

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission file number 000-15867



CADENCE DESIGN SYSTEMS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

2655 Seely Avenue, Building 5, San Jose, California
(Address of Principal Executive Offices)

00-0000000

(I.R.S. Employer
Identification No.)

95134

(Zip Code)

(408) 943-1234

Registrant's Telephone Number, including Area Code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	CDNS	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>			Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On March 31, 2025, approximately 273,042,000 shares of the registrant's common stock, \$0.01 par value, were outstanding.

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements**

CADENCE DESIGN SYSTEMS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	As of	
	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,777,674	\$ 2,644,030
Receivables, net	580,887	680,460
Inventories	225,621	257,711
Prepaid expenses and other	413,905	433,878
Total current assets	3,998,087	4,016,079
Property, plant and equipment, net	466,322	458,200
Goodwill	2,419,717	2,378,671
Acquired intangibles, net	584,228	594,734
Deferred taxes	986,191	982,057
Other assets	558,941	544,741
Total assets	\$ 9,013,486	\$ 8,974,482
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 570,197	\$ 632,692
Current portion of deferred revenue	730,570	737,413
Total current liabilities	1,300,767	1,370,105
Long-term liabilities:		
Long-term portion of deferred revenue	110,702	115,168
Long-term debt	2,477,159	2,476,183
Other long-term liabilities	348,601	339,448
Total long-term liabilities	2,936,462	2,930,799
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Common stock and capital in excess of par value	4,327,187	4,181,737
Treasury stock, at cost	(5,693,200)	(5,309,579)
Retained earnings	6,265,447	5,991,868
Accumulated other comprehensive loss	(123,177)	(190,448)
Total stockholders' equity	4,776,257	4,673,578
Total liabilities and stockholders' equity	\$ 9,013,486	\$ 8,974,482

See notes to condensed consolidated financial statements.

CADENCE DESIGN SYSTEMS, INC.
CONDENSED CONSOLIDATED INCOME STATEMENTS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Revenue:		
Product and maintenance	\$ 1,110,850	\$ 913,385
Services	131,516	95,718
Total revenue	1,242,366	1,009,103
Costs and expenses:		
Cost of product and maintenance	116,672	75,395
Cost of services	50,461	49,802
Marketing and sales	202,700	180,589
Research and development	439,102	378,958
General and administrative	63,098	68,716
Amortization of acquired intangibles	8,922	5,407
Restructuring	(109)	280
Total costs and expenses	880,846	759,147
Income from operations	361,520	249,956
Interest expense	(29,118)	(8,692)
Other income, net	23,290	68,779
Income before provision for income taxes	355,692	310,043
Provision for income taxes	82,113	62,400
Net income	\$ 273,579	\$ 247,643
Net income per share – basic	\$ 1.01	\$ 0.92
Net income per share – diluted	\$ 1.00	\$ 0.91
Weighted average common shares outstanding – basic	271,973	269,606
Weighted average common shares outstanding – diluted	273,631	273,544

See notes to condensed consolidated financial statements.

CADENCE DESIGN SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Net income	\$ 273,579	\$ 247,643
Other comprehensive income (loss), net of tax effects:		
Foreign currency translation adjustments	66,150	(12,630)
Changes in defined benefit plan liabilities	355	(21)
Reclassification of realized losses on derivatives designated as hedging instruments	195	—
Unrealized gains (losses) on available-for-sale debt securities	571	(392)
Total other comprehensive income (loss), net of tax effects	67,271	(13,043)
Comprehensive income	\$ 340,850	\$ 234,600

See notes to condensed consolidated financial statements.

CADENCE DESIGN SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

Three Months Ended March 31, 2025						
	Common Stock		Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Par Value and Capital in Excess of Par				
Balance, December 31, 2024	273,851	\$ 4,181,737	\$ (5,309,579)	\$ 5,991,868	\$ (190,448)	\$ 4,673,578
Net income	—	—	—	273,579	—	\$ 273,579
Other comprehensive income, net of taxes	—	—	—	—	67,271	\$ 67,271
Purchase of treasury stock	(1,361)	—	(350,007)	—	—	\$ (350,007)
Issuance of common stock and reissuance of treasury stock under equity incentive plans, net of forfeitures	700	67,220	9,569	—	—	\$ 76,789
Stock received for payment of employee taxes on vesting of restricted stock	(148)	(29,383)	(43,183)	—	—	\$ (72,566)
Stock-based compensation expense	—	107,613	—	—	—	\$ 107,613
Balance, March 31, 2025	273,042	\$ 4,327,187	\$ (5,693,200)	\$ 6,265,447	\$ (123,177)	\$ 4,776,257

