

CHAIRMAN'S INTRODUCTION TO GOVERNANCE

BILL THOMAS, CHAIRMAN



THE BOARD IS COMMITTED TO HIGH STANDARDS OF CORPORATE GOVERNANCE, WITH A FIRM BELIEF THAT GOOD CORPORATE GOVERNANCE ENHANCES LONG-TERM SHAREHOLDER VALUE AND SETS THE CULTURE, ETHICS AND VALUES FOR THE REST OF THE GROUP. "

The Board is committed to high standards of corporate governance, with a firm belief that good corporate governance enhances long-term shareholder value and sets the culture, ethics and values for the rest of the Group. We also recognise the importance of our wider stakeholders and the Board's responsibility and duty to them under Section 172 of the Companies Act 2006; our Business Model and Strategy on pages 18 and 19 illustrates how we create value for our stakeholders.

Each year, the Board undertakes a formal evaluation of its effectiveness. The results of this year's externally-led process confirmed that the Board and its Committees continue to function effectively, with no significant concerns among the Directors about its effectiveness. A number of actions which were identified to enhance effectiveness along with the progress on the actions identified in the 2017 Board evaluation can be found on page 62.

During 2018 a review of Spirent's Remuneration Policy for executive directors was completed and a revised Policy has been designed to operate for three years. The Policy is being proposed for approval by shareholders at the Annual General Meeting on 1 May 2019. Further details are provided in the Directors' Remuneration Report, which can be found on pages 74 to 95.

We announced in November 2018 Eric Hutchinson's wish to retire from his role as CEO of the Company after a career with Spirent spanning 37 years. The Nomination Committee have launched a search process for his replacement. We will ensure that the successful candidate is well-grounded in corporate governance requirements and supports the Board's goal of ensuring a healthy culture and strong core values as the basis for the way in which we conduct our business.

Bill Thomas
Chairman
7 March 2019