

General Electric Energy UK Limited

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of the company during the period was electrical and mechanical engineering for the electricity power market.

Directors of the company

The directors who held office during the year and up to the date of the directors' report were as follows:

I K Rutherford (resigned 10 June 2021)

S R Miller

K M Slaughter (appointed 9 November 2020)

K Kiernan (appointed 10 June 2021)

Results and dividends

The profit for the year, after taxation, amounted to £37,993,000 (2019: loss £20,145,000).

The directors do not recommend the payment of a dividend (2019: £nil).

The COVID-19 pandemic has significantly impacted global economies, resulting in workforce and travel restrictions, supply chain and production disruptions and reduced demand and spending across many sectors affecting the company's businesses to various extent. During 2020, these factors had an adverse impact on the company's operations, as well as on the operations and financial performance our customers and suppliers. This has seen a reduction in turnover and profitability in the year, with delays in planned works due to difficulty accessing customer sites. We do not believe the long-term outlook for the business has materially changed. We have continued to monitor and evaluate the impacts of COVID and other events during the 2021 financial year.

Streamlined Energy and Carbon Reporting

General Electric Energy UK Limited is required to comply with the Streamlined Energy and Carbon Reporting (SECR) regulations in the United Kingdom. The table below represents General Electric Energy UK Limited's energy use and associated greenhouse gas (GHG) emissions from electricity and fuel in the UK for the 2020 reporting year (1st January 2020 to 31st December 2020).

Scope	Source	Energy (kWh)	Emissions (tCO2e)
Scope 1	Natural gas	14,653,334	2,656
	Propane	29,665	6
	Diesel	1,546,764	403
	Petrol	255,492	61
Scope 2	Purchased electricity	10,442,080	2,415
Total		26,927,335	5,541

General Electric Energy UK Limited

Directors' Report

Our greenhouse gas emissions intensity over the reporting period was 12.64 tCO₂e/USDm revenue. This intensity measurement covers our Scope 1 and 2 emissions as stated above.

Methodology

We report our GHG inventory using the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard Revised Edition as our framework for calculations and disclosure. We use carbon conversion factors published by the US Environmental Protection Agency and International Energy Agency. This includes emissions from stationary combustion and fleet (Scope 1) and purchased electricity (Scope 2). We have calculated our emissions from purchased electricity using the market-based approach. GE plans to continue developing Scope 3 emission metrics and targets in line with our published ambition to be a net zero company by 2050.

Energy efficiency measures

In 2020 we have installed LED lighting with improved PIR control and added improved control on the office air conditioning saving 208MWh of electrical power per annum. In addition, we added improved localised control on our gas heating system to reduce gas consumption in this area by 1,825 MWh per annum.

Corporate Governance Code

The directors of General Electric Energy UK Limited confirm that Corporate Governance principles have been fully adopted through adherence to the GE Code of Conduct and The Spirit & The Letter.

Engagement with suppliers, customers and other relationships

As noted in the Strategic Report, the directors consider that they have complied with their duties under Section 172. This includes ensuring that the interests of key stakeholders, and the likely consequence of any decisions in the long term, have been taken into account.

At GE our commitment to operating business with integrity and ensuring that we engage with all stakeholders is built around our GE Code of Conduct and The Spirit & The Letter. These policies apply to all our employees and are upheld by the directors of General Electric Energy UK Limited.

Through our extensive supply chain, we have an opportunity to raise standards of social, environmental and ethical conduct. We engage with our suppliers to promote awareness of our policies and monitor compliance with the GE Code of Conduct. It sets out the high standards of ethical, social and environmental conduct we expect.

Engaging with our customers helps us to understand their changing needs and preferences and allows us to make decisions to improve our service offering. This is done at company level and GE global strategic business levels through a variety of means.

Further details of how we conduct our business relationships with all stakeholders can be found at <https://www.ge.com/sustainability/integrity>