Three Months Ended March 31, 2024						
	Common Stock		Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Par Value and Capital in Excess of Par				
Balance, December 31, 2023	271,706	\$ 3,166,964	\$ (4,604,323)	\$ 4,936,384	\$ (94,754)	\$ 3,404,271
Net income	—	—	—	247,643	—	\$ 247,643
Other comprehensive loss, net of taxes	—	—	—	—	(13,043)	\$ (13,043)
Purchase of treasury stock	(425)	—	(125,006)	—	—	\$ (125,006)
Issuance of common stock and reissuance of treasury stock under equity incentive plans, net of forfeitures	1,319	89,159	27,566	—	—	\$ 116,725
Stock received for payment of employee taxes on vesting of restricted stock	(466)	(12,705)	(138,418)	—	—	\$ (151,123)
Stock-based compensation expense	—	88,129	—	—	—	\$ 88,129
Balance, March 31, 2024	272,134	\$ 3,331,547	\$ (4,840,181)	\$ 5,184,027	\$ (107,797)	\$ 3,567,596

See notes to condensed consolidated financial statements.

CADENCE DESIGN SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Cash and cash equivalents at beginning of period	\$ 2,644,030	\$ 1,008,152
Cash flows from operating activities:		
Net income	273,579	247,643
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	52,916	39,556
Stock-based compensation	107,613	88,129
(Gain) loss on divestitures and investments, net	1,791	(55,394)
Deferred income taxes	(1,861)	(1,523)
ROU asset amortization and change in operating lease liabilities	(1,446)	(917)
Other non-cash items	862	556
Changes in operating assets and liabilities, net of effect of acquired businesses:		
Receivables	102,136	102,991
Inventories	15,018	(10,689)
Prepaid expenses and other	10,316	(15,073)
Other assets	12,237	(7,535)
Accounts payable and accrued liabilities	(69,621)	(117,291)
Deferred revenue	(14,377)	(23,941)
Other long-term liabilities	(2,142)	6,720
Net cash provided by operating activities	487,021	253,232
Cash flows from investing activities:		
Purchases of investments	(11,469)	(2,095)
Proceeds from the sale and maturity of investments	1,246	43,377
Proceeds from the sale of IP and other assets	11,500	—
Purchases of property, plant and equipment	(23,061)	(49,601)
Cash paid in business combinations, net of cash acquired	—	(71,450)
Net cash used for investing activities	(21,784)	(79,769)
Cash flows from financing activities:		
Proceeds from issuance of common stock	76,789	116,725
Stock received for payment of employee taxes on vesting of restricted stock	(72,566)	(151,123)
Payments for repurchases of common stock	(350,007)	(125,006)
Net cash used for financing activities	(345,784)	(159,404)
Effect of exchange rate changes on cash and cash equivalents	14,191	(9,793)
Increase in cash and cash equivalents	133,644	4,266
Cash and cash equivalents at end of period	\$ 2,777,674	\$ 1,012,418
Supplemental cash flow information:		
Cash paid for interest	\$ 55,734	\$ 4,903
Cash paid for income taxes, net	29,956	23,850

See notes to condensed consolidated financial statements.

CADENCE DESIGN SYSTEMS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The condensed consolidated financial statements included in this Quarterly Report on Form 10-Q have been prepared by Cadence Design Systems, Inc. ("Cadence") without audit, pursuant to the rules and regulations of the United States Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP") have been condensed or omitted pursuant to such rules and regulations. However, Cadence believes that the disclosures contained in this Quarterly Report on Form 10-Q comply with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for a Quarterly Report on Form 10-Q and are adequate to make the information presented not misleading. These condensed consolidated financial statements are meant to be, and should be, read in conjunction with the consolidated financial statements and the notes thereto included in Cadence's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (the "Annual Report").

The unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q reflect all adjustments (which include only normal, recurring adjustments and those items discussed in these notes) that are, in the opinion of management, necessary to state fairly the results of operations, cash flows and financial position for the periods and dates presented. The results for such periods are not necessarily indicative of the results to be expected for the full fiscal year or other periods. Certain prior period balances have been reclassified to conform to the current period presentation. Management has evaluated subsequent events through the issuance date of the unaudited condensed consolidated financial statements.

