanding debt of the Company at 31 December 2023 is as follows:

Debt securities at amortised cost (no longer in qualifying hedging relationship)

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	59,040	65,180	4.0500%	13 February 2024
Total		<u>65,180</u>		

Floating rate debt securities issued at amortised cost

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	104,276	115,120	3M EURIBOR + 0.3400%	29 June 2029
EUR	50,397	55,639	3M EURIBOR + 0.5500%	15 October 2032
Total EUR		<u>170,759</u>		

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***19 Debt securities issued (continued)****Fixed rate debt securities in qualifying hedging relationship**

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	763,989	843,444	6.0250%	01 March 2038
EUR	315,882	348,734	4.6250%	22 February 2027
EUR	62,445	68,939	5.7500%	15 April 2030
EUR	323,667	357,328	3.6500%	23 August 2032
Total		1,618,445		

The outstanding debt of the Company at 31 December 2022 is as follows:

Debt securities at amortised cost (no longer in qualifying hedging relationship)

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	442,642	473,827	2.6250%	15 March 2023
Total		473,827		

Floating rate debt securities issued at amortised cost

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	104,225	111,568	3M EURIBOR + 0.3400%	29 June 2029
EUR	50,110	53,640	3M EURIBOR + 0.5500%	15 October 2032
Total		165,208		

Fixed rate debt securities in qualifying hedging relationship

Currency	Amount ('000)	USD Equivalent ('000)	Interest Rate	Repayment Terms
EUR	742,654	794,975	6.0250%	01 March 2038
EUR	316,000	338,262	4.6250%	22 February 2027
EUR	61,378	65,702	5.7500%	15 April 2030
EUR	59,067	63,228	4.0500%	13 February 2024
EUR	309,045	330,818	3.6500%	23 August 2032
Total		1,592,985		

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***19 Debt securities issued (continued)**

The Company had undrawn loan commitments, all to other GEC affiliates, of USD 1,511 million at 31 December 2023 (2022: USD 1,197 million). An unutilised commitment is the amount of any given credit facility that has not been drawn by the borrower. The longest of these commitments is the commitment with GEC that has the potential to extend to 2024. The table below analyses nominal movements in medium term notes.

	31 December 2023	31 December 2022
	Medium Term	Medium Term
	Notes	Notes
	USD'000	USD'000
Opening balance	1,871,012	2,352,378
Maturities	(456,883)	(349,294)
Foreign exchange (gain)/loss	38,799	(132,072)
Closing Balance	1,452,928	1,871,012

The Company have not had any defaults of principal, interest or other breaches with respect to its debt securities during 2023 or 2022.

Foreign exchange arises due to large gross movements in balances, maturities and issuances which have been translated at the rates of exchange prevailing at the dates of transaction and opening and closing balances have been translated at the closing rates of exchange as at 31 December 2023 and 31 December 2022.

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***20 Changes in liabilities from financing activities**

	1 January 2023	Cash Flows	Non-cash Changes			31 December 2023
			FX Movements	Fair Value Changes	Accrued interest and fee	
<i>In millions of USD</i>						
31 December 2023	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Debt securities issued	2,232,020	(456,883)	38,799	48,265	(7,817)	1,854,384
	1 January 2022	Cash Flows	Non-cash Changes			31 December 2022
			FX Movements	Fair Value Changes	Accrued interest and fee	
<i>In millions of USD</i>						
31 December 2022	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Debt securities issued	3,052,808	(349,294)	(132,073)	(333,260)	(6,161)	2,232,020

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

21 Related party disclosures

(a) Transactions with subsidiary undertakings and other affiliate GEC Group companies

The Company enters into financial transactions with other GEC affiliates in the normal course of business. These include loans and derivative instruments. In addition, the Company enter into derivative transactions with HMS. Transactions and balances between the Company and other Group affiliates are detailed in relevant notes.

Since 3 December 2015, the guarantee for the CP and MTNs programmes has been provided by GECIHL and GEC. No fee has been payable from this date for these guarantees.

The below table provides the Company's SOCI transactions with related parties including it's immediate parent, GE Ireland USD Holdings Unlimited Company.

Related Party	2023 USD'000	2022 USD'000
Service fee expense		
GE Treasury Ireland Services Unlimited Company	(1,742)	(908)
Interest income and expense on loan and advances with GEC affiliates		
Cash Management Services Inc.	5,981	(1,716)
GE Financial Funding Unlimited Company	58,243	20,704
GE Ireland USD Holdings Unlimited Company	1,333	669
GE Ireland CHF Funding Unlimited Company	711	-
GE RZU Holdings LLC	612	289
GE SCF SOCIETE EN COMMANDITE PAR ACTIONS	168	-
General Electric Company	(983)	-
GE Capital European Treasury Services Ireland Unlimited Company	3	-
GE Capital Treasury Services (U.S.) LLC	(14,460)	(5,646)
GE Capital International Holdings Limited	-	2,417
GE Capital DG2 Holdings LLC	-	243
GE IRELAND FINANCIAL FUNDING LIMITED	-	68
Gain/(loss) on derivative instruments		
Hedge Management Services, Inc.	72,662	(146,968)
GE Financial Markets Unlimited Company	-	(186,843)
	122,528	(317,691)

GE Capital European Funding Unlimited Company*Notes forming part of the financial statements 31 December 2023 (continued)***21 Related party disclosures (continued)**

The below table lists the related parties that the Company has balances or has transacted with during the year. Balances and transactions during the year with the immediate parent, GE Ireland USD Holdings Unlimited Company are included in the below table.

