

TERADYNE, INC.
COMPENSATION COMMITTEE
CHARTER

A. PURPOSE AND SCOPE

The purpose of the Compensation Committee (the “Committee”) is to discharge certain responsibilities of the Board of Directors relating to compensation, including equity-based compensation, for the directors and executive officers of the Company, to administer and oversee incentive, equity-based, profit sharing, deferred compensation and other compensatory, retirement and pension plans and to produce an annual report on executive compensation for inclusion in the Company’s annual proxy statement or annual report on Form 10-K, in accordance with applicable rules and regulations.

B. COMPOSITION

The Committee shall be comprised of a minimum of three members as appointed by the Board of Directors, considering the recommendations of the Nominating and Corporate Governance Committee. They shall meet the independence requirements under any rules or regulations of the New York Stock Exchange (“NYSE”) and the Securities and Exchange Commission (“SEC”), as in effect from time to time and any other applicable exchange, governmental or regulatory body exercising authority over the Company.

The members of the Committee shall be appointed by the Board of Directors at the meeting of the Board of Directors following each annual meeting of stockholders and shall serve until their successors shall be duly appointed and qualified or until their earlier resignation or removal. The members of the Committee may be replaced at any time by action of the Board of Directors. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee.

The Committee shall meet as often as it deems necessary to fulfill its responsibilities, but no less than four (4) times per year. The Committee shall establish its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Committee may form and, in accordance with applicable rules and regulations, delegate authority to subcommittees when appropriate or desirable in the Committee’s sole discretion. The Committee shall report regularly to the Board and shall keep written minutes of its meetings with the books and records of the Company. The Committee may request that members of management or outside consultants to the Committee be present to assist the Committee in performing its duties.

C. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall:

- Produce an annual report on executive compensation for inclusion in the Company's proxy statement or annual report on Form 10K, in accordance with applicable rules and regulations.
- Review and recommend to the Board for their approval corporate goals and objectives relevant to the Chief Executive Officer (CEO) compensation, evaluate the CEO's performance in light of those goals and objectives, and recommend to the Board, for their determination and approval, the CEO's compensation level and benefits based on this evaluation at least annually.
- Recommend to the Board for determination and approval the long-term incentive component of the CEO's compensation, considering the Company's performance and relative shareholder return, the value of similar awards to CEOs at comparable companies and the awards given to the Company's CEO in past years.
- Annually review and approve the compensation and benefits packages, as recommended by the Chief Executive Officer, for the executive officers of the Company and oversee the evaluation of the Company's executive officers.
- Approve any employment, severance, change in control, and non-compete agreements between the Company and the executive officers, excluding the CEO; and authorize the Company to enter into such agreements.
- Review and recommend to the Board for their approval any employment, severance, change in control and non-compete agreements to be entered into between the Company and the Chief Executive Officer.
- Annually review and oversee the administration of the Company's incentive, equity-based, pension, retirement, profit-sharing, deferred compensation and other compensatory plans (the "Plans") and approve amendments to the Plans (to the extent permitted by the Plan documents) and/or adopt new Plans in accordance with applicable rules, regulations and the Plans. The Committee shall have and exercise all the authority of the Board of Directors with respect to the Plans and shall recommend amendments and/or the adoption of new Plans to the Board only as necessary or as the Committee deems desirable.
- Approve the appointment of fiduciary committee members, trustees, investment advisors and managers for the Plans.
- Review and approve all incentive and variable plan payments and equity-based awards provided to executive officers, excluding the Chief Executive Officer.
- Review and recommend to the Board for their approval all incentive and variable plan payouts and equity based awards to be provided to the Chief Executive Officer.
- Provide oversight on all other stock-based arrangements, including the approval of an annual budget of equity to be granted under the Company's stock plans.

- Review and recommend to the Board for final approval any stock ownership guidelines for the directors, executive officers (including the CEO) and other employee company officers.
- At least annually review and recommend to the Board for final approval the level and form of all compensation for non-employee Board and committee members and recommend changes when appropriate.
- Select, retain and terminate compensation consultants, independent counsel and such other advisors (“Advisors”) as the Committee determines necessary to carry out its responsibilities and approve the fees and other terms of retention of any such Advisors.
- Review and assess the adequacy of the Charter periodically, but at least annually, and recommend any proposed changes to the Board for approval.
- Perform a review and evaluation, at least annually, of the performance of the Committee against the responsibilities and duties contained in the Charter.
- Fulfill such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board or the Chairman of the Board.