Fiscal Year End

Cadence's fiscal year end is December 31, and its fiscal quarters end on March 31, June 30, and September 30.

Use of Estimates

Preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Standards

Segment Reporting

In November 2023, the Financial Accounting Standards Board ("FASB"), issued Accounting Standards Update ("ASU") No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," intended to improve reportable segment disclosure requirements, primarily through enhanced annual and interim disclosures for significant segment expenses. Cadence adopted this ASU retrospectively during fiscal 2024 for its Annual Report. For interim disclosures required by this ASU, see Note 15 in the notes to condensed consolidated financial statements.

New Accounting Standards Not Yet Adopted

Income Taxes

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosures. This standard is effective for fiscal years beginning after December 15, 2024, and may be applied on a retrospective or prospective basis. Cadence plans to adopt this standard in connection with its annual report for fiscal 2025 and is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

Income Statement - Expense Disaggregation Disclosure

In November 2024, the FASB issued ASU No. 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures," which requires additional disclosure of certain costs and expenses in the notes to the financial statements. The updated standard is effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is permitted and will be applied prospectively with the option for retrospective application. Cadence is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

NOTE 2. REVENUE

Cadence groups its solutions in three product categories: Core EDA, Semiconductor IP, and System Design and Analysis. The Core EDA category includes software, hardware, and services used to design and verify a wide variety of semiconductors. The Semiconductor IP category includes silicon subsystems, software, and services that are used in semiconductor design. The System Design and Analysis category includes software and services used to design and verify a wide variety of physical electronic systems. These categories are tightly integrated to provide complete design solutions for customers.

The following table shows the percentage of revenue contributed by each of Cadence's product categories for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Core EDA*	71 %	76 %
Semiconductor IP ("IP")	14 %	12 %
System Design and Analysis	15 %	12 %
Total	100 %	100 %

* Includes immaterial amount of revenue accounted for under leasing arrangements.

Cadence generates revenue from contracts with customers and applies judgment in identifying and evaluating any terms and conditions in contracts which may impact revenue recognition. Certain of Cadence's licensing arrangements allow customers the ability to remix among software products. Cadence also has arrangements with customers that include a combination of products, with the actual product selection and number of licensed users to be determined at a later date. For these arrangements, Cadence estimates the allocation of the revenue to product categories based upon the expected usage of products. Revenue by product category fluctuates from period to period based on demand for products and services, and Cadence's available resources to deliver them. No single customer accounted for 10% or more of total revenue during the three months ended March 31, 2025 or March 31, 2024.

Recurring revenue includes revenue recognized over time from Cadence's software arrangements, services, royalties, maintenance on IP licenses and hardware, and operating leases of hardware. Recurring revenue also includes revenue recognized at varying points in time over the term of other arrangements with non-cancelable commitments, whereby the customer commits to a fixed dollar amount over a specified period of time that can be used to purchase from a list of products. These arrangements do not meet the definition of a revenue contract until the customer executes a separate selection form to identify the products and services that they are purchasing. Each separate selection form under the arrangement is treated as an individual contract and accounted for based on the respective performance obligations.

The remainder of Cadence's revenue is recognized at a point in time and is characterized as up-front revenue. Up-front revenue is primarily generated by sales of hardware, individual IP licenses and certain software licenses.

The percentage of Cadence's recurring and up-front revenue in any single fiscal period is primarily impacted by delivery of hardware and IP products to its customers.

The following table shows the percentage of Cadence's revenue that is classified as recurring or up-front for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Revenue recognized over time	77 %	87 %
Revenue from arrangements with non-cancelable commitments	3 %	3 %
Recurring revenue	80 %	90 %
Up-front revenue	20 %	10 %
Total	100 %	100 %

Significant Judgments

Cadence's contracts with customers often include promises to transfer to a customer multiple software and/or IP licenses and services, including professional services, technical support services, and rights to unspecified updates. Determining whether licenses and services are distinct performance obligations that should be accounted for separately, or not distinct and thus accounted for together, requires significant judgment. In some arrangements, such as most of Cadence's IP license arrangements and the license of certain software, Cadence has concluded that the licenses and the related updates and technical support are distinct from each other. In others, such as Cadence's time-based software arrangements, the licenses and certain services are not distinct from each other. These time-based software arrangements include multiple software licenses and updates to the licensed software products, as well as technical support, and Cadence has concluded that these promised goods and services are a single, combined performance obligation.

