

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Sustainable value

Corporate responsibility is integral to the way Spirent conducts its business and we are committed to advancing our policies and systems across the Group to ensure that we address all aspects of corporate social responsibility (“CSR”).

The Board takes ultimate responsibility for CSR with a fundamental commitment to create and sustain long term value for shareholders, recognising that acting responsibly and sustainably creates value. Spirent’s CSR strategy covers our accountability to all of our stakeholders, this includes striving for the highest ethical standards of business practice; how we support, develop and reward our employees; how we minimise our impact on the environment; and how we support and engage in the communities in which we operate.

Our responsibility framework

Ethics

Spirent expects that all of its business is conducted in compliance with high ethical standards of business practice. We apply these standards to all dealings with employees, customers, suppliers and other stakeholders.

Employees

Spirent is its employees. To sustain our competitive advantage, the Group maintains an environment where all employees can develop to their fullest potential, have the opportunity to give back to their communities, and advance their careers.

Health and safety

Spirent is committed to continually improving its health and safety performance and is also committed to employee wellbeing by encouraging the adoption of healthier lifestyles by its staff members.

Sustainability and environmental

The Group is committed to the concepts of pollution prevention, minimising environmental impacts and eco-efficiency.

Community

Spirent aims to build stronger and healthier global communities through education, charitable donations and support of non-profit agencies in the communities in which we operate.

Ethics

Spirent expects that all of its business is conducted in compliance with high ethical standards of business practice. We apply these standards to all dealings with employees, customers, suppliers and other stakeholders. During 2012, Spirent's employees were again clearly reminded of the standards expected of them by the regular communication and explanation of Spirent's Vision, Mission and Values statements.

Spirent has continued to ensure that all its systems, controls and training comply with the anti-bribery and corruption legislation in all the countries where we operate and that a culture of prevention and detection of all forms of bribery and corruption is in place. This policy applies to Spirent's subsidiaries and business partners.

The Group's Ethics Policy, which has been approved by the Board, is available on our website at www.spirent.com. Our Ethics Policy has been developed to ensure that the Group's business is conducted in adherence with high ethical and legal principles and sets standards of professionalism and integrity for all employees and operations worldwide.

The following is a summary of the Ethics Policy:

- all employees have the right and responsibility to ensure that Spirent's business is conducted with high ethical and legal principles;
- our policy is to operate within applicable laws;
- discrimination or harassment of any kind will not be tolerated;
- as a matter of policy, we do not make political donations;
- no bribes shall be given or received;
- conflicts of interest must be avoided;

- we aim to be a responsible partner within our local communities; and
- employees are encouraged and supported to report, in confidence, any suspected wrongdoings ("whistleblowing").

Appropriate ethical behaviour is reviewed as part of the Group's internal control process.

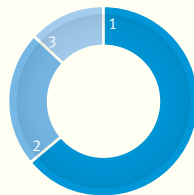
Employees

Spirent is its people

Spirent understands that the key to success is centered on our employees and that one of our primary responsibilities in CSR is to the people who are Spirent. We rely on our highly skilled, motivated and empowered employees to drive the growth of our business. These 1,400+ employees, working in over 25 locations in more than 12 countries, provide a matchless competitive advantage for us creating innovative products for our customers.

To sustain our competitive advantage and bring together this culturally diverse group of employees, Spirent has built a global culture based on four values – being creative, competitive, customer focused and collaborative. These values form the foundation of Spirent's ability to inspire innovation and enrich the lives of millions of people around the world.

Employees by geographic location – continuing operations



1 North America	64%
2 Asia	23%
3 Europe	13%

Investing in our employees

For more than 75 years, Spirent has sustained a globally effective organisation and provided a great place to work through career advancement opportunities (resulting in more than 8 per cent of employees receiving a promotion in 2012), workforce diversity and transparent communication. To find, keep and bring out the best in our people, we constantly review and improve our benefits, retention, development programmes and career growth opportunities to ensure that Spirent remains a great place to work.

