

ELECTRO SCIENTIFIC INDUSTRIES, INC.
CORPORATE GOVERNANCE AND NOMINATING COMMITTEE
OF THE BOARD OF DIRECTORS

CHARTER
July 15, 2004

I. PURPOSES

The Corporate Governance and Nominating Committee of Electro Scientific Industries, Inc. (the “Company”) is appointed by the Board of Directors to (a) develop and recommend to the Board a set of corporate governance principles applicable to ESI (the “Corporate Governance Guidelines”), (b) identify individuals qualified to become Board members and recommend that the independent directors on the Board nominate the identified director nominees for election, subject to any legal or contractual commitments, and (c) review the qualifications of directors eligible to become members of Board committees and recommend directors to the Board for appointment to Board committees.

II. COMPOSITION

The Committee shall consist of at least three members of the Board, each of whom shall be an independent director under the standards for independence set forth in the Corporate Governance Guidelines.

The members of the Committee shall be appointed by the Board at the annual organizational meeting of the Board. Unless a Chair is designated by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. Members may be removed by the Board at any time.

III. AUTHORITY AND RESPONSIBILITY

1. The Committee shall meet at least once during each fiscal year and periodically as the Committee deems necessary to fulfill its responsibilities. The Committee will record and maintain minutes of each of its meetings and make regular reports to the Board.

2. The Committee shall develop and recommend to the Board a set of Corporate Governance Guidelines. The Committee will annually review the Corporate Governance Guidelines and recommend any proposed changes to the Board for approval.

3. The Committee shall identify individuals qualified to become Board members, including existing directors eligible for re-election to the Board, in accordance with the Director Selection and Qualification provisions of the Corporate Governance Guidelines, and recommend to the Board the director nominees for the next annual meeting of shareholders or the nominees to fill any interim vacancies on the Board.

4. The Committee shall annually recommend to the Board Director directors for membership on Committees of the Board, in accordance with the criteria regarding committee member qualifications set forth in the Corporate Governance Guidelines.
5. The Committee shall annually review its own performance and this Charter and recommend to the Board any proposed changes to this Charter or to the Committee.
6. The Committee will oversee the evaluation of the performance of the Board, and its Committees and will provide the Board an annual report regarding its assessment.
7. The Committee has sole authority to retain and terminate any search firm used to identify director candidates or to otherwise assist the Committee and has sole authority to approve the search firm's fees and other retention terms. The Committee also has authority to obtain advice and assistance from legal, accounting or other advisors.
8. The Committee is authorized to form and delegate authority to subcommittees as appropriate.
9. The Committee will (a) review ESI's Code Conduct and Business Practices as necessary, but not less than annually, and recommend to the Board any proposed changes to the code, and (b) monitor the reporting procedures described in the Code.
10. The Committee will review corporate governance matters required by applicable law, rule or regulation to be included in ESI's annual proxy statement.