The accounting for contracts with multiple performance obligations requires the contract's transaction price to be allocated to each distinct performance obligation based on relative stand-alone selling price ("SSP"). Judgment is required to determine the SSP for each distinct performance obligation because Cadence rarely licenses or sells products on a standalone basis. In instances where the SSP is not directly observable because Cadence does not sell the license, product or service separately, Cadence determines the SSP using information that maximizes the use of observable inputs and may include market conditions. Cadence typically has more than one SSP for individual performance obligations due to the stratification of those items by classes of customers and circumstances. In these instances, Cadence may use information such as the size of the customer and geographic region of the customer in determining the SSP.

Revenue is recognized over time for Cadence's combined performance obligations that include software licenses, updates, technical support and maintenance that are separate performance obligations with the same term. For Cadence's professional services, revenue is recognized over time, generally using costs incurred or hours expended to measure progress. Judgment is required in estimating project status and the costs necessary to complete projects. A number of internal and external factors can affect these estimates, including labor rates, utilization and efficiency variances and specification and testing requirement changes. For Cadence's other performance obligations recognized over time, revenue is generally recognized using a time-based measure of progress reflecting generally consistent efforts to satisfy those performance obligations throughout the arrangement term.

If a group of agreements are so closely related that they are, in effect, part of a single arrangement, such agreements are deemed to be one arrangement for revenue recognition purposes. Cadence exercises significant judgment to evaluate the relevant facts and circumstances in determining whether the separate agreements should be accounted for separately or as, in substance, a single arrangement. Cadence's judgments about whether a group of contracts comprise a single arrangement can affect the allocation of consideration to the distinct performance obligations, which could have an effect on results of operations for the periods involved.

Cadence is required to estimate the total consideration expected to be received from contracts with customers. In limited circumstances, the consideration expected to be received is variable based on the specific terms of the contract or based on Cadence's expectations of the term of the contract. Generally, Cadence has not experienced significant returns or refunds to customers. These estimates require significant judgment and a change in these estimates could have an effect on its results of operations for the periods involved.

Contract Balances

The timing of revenue recognition may differ from the timing of invoicing to customers, and these timing differences result in receivables, contract assets, or contract liabilities (deferred revenue) on Cadence's condensed consolidated balance sheets. For certain software, hardware and IP agreements with payment plans, Cadence records an unbilled receivable related to revenue recognized upon transfer of control because it has an unconditional right to invoice and receive payment in the future related to those transferred products or services. Cadence records a contract asset when revenue is recognized prior to invoicing and Cadence does not have the unconditional right to invoice or retains performance risk with respect to that performance obligation. Cadence records deferred revenue when revenue is recognized subsequent to invoicing. For Cadence's time-based software agreements, customers are generally invoiced in equal, quarterly amounts, although some customers are invoiced in single or annual amounts.

The contract assets indicated below are included in prepaid expenses and other in the condensed consolidated balance sheets and primarily relate to Cadence's rights to consideration for work completed but not billed as of the balance sheet date on services and customized IP contracts. The contract assets are transferred to receivables when the rights become unconditional, usually upon completion of a milestone.

Cadence's contract balances as of March 31, 2025 and December 31, 2024 were as follows:

	As of	
	March 31, 2025	December 31, 2024
	(In thousands)	
Contract assets	\$ 70,775	\$ 29,339
Deferred revenue	841,272	852,581

Cadence recognized revenue of \$390.1 million during the three months ended March 31, 2025, and \$324.4 million during the three months ended March 31, 2024, that was included in the deferred revenue balance at the beginning of each respective fiscal year. All other activity in deferred revenue, with the exception of deferred revenue assumed from acquisitions, is due to the timing of invoices in relation to the timing of revenue as described above.

Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 30 to 60 days. In instances where the timing of revenue recognition differs from the timing of invoicing, Cadence has determined that its contracts generally do not include a significant financing component. The primary purpose of invoicing terms is to provide customers with simplified and predictable ways of purchasing Cadence's products and services, and not to facilitate financing arrangements.

Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents the transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, which includes unearned revenue and amounts that will be invoiced and recognized as revenue in future periods. Cadence has elected to exclude the potential future royalty receipts from the remaining performance obligations. Contracted but unsatisfied performance obligations were approximately \$6.4 billion as of March 31, 2025, which included \$0.5 billion of non-cancelable commitments from customers where actual product selection and quantities of specific products or services are to be determined by customers at a later date.

