

STEM initiatives and community impact projects

Spirent actively encourages its employees to become STEM Ambassadors around the globe. We expanded our STEM programme in 2019 and our STEM Ambassadors work with students in local schools and institutions to help them develop STEM skills and start out in their professional journey. We now have STEM Ambassadors in APAC, EMEA and the Americas.

We also provide our employees in the US and EMEA with volunteering time off to make a positive contribution to the communities in which they work.

Through financial donations and volunteering, Spirent has continued to support community projects worldwide. In 2019 our staff completed more than 710 hours of volunteering and donated in excess of \$31,000 to good causes.

Property Energy use

Spirent's energy use decreased by 2.3 per cent in 2019 to 14,187MWh. This has been primarily driven by our efficiency initiatives delivering strong energy reductions in North America and APAC. There was an increase in energy use in EMEA, driven by the opening of new sites in the UK and Finland, and an increase in energy use at our site in Paris. Gas use also increased in the year by 7 per cent, with all sites seeing similar increases over 2018.

Greenhouse gas emissions

Spirent is committed to acting to combat climate change and reporting its progress. Our total Scope 1 and 2 emissions dropped by 6.14 per cent from 2018, and our emissions per \$ million of revenue were down by 10.9 per cent. We have reduced our total emissions by 29 per cent since our 2014 baseline.

The Group responded to the Carbon Disclosure Project in 2019, completing the Climate Change and Supply Chain questionnaires. In 2019 we achieved a Climate Change rating of B (management) (2018 C) and a Supplier Engagement rating of B (management) (2018 B). The average for our sector is C in both categories.

	2019 Tonnes of CO ₂ e	2018 Tonnes of CO ₂ e
Emissions from:		
Combustion of fuel and operation of facilities (Scope 1)	144.7	137.2
Electricity, heat, steam and cooling purchased for own use (Scope 2)	4,641.0	4,950.4
Total emissions	4,785.7	5,087.6
Emissions intensity metrics:		
Normalised per FTE employee	3.46	3.57
Normalised per square metre of gross internal area of our facilities	0.114	0.125
Normalised per \$ million of revenues	9.50	10.67

Methodology

Reporting on emission sources is required under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 and these sources fall within our consolidated financial statements. We have reported on all the emission sources that fall within our consolidated financial statements. We do not have any responsibility for any emission sources that are not included in our consolidated financial statements.

We have used the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition), along with data gathered to fulfil our requirements under these Regulations, and the most recent emission factors available: UK Government's GHG Conversion Factors for Company Reporting 2019 for the UK, US EPA 2018 eGrid emissions factors for the applicable individual states in the US, and 2018 emissions factors for all other countries were sourced from the International Energy Agency's 2019 data set.

Performance against target

The Group set a target to reduce carbon emissions by five per cent relative to revenue from 2018 figures. We have achieved this target, having reduced carbon emissions per \$million of revenue by 10.9 per cent.

Compliance

The Group is not required to comply with stages 1 or 2 of the UK Energy Savings Opportunity Scheme (ESOS) Regulations 2014.

Procurement

Vendor assessment and auditing

Vendors are required to abide by our Code of Conduct which sets out our expectations for environmental management, labour and human rights, health and safety, and business ethics. They are assessed using a detailed questionnaire.

In addition, priority suppliers are audited by Spirent's procurement team: 22 supplier audits were conducted in 2019, representing 88.7 per cent of our hardware supply chain spend. This exceeded our target of completing 18 audits in the year. No material issues were identified.

Compliance

We comply with the requirements of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010. We require slavery and human trafficking to be eradicated from our direct supply chain for the products we sell and monitor suppliers by performing regular evaluation surveys to assure ourselves of each supplier's commitment in this area.

Spirent's full statement on Modern Slavery and Human Trafficking can be found on the Company's website at <https://corporate.spirent.com>.