

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 New York Stock Exchange and the Nasdaq National 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 select, or 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 judgment, diversity, age, independence, skills such as an understanding of electronic design and semiconductor technologies, international background, etc. -- all in the context of an assessment of the perceived needs of the Board at that point in time and applicable law;
- Review, at least annually, the appropriate skills and characteristics required of Board members in the context of the current composition of 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;
- Interview and evaluate candidates for membership on the Board;
- Evaluate director nominees recommended by stockholders for the consideration of the Board;
- Review, at least annually, each Board member's continuation on the Board;
- Review, at least annually, the Company's Corporate Governance Guidelines and Code of Business Conduct;

- 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;
- Review any "related-party transactions", as defined in Item 404 of Regulation S-K promulgated under the Securities Act involving directors and executive officers of the Company;
- Review whether it is appropriate for a Board member to continue service if his or her business responsibilities or personal circumstances change; and
- 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. Revisions to Charter. The Committee may amend or modify this Charter at any time in accordance with applicable law and regulations.