Cadence estimates its remaining performance obligations at a point in time. Actual amounts and timing of revenue recognition may differ from these estimates largely due to changes in actual installation and delivery dates, as well as contract renewals, modifications and terminations. As of March 31, 2025, Cadence expected to recognize 55% of the contracted but unsatisfied performance obligations, excluding non-cancelable commitments, as revenue over the next 12 months, 42% over the next 13 to 36 months and the remainder thereafter.

Cadence recognized revenue of \$14.9 million during the three months ended March 31, 2025, and \$15.0 million during the three months ended March 31, 2024, from performance obligations satisfied in previous periods. These amounts represent royalties earned during the period and exclude contracts with nonrefundable prepaid royalties. Nonrefundable prepaid royalties are recognized upon delivery of the IP because Cadence's right to the consideration is not contingent upon customers' future shipments.

NOTE 3. RECEIVABLES, NET

Cadence's current and long-term receivables balances as of March 31, 2025 and December 31, 2024 were as follows:

	As of	
	March 31, 2025	December 31, 2024
	(In thousands)	
Accounts receivable	\$ 314,976	\$ 393,017
Unbilled accounts receivable	270,298	293,251
Long-term receivables	24,186	24,179
Total receivables	609,460	710,447
Less allowance for doubtful accounts	(4,387)	(5,808)
Total receivables, net	\$ 605,073	\$ 704,639

Cadence's customers are primarily concentrated within the semiconductor and electronics systems industries. As of March 31, 2025, no single customer accounted for 10% or more of Cadence's total receivables. As of December 31, 2024, one customer accounted for approximately 11% of Cadence's total receivables.

NOTE 4. DEBT

Cadence's outstanding debt was as follows:

	March 31, 2025			December 31, 2024		
	(In thousands)					
	Principal	Unamortized Discount and Issuance Costs	Carrying Value	Principal	Unamortized Discount and Issuance Costs	Carrying Value
2027 Notes	\$ 500,000	\$ (2,927)	\$ 497,073	\$ 500,000	\$ (3,206)	\$ 496,794
2029 Notes	1,000,000	(9,194)	990,806	1,000,000	(9,666)	990,334
2034 Notes	1,000,000	(10,720)	989,280	1,000,000	(10,945)	989,055
Total outstanding debt	\$ 2,500,000	\$ (22,841)	\$ 2,477,159	\$ 2,500,000	\$ (23,817)	\$ 2,476,183

Senior Notes

In September 2024, Cadence issued \$500.0 million aggregate principal amount of 4.200% Senior Notes due September 10, 2027 (the "2027 Notes"). Cadence received net proceeds of \$496.5 million from the issuance of the 2027 Notes, net of a discount of \$0.1 million and issuance costs of \$3.5 million. As of March 31, 2025, the fair value of the 2027 Notes was \$498.7 million.

In September 2024, Cadence issued \$1.0 billion aggregate principal amount of 4.300% Senior Notes due September 10, 2029 (the "2029 Notes"). Cadence received net proceeds of \$989.8 million from the issuance of the 2029 Notes, net of a discount of \$1.4 million and issuance costs of \$8.8 million. As of March 31, 2025, the fair value of the 2029 Notes was \$991.7 million.

In September 2024, Cadence issued \$1.0 billion aggregate principal amount of 4.700% Senior Notes due September 10, 2034 (the "2034 Notes," and together with the 2027 Notes and the 2029 Notes, the "New Senior Notes"). Cadence received net proceeds of \$988.8 million from the issuance of the 2034 Notes, net of a discount of \$1.9 million and issuance costs of \$9.3 million. As of March 31, 2025, the fair value of the 2034 Notes was \$977.7 million.

Cadence may redeem the New Senior Notes, in whole or in part, at any time or from time to time, at redemption prices specified in the governing indenture. In addition, Cadence may be required to repurchase New Senior Notes upon occurrence of a change of control triggering event, as set forth in the governing indenture.

The indenture governing the New Senior Notes includes customary representations, warranties and restrictive covenants, including, but not limited to, restrictions on Cadence's ability to grant liens on certain assets, enter into certain sale and lease-back transactions, or merge, consolidate or sell assets, and also includes customary events of default. As of March 31, 2025, Cadence was in compliance with all covenants associated with the New Senior Notes.

Both the discount and issuance costs are being amortized to interest expense over the term of the New Senior Notes using the effective interest method. Interest on the New Senior Notes is payable semi-annually in arrears in March and September of each year. The New Senior Notes are unsecured and rank equal in right of payment to all of Cadence's existing and future senior indebtedness.