Related Party	Opening Balance 1/1/2023	Receipts/FV adjustments during the financial year	Repayments/FV adjustments during the financial year	Closing Balance 31/12/2023
	USD'000	USD'000	USD'000	USD'000
Service fee accrued				
GE Treasury Ireland Services Unlimited Company	(3,268)	3,292	-	24
Loans and advances to/from GEC affiliates				
GE Financial Funding Unlimited Company	2,805,514	-	(2,805,514)	-
Cash Management Services Inc.	1,046,531	1,046,145	-	2,092,676
GE Ireland CHF Funding Unlimited Company	-	20,221	-	20,221
GE Ireland USD Holdings Unlimited Company	20,191	76	-	20,267
GE Capital Treasury Services (U.S.) LLC	(495,733)	495,733	-	-
GE RZU Holdings LLC	20,280	-	(20,280)	-
GE SCF SOCIETE EN COMMANDITE PAR ACTIONS	-	11,085	-	11,085
General Electric Company	-	119,017	-	119,017
Derivative instruments held				
Hedge Management Services, Inc.	(24,703)	81,073	-	56,370
GE Capital European Treasury Services Ireland Unlimited Company	142	-	(68)	74
Total	3,368,954	1,776,642	(2,825,862)	2,319,734

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

21 Related party disclosures (continued)

(b) Sale of loans

In the current period no loans were sold (31 December 2022: No loans sold).

(c) Compensation of key management personnel

Disclosures are made in Note 10 in accordance with the provisions of IAS 24 - Related Party Disclosures and Company law in respect of the compensation of Key Management Personnel. Under IAS 24 - Related Party Disclosures, "Key Management Personnel" are defined as comprising the Directors (executive and non-executive) at year end.

The compensation of key management personnel during the year consists of short-term employment benefits of USD 116,617 and post-employment benefits of USD 5,385. As outlined in Note 10, Directors' remuneration for the year ended 31 December 2022 was paid by an affiliated entity, T2K. Directors remuneration has been included in the service fee charged from this company.

(d) Transactions with key management personnel

There were no loans, quasi-loans or credit transactions outstanding by the Company to its Directors at any time during the current or preceding year.

22 Operating segments

The Company's business is organised as a single segment and the Company earned all material revenues in the Republic of Ireland. All of the Company's revenues arise from the provision of loans to GEC affiliates and from management fee income from GEC affiliates.

	31 December 2023	31 December 2022
	Ireland	Ireland
	USD'000	USD'000
Revenue from loans and advances to GEC affiliates	81,780	19,429
Revenue from commitment fees and management fees from GEC affiliates	402	563
Total segment revenue	82,182	19,992
Reportable segment (loss)/gain before tax	(21,582)	25,324
	31 December 2023	31 December 2022
	USD'000	USD'000
Reportable segment assets	2,338,477	3,924,128
Reportable segment liabilities	1,872,903	2,786,972

GE Capital European Funding Unlimited Company

Notes forming part of the financial statements 31 December 2023 (continued)

22 Operating segments (continued)

One GEC affiliate, GEFF, accounted for 65% of total revenue of the Company during the year (*31 December 2022: 93%*) and another GEC affiliate, CMS, accounted for 30% of total revenue of the Company during the year (*31 December 2022: 0%*).

Loans to CMS, accounted for 90% of segment assets at 31 December 2023 (*31 December 2022: 27%*). Loans to GEFF, accounted for 0% of segment assets at 31 December 2023 (*31 December 2022: 72%*). No other GEC affiliates accounted for more than 10% of segment assets.

23 Holding Company

The Company is a wholly owned subsidiary of GE Ireland USD Holdings Unlimited Company, an Unlimited company incorporated in the Ireland, which is ultimately a wholly owned subsidiary of GEC, a company incorporated in the USA.

The smallest and largest group in which the Company results are included is that held by GEC, a company incorporated in the USA, copies of whose consolidated Financial Statements may be obtained from GEC, 41 Farnsworth Street, Boston, MA 02210, USA.

24 Commitments and contingencies

The Company had commitments to lend of USD 1,511 million at 31 December 2023 (*2022: USD 1,197 million*).

In the opinion of the Directors, the Company had no contingent liabilities at 31 December 2023 or 31 December 2022.

25 Subsequent events

On 13 February 2024, one of the issued MTNs matured with a nominal value of USD 63 million.

Fergal Mullin and Shane Pouch resigned as directors effective from 20 March 2024.

On 2 April 2024 GEC completed the spin-off of its Digital, Renewables and Power businesses into GE Vernova, going forward GEC will be known as GE Aerospace. This has had no direct impact on the Company.

No other significant events affecting the Company have occurred since the reporting date, which require adjustment to the Financial Statements or inclusion of a note therein.

26 Approval of financial statements

The Board of Directors approved the Financial Statements on 19 April 2024.