



## CADENCE DESIGN SYSTEMS, INC.

### CONFLICT MINERALS POLICY STATEMENT

On August 22, 2012, the U.S. Securities and Exchange Commission (“**SEC**”) adopted final rules to implement Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Conflict Minerals Rule**”). These rules require public companies to report to the SEC annually regarding whether products they manufacture or contract to manufacture contain “**Conflict Minerals**” (tin, tungsten, tantalum and gold) that are necessary to the functionality or production of those products and that originated in the Democratic Republic of the Congo (the “**DRC**”), the Republic of the Congo, Angola, Burundi, the Central African Republic, Rwanda, South Sudan, Tanzania, Uganda or Zambia (collectively, the “**Covered Countries**”).

Cadence Design Systems, Inc. (“**Cadence**”) shares concerns that Conflict Minerals sourced from the Covered Countries may directly or indirectly finance or benefit armed groups that engage in human rights abuses. In addition, Cadence supports industry efforts, such as the Conflict Free Sourcing Initiative, to enable companies to source conflict-free minerals.

Cadence is committed to responsible sourcing of materials for its products and seeks to avoid the use of Conflict Minerals that have funded armed groups in the Covered Countries. Cadence expects the same from its suppliers.

Accordingly, Cadence’s expectations of its suppliers regarding Conflict Minerals are as follows:

- Supply products and parts to Cadence that are “DRC conflict-free.” A product or part is “DRC conflict-free” if it does not contain any Conflict Minerals that directly or indirectly finance or benefit armed groups in the Covered Countries.
- Support compliance with the Conflict Minerals Rule and adopt policies and procedures that are reasonably designed to prevent products or parts that are not DRC conflict-free from entering Cadence’s supply chain.
- Participate in Cadence’s due diligence efforts by (1) reporting annually to Cadence regarding the Conflict Minerals being sourced for parts used in Cadence’s products and (2) working with their sub-suppliers to identify the smelter or refiner of Conflict Minerals in parts used in Cadence’s products.