Revolving Credit Facility

In August 2024, Cadence terminated its existing revolving credit facility, dated June 30, 2021, and amended in September 2022, and entered into a five-year senior unsecured revolving credit facility with a group of lenders led by Bank of America, N.A., as administrative agent (the "2024 Credit Facility"). The 2024 Credit Facility provides for borrowings up to \$1.25 billion, with the right to request increased capacity up to an additional \$500.0 million upon the receipt of lender commitments, for total maximum borrowings of \$1.75 billion. The 2024 Credit Facility expires on August 14, 2029. Any outstanding loans drawn under the 2024 Credit Facility are due at maturity on August 14, 2029, subject to an option to extend the maturity date. Outstanding borrowings may be repaid at any time prior to maturity. Cadence paid debt issuance costs of \$1.3 million that were recorded to other assets in Cadence's condensed consolidated balance sheet at the inception of the agreement. The debt issuance costs will be amortized to interest expense over the term of the 2024 Credit Facility. As of March 31, 2025, there were no outstanding borrowings under the 2024 Credit Facility.

Interest accrues on borrowings under the 2024 Credit Facility at a rate equal to, at Cadence's option, either (1) secured overnight financing rate ("SOFR") plus a margin between 0.625% and 1.125% per annum, determined by reference to the credit rating of Cadence's unsecured debt, plus a SOFR adjustment of 0.10% or (2) the base rate plus a margin between 0.000% and 0.125% per annum, determined by reference to the credit rating of Cadence's unsecured debt. Interest is payable quarterly. A commitment fee ranging from 0.050% to 0.125% is assessed on the daily average undrawn portion of revolving commitments. Borrowings bear interest at what is estimated to be current market rates of interest. Accordingly, the carrying value of the 2024 Credit Facility approximates fair value.

The 2024 Credit Facility contains customary negative covenants that, among other things, restrict Cadence's ability to incur additional indebtedness, grant liens and make certain asset dispositions. In addition, the 2024 Credit Facility contains financial covenants that require Cadence to maintain a funded debt to EBITDA ratio not greater than 3.5 to 1, with a step up to 4 to 1 for one year following an acquisition by Cadence of at least \$250.0 million that results in a pro forma leverage ratio between 3.25 to 1 and 3.75 to 1. As of March 31, 2025, Cadence was in compliance with all covenants associated with the 2024 Credit Facility.

NOTE 5. GOODWILL AND ACQUIRED INTANGIBLES

Goodwill

The changes in the carrying amount of goodwill during the three months ended March 31, 2025 were as follows:

	Gross Carrying Amount (In thousands)
Balance as of December 31, 2024	\$ 2,378,671
Effect of foreign currency translation	41,046
Balance as of March 31, 2025	<u>\$ 2,419,717</u>

Acquired Intangibles, Net

Acquired intangibles as of March 31, 2025 were as follows:

	Gross Carrying Amount	Accumulated Amortization	Acquired Intangibles, Net
	(In thousands)		
Existing technology	\$ 460,255	\$ (204,291)	\$ 255,964
Agreements and relationships	393,700	(85,852)	307,848
Tradenames, trademarks and patents	28,865	(8,449)	20,416
Total acquired intangibles	<u>\$ 882,820</u>	<u>\$ (298,592)</u>	<u>\$ 584,228</u>

Acquired intangibles as of December 31, 2024 were as follows:

	Gross Carrying Amount	Accumulated Amortization	Acquired Intangibles, Net
	(In thousands)		
Existing technology	\$ 465,453	\$ (199,126)	\$ 266,327
Agreements and relationships	386,365	(78,605)	307,760
Tradenames, trademarks and patents	28,113	(7,466)	20,647
Total acquired intangibles	<u>\$ 879,931</u>	<u>\$ (285,197)</u>	<u>\$ 594,734</u>

Amortization expense from existing technology is included in cost of product and maintenance. Amortization expense for the three months ended March 31, 2025 and March 31, 2024 by condensed consolidated income statement caption was as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Cost of product and maintenance	\$ 16,494	\$ 11,348
Amortization of acquired intangibles	8,922	5,407
Total amortization of acquired intangibles	<u>\$ 25,416</u>	<u>\$ 16,755</u>

As of March 31, 2025, the estimated amortization expense for intangible assets with definite lives was as follows for the following five fiscal years and thereafter:

