CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

1. **Members.** The Corporate Governance and Nominating Committee (the “Committee”) of Cadence Design Systems, Inc. (the “Company”) shall consist of at least two directors, which directors shall have been determined by the Board of Directors of the Company (the “Board”) to be “independent directors” within the meaning of the listing standards of the Nasdaq Global Select Market. The Board shall appoint the members and the Chairman of the Committee in accordance with the Corporate Governance Guidelines of the Board.

2. **Purposes.** The Committee’s purposes shall be to identify individuals qualified to become Board members consistent with criteria approved by the Board, to recommend that the Board select the director nominees for the next annual meeting of stockholders and to develop and recommend to the Board a set of corporate governance principles applicable to the Company.

3. **Goals and Responsibilities.** The goals and responsibilities of the Committee shall be to:

   • Determine the Board’s criteria for selecting new directors, with reference to issues of the current composition of the Board, the need for particular expertise, a prospective nominee’s integrity, experience, judgment, diversity of background, independence, financial literacy, ability to commit sufficient time and attention to Board activities, and skills such as an understanding of electronic design and semiconductor technologies, international background and other relevant characteristics -- all in the context of an assessment of the perceived needs of the Board at that point in time and applicable law, and recommend to the Board director nominees for election at the next annual or special meeting of shareholders at which directors are to be elected or to fill any vacancies or newly created directorships that may occur between such meetings.

   • Interview and evaluate candidates’ qualifications for membership on the Board based on the criteria approved.

   • Review, at least annually, the appropriate skills and characteristics required of Board members in the context of the current composition of the Board.

   • Periodically review the size of the Board and recommend any proposed changes to the Board.

   • Oversee the annual evaluation of the Board and the committees of the Board.

   • Retain, terminate and approve the fees and retention terms with respect to any search firm employed to identify director candidates.

   • Evaluate, at least annually, each Board member’s performance and effectiveness and determine whether the Board desires continued service.
• In accordance with the provisions of the Bylaws and the Corporate Governance Guidelines of the Board, make a recommendation to the Board as to whether to accept or reject a resignation of an incumbent director that has received a greater number of votes cast against such nominee than votes cast for such nominee.

• Review, at least annually, the Company’s Corporate Governance Guidelines and Code of Business Conduct and Related Party Transaction Policies and Procedures.

• Oversee the administration of the Company’s Code of Business Conduct and administer the Code of Business Conduct with respect to directors and executive officers of the Company.

• In accordance with the Related Party Transaction Policies and Procedures, review, approve and/or ratify any related person transactions, as defined in applicable Securities and Exchange Commission rules, and establish policies and procedures for the review, approval and ratification of related person transactions.

• Review whether it is appropriate for a Board member to continue service if his or her business responsibilities or personal circumstances change and make a recommendation to the Board as to any action to be taken with respect to such change.

• Consider the results of the annual performance evaluation of the Committee.

4. **Meetings.** The Committee shall meet as often as its Chairman may deem necessary or appropriate, at least once annually, either in person or by telephone. The Committee shall report to the full Board at the next regular Board meeting with respect to such Committee’s meetings since the previous regular Board meeting. A majority of the members of the Committee shall constitute a quorum unless there are only two members of the Committee, in which case a quorum shall require the presence of both members.

5. **Authority and Delegations.** The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm’s fees and other retention terms. The Committee may delegate its authority to management, subcommittees or the Chair of the Committee when it deems appropriate and in the best interests of the Company.

6. **Revisions to Charter.** The Committee shall review and reassess the adequacy of this Charter periodically. The Committee may amend or modify this Charter at any time in accordance with applicable law and regulations.