At Spirent there are several reward and recognition programmes. One way we reward and recognise excellence is through our Global Recognition Programme, which provides Spot, Excellence and Executive Awards. These awards are one-time cash incentives as recognition for exemplary contributions that demonstrate one or more of our key values. Spirent also provides project based incentives to recognise and reward employees for extraordinary work that results in significant overachievement of critical projects. Spirent's Patent Award programme rewards employees for being innovative, while protecting the Company's investment and intellectual property rights.

Spirent believes in sharing its success with its employees, with all employees participating in some form of variable compensation tied to the achievement of key goals such as revenue growth and profitability: Growth Sharing Plan for individual contributors through managers; Sales Commission Plan for sales employees; and Management Incentive Plan for senior managers and above.

Our challenging work environment inspires innovation, with continuous learning as an

CORPORATE SOCIAL RESPONSIBILITY STATEMENT CONTINUED



Toastmasters@Centennial Campus, in Raleigh NC, was started in 2011 and is one of five Toastmasters International clubs at Spirent.

essential part of our human resources philosophy. In 2012, career development centered on the individual, providing a variety of education and learning opportunities over time in a number of different ways. Senior leaders participated in the Leadership 360 Feedback Programme and employees completed over 500 hours of e-learning on a wide range of technical and business topics. In our Asia Pacific region, employees participated in technical workshops, lunch and learn sessions, and one of five Toastmasters International clubs at Spirent. We also launched the new Spirent Learning Center on our intranet, which offers information on career management, tools for managers, and resources for new employees.

Engaging our employees

Spirent understands, like all businesses, it must work tirelessly to keep our talent in an increasingly competitive industry. That's why we seek to connect with, and support, our employees in many ways including transparent communication, showing appreciation for a job well done,

and providing competitive compensation and benefits programmes. Our efforts continue to bear positive fruit, with global voluntary turnover at 8 per cent, a result that stands out among our competitors where turnover in the high tech industry averages over 10 per cent.

Spirent believes that access to health care benefits is a fundamental responsibility to our employees. Results from our most recent Employee Opinion Survey showed a marked increase in satisfaction with benefit programmes. Around the world in all of our locations, we align employee needs with the healthcare and wellness options available in each country that are both comprehensive and competitive. In the United States, where more than 60 per cent of our employees reside, we offer competitive health care benefits, including medical, dental and vision, to all employees and their spouses or qualifying same-sex and opposite-sex domestic partners and dependents.

Celebrating our diversity

Spirent is committed to upholding human rights and fully believes that diversity fuels business success in a multicultural world. Our rich diversity is reflected in our work environment – including ethnicity, race, gender, age, sexual orientation, faith, culture and global experiences. We believe that this variety of backgrounds, experiences, beliefs, personalities, knowledge, skills and ideas not only creates an enriching experience for our employees, diversity also yields the innovation and creativity demanded by our customers.

The Group is committed to providing equality of opportunity to all existing and prospective employees without unlawful discrimination on the basis of religion, disability, gender, age, marital status, sexual orientation, race, ethnicity or any other protected status.

Health and safety

The Chief Financial Officer is the director appointed by the Board to have responsibility for the health and safety performance of the Group. No major health and safety issues were reported by the Chief Financial Officer to the Audit Committee and Board during the year.

The health and safety risk profile of the Group improved again in 2012 with the disposal of the Systems division, which was the only division within Spirent which had not completely outsourced all its manufacturing. The new businesses acquired by Spirent in 2012, Mu Dynamics and Metrico Wireless, both have the same health and safety environment as the rest of the continuing Spirent Group. The main risks of the Group continue to be based around final test and assembly of products and working environment issues such as ergonomics and Repetitive Strain Injury.

The Group continued to have very low accident rates in 2012 and no incidents required any hospitalisation.