	(In thousands)
2025 - remaining period	\$ 68,314
2026	88,564
2027	85,334
2028	80,668
2029	65,995
2030	40,842
Thereafter	154,511
Total estimated amortization expense	<u>\$ 584,228</u>

NOTE 6. STOCK-BASED COMPENSATION

Stock-based compensation expense is reflected in Cadence's condensed consolidated income statements for the three months ended March 31, 2025 and March 31, 2024 as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Cost of product and maintenance	\$ 2,154	\$ 1,280
Cost of services	2,466	1,629
Marketing and sales	21,671	17,836
Research and development	67,089	53,637
General and administrative	14,233	13,747
Total stock-based compensation expense	<u>\$ 107,613</u>	<u>\$ 88,129</u>

Cadence had total unrecognized compensation expense related to stock option and restricted stock grants of \$830.0 million as of March 31, 2025, which is expected to be recognized over a weighted average vesting period of 2.1 years.

NOTE 7. STOCK REPURCHASE PROGRAM

Cadence is authorized to repurchase shares of its common stock under a publicly announced program that was most recently increased by its Board of Directors in August 2023. The actual timing and amount of repurchases are subject to business and market conditions, corporate and regulatory requirements, stock price, acquisition opportunities and other factors. As of March 31, 2025, approximately \$477.0 million of Cadence's share repurchase authorization remained available to repurchase shares of Cadence common stock.

The shares repurchased under Cadence's repurchase authorizations and the total cost of repurchased shares, including commissions, during the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Shares repurchased	1,361	425
Total cost of repurchased shares	\$ 350,007	\$ 125,006

NOTE 8. OTHER INCOME, NET

Cadence's other income, net, for the three months ended March 31, 2025 and March 31, 2024 was as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Interest income	\$ 26,222	\$ 9,512
Gain on sale of IP and other assets	11,500	—
Gain (loss) on investments	(13,291)	55,394
Gain (loss) on securities in Non-Qualified Deferred Compensation ("NQDC") trust	(1,573)	4,588
Gain (loss) on foreign exchange	809	(331)
Other expense, net	(377)	(384)
Total other income, net	<u>\$ 23,290</u>	<u>\$ 68,779</u>

For additional information relating to Cadence's investment activity, see Note 10 in the notes to condensed consolidated financial statements.

NOTE 9. NET INCOME PER SHARE

Basic net income per share is computed by dividing net income during the period by the weighted average number of shares of common stock outstanding during that period, less unvested restricted stock awards. Diluted net income per share is impacted by equity instruments considered to be potential common shares, if dilutive, computed using the treasury stock method of accounting.

The calculations for basic and diluted net income per share for the three months ended March 31, 2025 and March 31, 2024 are as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands, except per share amounts)	
Net income	\$ 273,579	\$ 247,643
Weighted average common shares used to calculate basic net income per share	271,973	269,606
Stock-based awards	1,658	3,938
Weighted average common shares used to calculate diluted net income per share	273,631	273,544
Net income per share - basic	<u>\$ 1.01</u>	<u>\$ 0.92</u>
Net income per share - diluted	<u>\$ 1.00</u>	<u>\$ 0.91</u>

The following table presents shares of Cadence's common stock outstanding for the three months ended March 31, 2025 and March 31, 2024 that were excluded from the computation of diluted net income per share because the effect of including these shares in the computation of diluted net income per share would have been anti-dilutive:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Market-based awards	187	—
Options to purchase shares of common stock	234	59
Non-vested shares of restricted stock	190	8
Total potential common shares excluded	<u>611</u>	<u>67</u>

NOTE 10. INVESTMENTS

Investments in Equity Securities

Marketable Equity Investments

Cadence's investments in marketable equity securities consist of purchased shares of publicly held companies and are included in prepaid expenses and other in Cadence's condensed consolidated balance sheets. Changes in the fair value of these investments are recorded to other income, net in Cadence's condensed consolidated income statements. The carrying value of marketable equity investments was \$78.7 million and \$90.4 million as of March 31, 2025 and December 31, 2024, respectively.

Non-Marketable Equity Investments

Cadence's investments in non-marketable equity securities generally consist of stock or other instruments of privately held entities and are included in other assets on Cadence's condensed consolidated balance sheets. Cadence holds a 16% interest in a privately held company that is accounted for using the equity method of accounting. The carrying value of this investment was \$96.0 million and \$97.5 million as of March 31, 2025 and December 31, 2024, respectively.

