

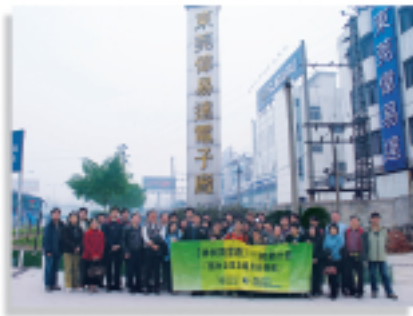
Corporate Affairs

Investor Relations

The Group is committed to a proactive investor relations and communications programme, and makes every effort to ensure fair disclosure, non-selective dissemination of material information and clear, comprehensive reporting of performance and business activities in a timely manner.

Investor Briefings

During the financial year 2005, VTech held over 30 one-on-one meetings with investors to keep them abreast of the latest company developments. In addition, the Group organised site visits to its advanced manufacturing facilities in mainland China.



Visit to VTech's manufacturing facilities in Doughtuan

Results Announcement Webcast

VTech webcasts its key financial announcements, allowing investors not able to be present to watch the event, accompanied by the detailed slide presentations.

Quarterly Newsletter

The Group's quarterly newsletter continues to keep investors informed of the latest developments at VTech.



Investor Relations Website

For both institutional and retail investors, the corporate website www.vtech.com provides up-to-date information on the Group's financial and business developments, including press releases, stock exchange announcements, slide presentations and annual and interim reports.

Employee Relations

VTech benefits from the loyalty and enthusiasm of its employees and takes care to maintain a motivated workforce.

Open Communications

Open communications are critical to sound employee relations and VTech has sought to use the latest technology to expand the scope of its dialogue with employees at all levels.

VTech's intranet enables efficient communication between the worldwide offices, offering information on Group developments, guidelines and policy.

Through the intranet, the global on-line quarterly newsletter keeps staff informed of key developments within the Group.

The Suggestion Box, which provides another channel for feedback and information, was widely used.

e-Corporate Culture Building Programme

To help foster a strong and consistent culture within the Group, in August 2004 VTech launched its annual worldwide e-Corporate Culture Building programme. The theme of "making a difference" highlighted the benefits that can be found in going beyond set ways of doing things to achieve results. In all, more than 200 employees participated by logging on to the special web page.

Training

As a global organisation with a worldwide market reach, multiple language skills are increasingly important to the workings of the Group and during the financial year we arranged courses in both English and Putonghua to address this need. Computer software and presentation skills training were also welcomed by employees seeking to upgrade their skills.



Staff in training class

Fun at Work

Fun social events designed to build team spirit and stimulate creative thinking also enhanced employee motivation. During the financial year 2005, the Group organised a number of tours, including a one-day boat trip in Hong Kong and a three-day tour to Macau and mainland China over the Easter holiday. Overseas offices also held a variety of events, including Christmas parties and family picnics, while the plant in mainland China staged anniversary parties, as well as soccer and bridge competitions.



VTech staff joined the football tournament organised by KPMG

Employment Policy

VTech's policy is to employ, retain, promote, terminate and treat all employees on the basis of merit, qualifications and competence. The Group creates a favourable work environment in which all employees can enjoy equal opportunities at work and avoid discrimination on the grounds of age, sex, status, disability or any other non-job related factor.

Code of Conduct

VTech has adopted a Code of Conduct applicable to all employees, with the aim of promoting integrity in the conduct of the Group's business since October 2002. The Code sets out VTech's business ethics and principles, covering issues such as conflict of interest, occupational health and safety, and environmental protection. All employees are required to sign statements confirming compliance with the Code.

VTech and the Community

VTech creates prosperity through the employment it provides to approximately 23,000 people from all walks of life in the United States, Europe and Asia. VTech also supports community initiatives in the markets where it operates that enhance people's lives such as improved access to education and lend support for individuals in genuine need.

Summer Internships in Hong Kong and the United States

VTech has provided summer internships for students at universities and colleges of education in Hong Kong, giving them the opportunity to gain real-life experience of the world of work. During the financial year 2005, the internship programme was carried out in Hong Kong and the United States.



Summer internship programme was carried out in Hong Kong and the United States

Hospital Donations in France

In June 2004, VTech ran a tremendously successful email community relations campaign in France. Emails were sent to our contact database encouraging consumers to visit www.vtechfrance.com and donate 1 Euro worth of toys to children in hospitals for each click. Consumers participated enthusiastically and the Group reached its target of 100,000 Euros within three weeks. VTech donated the 100,000 Euros worth of products and point-of-sale materials to various public hospitals in France.



VTech donated 100,000 Euros worth of products and point-of-sale materials to various public hospitals in France

Tsunami Relief in Hong Kong

VTech organised a variety of fund-raising activities following the tsunami that devastated parts of South East Asia in late 2004. During the financial year 2005, the Group made donations to the Red Cross, while staff members made donations to the Red Cross, UNICEF and World Vision.