The Group Health and Safety Policy places responsibility for the management of health and safety on local management who are supported by local external advisers where necessary. It is the Group's policy that each business unit should have a senior individual designated as being responsible for ensuring the business unit conforms to local statutory health and safety regulations as well as the Group Policy. An annual questionnaire on health and safety performance is completed by our business units and any issues are addressed and resolved. Independent external reviews of the Company's health and safety performance are conducted annually at selected business units. Regular designated health and safety awareness training programmes are also carried out.

Spirent recognises the importance that health and safety is managed to high standards successfully throughout all levels of the organisation. Successful health and safety management contributes to Spirent's overall success by preserving and developing staff and physical resources, thereby reducing costs and liabilities. It is an essential element of its corporate responsibility.

Spirent is committed to continually improving its health and safety performance and to employee wellbeing by encouraging the adoption of healthier lifestyles by its staff members. Regulatory requirements and the outline of care form the basis upon which Spirent's commitment is achieved. By realistic planning, review and development, Spirent maintains a successful health and safety management

programme and appropriate resources are made available for this purpose.

Sustainability and environmental

The Group has made significant progress in 2012 in integrating sustainability and environmental strategy into its operations and in continuing to improve environmental performance. In addition to continuing with existing initiatives on space utilisation, logistics and power consumption in products, the Group has also begun to implement the recommendations of a major review of environmental strategy that was commissioned in 2011.

Environmental Policy and compliance

The Group Environmental Policy applies to the Company and to all subsidiaries worldwide. It commits the Group to prevention and control of pollution, minimising environmental impacts, eco-efficiency, and to adopt responsible environmental practices.

The Group is also committed to compliance with all applicable environmental regulation in all of the jurisdictions in which we operate.

To meet these objectives, the Group endeavours to continuously improve environmental performance and to make robust environmental management integral to its overall strategy.

The full policy can be found at www.spirent.com in the Corporate Responsibility section.

As in previous years, the Group's main direct environmental impacts result from offices, laboratories and assembly sites

accommodating employees, IT systems and travel. Business units across the Group continue to take measures to reduce impacts, including improved space utilisation, sensor controls of equipment and recycling programmes. The Group has also continued to reduce total floor space used:

Percentage reduction of square feet used compared to previous year

	2012	2011
%	4.2	13.7

During 2012 we installed two electric vehicle charging stations at Spirent offices in Sunnyvale, California. These charging stations are available to the general public as well as Spirent employees and the charging points are already being well used. Charging stations at additional Spirent locations will be installed where there is demand for their use.

Having introduced video conferencing into the Group in 2010, we invested further in 2012, increasing the number of sites covered and the quality of the user experience. Spirent is confident that video conferencing has reduced travel across the Group but it is difficult to quantify the benefit definitively.

Almost all of our products continue to be produced by external contract manufacturers and we monitor the environmental performance of our suppliers through audits and surveys. Our largest contract manufacturer is responsible for approximately 66 per cent of our production and they have an ISO 14001 certified environmental management system, alongside an extensive carbon reduction programme. The table overleaf shows their performance in reducing emissions for the last two years for which data is available.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT CONTINUED

Percentage reduction of CO₂ emission over previous year

	2011	2010
%	11.9	6.1

Product design and manufacturing processes take into consideration the recycling and disposal of products at the end of their life, as far as is possible. Product design also seeks to reduce power consumption in use. For our 10Gb Ethernet products, the following reductions have been achieved.

Percentage reduction of power consumption of 10GbE products over previous year

	2012	2011
%	33	20

Our business units comply with the Waste Electrical and Electronic Equipment Regulations, the Batteries Directive and the California Electronic Waste Recycling Programme. New products are designed to meet the Restriction of Hazardous Substances Directive (“RoHS”), also known as Directive 2011/65/EU, even though Spirent Communications’ hardware products are classified as Category Nine, (Monitor and Control Equipment) and are therefore currently out of scope with the RoHS Directive. All Spirent Communications’ hardware products will be in compliance with the RoHS Directive at such time they are brought in to scope. Under the UK’s mandatory carbon emission trading scheme (CRC Energy Efficiency Scheme), Spirent is only required to make an information disclosure.

