

## **VTECH HOLDINGS LIMITED NOMINATION COMMITTEE CHARTER**

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### **1) Formation**

The Nomination Committee (the "Committee") was formed on 21 June 2006 pursuant to a resolution passed by the board of directors of the Company (the "Board") on the same date.

### **2) Purpose**

The purpose of the Committee is to make recommendations to the Board on appointment of the directors so as to ensure that all nominations are fair and transparent.

### **3) Composition**

The Committee shall be chaired by an Independent Non-executive Directors ("INED(s)") and comprise a majority of INEDs. The Board shall appoint Committee members and shall designate one of the members as the Chairman of the Committee.

### **4) Frequency of meeting**

The Committee shall meet at least annually, with an authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting, in person or via telephonic or video-conferencing.

### **5) Meeting procedures**

- (a) Proceedings of meetings of the Committee shall be governed by the provisions of the Bye-laws of the Company. Quorum of meeting shall not be less than two Committee members and a majority of INEDs shall be present throughout each meeting. Each Committee member in the meeting shall carry one vote;
- (b) The Company Secretary, or his or her delegate, shall act as the secretary to the Committee; and
- (c) The Committee shall invite any director, executive or other members of management to attend meetings as necessary. The Committee shall be supported by the Human Resources Manager and by the Company Secretary who shall be responsible for preparation of meeting agenda and minutes. Meeting agenda shall be provided in advance to the Committee members, along with appropriate briefing materials.

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### **6) Responsibilities**

The Committee shall carry out the following responsibilities:

- (a) To review the structure, size and composition (including but not limited to gender, age, cultural and educational background, skills, knowledge, industry and professional experience, business perspectives and the legitimate interests of the Company's principal shareholders) of the Board and the appropriateness and effectiveness of the Company's Board Diversity Policy and Nomination Policy at least annually, assist the Board in maintaining a Board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) To identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) To review regularly the assessment of each director's time commitment and contribution to the Board, as well as the director's ability to discharge his or her responsibilities effectively according to the requirements of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules");
- (d) To assess the independence of INEDs according to the requirements of the Listing Rules;
- (e) To make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive officer;
- (f) To review the implementation and effectiveness of the independence mechanism annually; and
- (g) To support the Company's regular evaluation of the Board's performance.

### **7) Authority**

The Committee is authorised by the Board to seek independent professional advice at the Company's expense to perform its functions as it shall deem appropriate and shall conduct interviews with prospective candidates for nomination.

### **8) Reporting requirements**

- (a) To report to the Board on decisions or recommendations made; and
- (b) To describe the Committee's composition, responsibilities, and how they were discharged and any other information required by the Listing Rules in the annual report.