Environment strategy

Following a comprehensive review of our sustainability strategy and management in 2011 we have an enhanced understanding of the impacts that we have on the environment and on the communities in which we operate. This has spurred the

Group to make greater efforts to integrate sustainability into overall strategy, based on greater visibility of the material issues for our business.

The following material issues were identified in this review:

- Greenhouse gas emissions and climate change.
- Energy consumption in offices and manufacturing.
- Environmental management.
- Environmental reporting.

The key environmental issues were energy consumption and greenhouse gas emissions and these have been the focus of the Group’s efforts in 2012.

The Group has made great progress to date in setting the framework to proactively manage and improve sustainability performance. This review of the issues material to the Group has positioned Spirent to set a clear strategic course in leveraging sustainable business thinking to improve overall performance, and this has been the main theme of the work in this area in 2012.

2012 work programme

The work over the course of 2012 has focused on defining the specific tools and methodologies that will add value in driving forward the Group’s strategic sustainability objectives. This has also built on the existing culture of environmental management at the Paignton site by using this location as a center of excellence and proving ground for the Group, piloting certain key initiatives.

The 2012 work programme comprised:

- Development of a low carbon center of excellence at the site at Paignton, UK.
- Development of a low carbon site assessment toolkit.

- Review of existing Group environment and ethics policies.
- Development of sustainability management processes.

Paignton: low carbon center of excellence

The Positioning site, located in Paignton, UK, has had an ISO 14001 certified environmental management system for several years and has a good track record in improving environmental performance. For this reason, the site was selected to act as a low carbon center of excellence for the Group, piloting a number of initiatives during 2012. As a result, a wide range of potential low carbon technologies and services have been assessed for this site, and financial, environmental and strategic business cases have been developed for suitable candidate technologies. The key outcomes from this project are:

- A 15 per cent reduction in unit costs of electricity.
- Identification of further potential energy cost savings of 25 per cent based on technology and better energy management.
- Investment in a solar photovoltaic system that will generate 10 per cent of annual electricity consumption at the site.
- Business cases have been developed for the following low carbon technologies with positive NPV and payback under ten years. It is expected that these will be implemented in 2013:
 - Insulation
 - Voltage optimization
 - Air conditioning and heating system upgrades
 - LED lighting

Low carbon site assessment toolkit

A toolkit has been developed which can be used at sites across the Group to identify carbon and energy savings. This toolkit will be trialled at a number of Group sites globally in 2013.

Group environmental and ethics policies

The Group environment and ethics policies have been reviewed against leading standards ISO 14001 (Environment) and ISO 26000 (Corporate Responsibility) in order to ensure that all of the issues in these areas are properly addressed in line with the constantly evolving legislation and best practice in the field.

Group sustainability management processes

The Group's existing management procedures for environmental and sustainability were reviewed and toolkits were developed to ensure that all of our global sites continue to meet Group policy requirements and to improve performance. The toolkits cover the identification and management of environmental impacts and of legal and regulatory requirements. These will be trialled at a number of global sites during 2013.

2013 work programme

In 2013, the emphasis will be on utilising the experiences gained in 2012 and the lessons learned at Paignton to deliver value across the Group. The most financially and environmentally effective tools and measures identified in 2012 will be rolled out to selected sites across the Group. This will sit alongside the trialling of the Group management processes discussed above.

In addition to the specific measures that will be trialled at a number of global sites, the Group will also seek to enhance internal and external reporting of sustainability metrics, with a focus on greenhouse gas emissions. This is partly driven by the forthcoming requirement for UK quoted companies to report emissions in the Directors' Report, but the Group also intends to participate in the Carbon Disclosure Project in 2013 and to have greater internal reporting on key sustainability issues.

Community

Giving back to the communities where our employees and customers live and work

Because it's not enough to be a great Company, Spirent supports a variety of worthy causes to be a great neighbour too. Spirent supports technical education and local charitable programmes, and encourages employee volunteerism and participation within the communities where they live and work.

Building talent for the 21st century

To help students prepare for the communication revolution of the 21st century, the Group has been actively working with local public and private non-profit educational organisations. Throughout 2012, we continued to support education by offering internships and work experience programmes that not only help students develop professional knowledge but also provide future talent for our entire organisation.

In China, we offered the internship opportunities to 26 students from top universities in China, including the Beijing University of Posts and Telecommunications ("BUPT") and Beihang University (Beijing University of Aeronautics & Astronautics). In 2012, Spirent provided scholarships to ten students attending BUPT, all of whom will join Spirent as interns as part of their college education in electrical engineering.

In the UK, US and India, Spirent provided internship opportunities to more than 20 engineering degree candidates. We also hired an additional 11 college interns in non-engineering functions, including finance, manufacturing and marketing.

In addition to internships, our managers routinely work with local universities and industry groups. As one example, our UK management team participated in "Employability Week" at South Devon College where they helped students understand how to write a CV and present



Sunnyvale employees sorted and re-boxed more than 10 tons of oranges at the Second Harvest Food Bank.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT CONTINUED

themselves at an interview. In New Jersey, our manufacturing team participated in “ManufactureNJ”, a NJ Advanced Manufacturing Talent Network grant, awarded to NJIT Continuing Professional Education, by the New Jersey Department of Labor and Workforce Development. Spirent managers met with over 200 middle school, high school, and college-aged students, along with their faculty and administrators to discuss the variety of careers available in manufacturing and the skills they will need to succeed.

Building strong communities by helping those in need

Spirent has a long history of supporting our local communities and helping those in need. Throughout 2012, the Group continued to provide aid to charitable and non-profit organisations through corporate sponsorships and contributions that enhance our local communities. When the eastern seaboard of North America suffered devastating damage and injury due to the unprecedented impact of superstorm Sandy, Spirent responded to this urgent need with donations of \$10,000 to the American Red Cross and \$7,500 to the K.I.D.S. Hurricane Relief Effort for disaster relief efforts. Thankfully everyone in the Spirent family weathered the storm pretty well and many of our Eatontown employees offered their talent and financial support to neighbouring communities who didn't fare as well.

Our Calabasas team raised \$20,350 for the American Cancer Society's Relay for Life. Employees and their families from all departments participated in a 24-hour walk, not only raising more than any of the other 46 companies and agencies participating, but also more than any team in the history of the Calabasas Relay for Life.

In total Spirent made charitable cash donations of \$118,000 in 2012 (2011 \$111,000).

Committing ourselves – volunteerism at Spirent

We're proud of our employees, who generously donate their time, expertise, and money to many different organisations around the globe. Our employees are active volunteers in their communities, where they support a broad variety of causes, organisations, and activities ranging from health organisations, educational programmes, food banks and environmental causes. They serve in many different ways: as fundraisers, board members, coaches and mentors.

Our employees not only donate their time – they enthusiastically embrace the true spirit of volunteerism in their local communities. Employees in our Crawley UK office participated in Movember, and demonstrated their gallant support for men's cancer awareness by sprouting moustaches throughout the month of November. Many of our employees around the world volunteer to help feed the hungry. Raleigh, North Carolina employees packaged 24,000 life-saving meals that will be sent to support transformational development programmes in developing countries by Stop Hunger Now. Sunnyvale California employees sorted and re-boxed more than 10 tons of oranges at the Second Harvest Food Bank. These boxes are then sent to 740 sites, including food pantries, soup kitchens and shelters. More than half the food Second Harvest provides is fresh produce.

The Eatontown, New Jersey office supports the Salvation Army's Angel Tree Program, which provides an opportunity to help local families and children in need during the holidays.