Cadence records its proportionate share of net income from the investee, offset by amortization of basis differences, to other income, net in Cadence's condensed consolidated income statements. For the three months ended March 31, 2025 and March 31, 2024, Cadence recognized losses of \$1.5 million and \$0.4 million, respectively.

Cadence also holds other non-marketable investments in privately held companies where Cadence does not have the ability to exercise significant influence and the fair value of the investments is not readily determinable. The carrying value of these investments was \$36.5 million and \$26.6 million as of March 31, 2025 and December 31, 2024, respectively. Gains and losses on these investments were not material to Cadence's condensed consolidated financial statements for the periods presented.

The portion of gains and losses included in Cadence's condensed consolidated income statements related to equity securities still held at the end of the period were as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Net gains (losses) recognized on equity securities	\$ (13,259)	\$ 55,398
Less: Net gains recognized on equity securities sold	—	(20,367)
Net gains (losses) recognized on equity securities still held	<u>\$ (13,259)</u>	<u>\$ 35,031</u>

Investments in Debt Securities

The following is a summary of Cadence's available-for-sale debt securities recorded within prepaid expenses and other on its condensed consolidated balance sheets:

	As of March 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	(In thousands)			
<u>Available-for-sale debt securities</u>				
Mortgage-backed and asset-backed securities	\$ 50,782	\$ 485	\$ (266)	\$ 51,001
Total available-for-sale securities	<u>\$ 50,782</u>	<u>\$ 485</u>	<u>\$ (266)</u>	<u>\$ 51,001</u>
	As of December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	(In thousands)			
<u>Available-for-sale debt securities</u>				
Mortgage-backed and asset-backed securities	\$ 50,604	\$ 230	\$ (582)	\$ 50,252
Total available-for-sale securities	<u>\$ 50,604</u>	<u>\$ 230</u>	<u>\$ (582)</u>	<u>\$ 50,252</u>

Gross unrealized gains and losses are recorded as a component of accumulated other comprehensive loss on Cadence's condensed consolidated balance sheets. As of March 31, 2025 and December 31, 2024, the fair value of available-for-sale debt securities in a continuous unrealized loss position for greater than 12 months was \$6.3 million and \$6.0 million, respectively. The unrealized losses on these securities were not material.

As of March 31, 2025, the fair values of available-for-sale debt securities, by remaining contractual maturity, were as follows:

	(In thousands)
Due within 1 year	\$ 1,671
Due after 1 year through 5 years	9,696
Due after 5 years through 10 years	19,415
Due after 10 years	20,219
Total	\$ 51,001

As of March 31, 2025, Cadence did not intend to sell any of its available-for-sale debt securities in an unrealized loss position, and it was more likely than not that Cadence will hold the securities until maturity or a recovery of the cost basis.

NOTE 11. FAIR VALUE

Inputs to valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Cadence's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices for identical instruments in active markets;
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires Cadence to minimize the use of unobservable inputs and to use observable market data, if available, when determining fair value. Cadence recognizes transfers between levels of the hierarchy based on the fair values of the respective financial instruments at the end of the reporting period in which the transfer occurred. There were no transfers between levels of the fair value hierarchy during the three months ended March 31, 2025.

On a quarterly basis, Cadence measures at fair value certain financial assets and liabilities. The fair value of financial assets and liabilities was determined using the following levels of inputs as of March 31, 2025 and December 31, 2024:

	Fair Value Measurements as of March 31, 2025			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
<u>Assets</u>				
Cash equivalents:				
Money market funds	\$ 1,963,812	\$ 1,963,812	\$ —	\$ —
Marketable securities:				
Marketable equity securities	78,706	78,706	—	—
Mortgage-backed and asset-backed securities	51,001	—	51,001	—
Securities held in NQDC trust	93,023	93,023	—	—
Foreign currency exchange contracts	12,289	—	12,289	—
Total Assets	\$ 2,198,831	\$ 2,135,541	\$ 63,290	\$ —

As of March 31, 2025, Cadence did not have any financial liabilities requiring a recurring fair value measurement.

	Fair Value Measurements as of December 31, 2024			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
<u>Assets</u>				
Cash equivalents:				
Money market funds	\$ 1,700,084	\$ 1,700,084	\$ —	\$ —
Marketable securities:				
Marketable equity securities	90,374	90,374	—	—
Mortgage-backed and asset-backed securities	50,252	—	50,252	—
Securities held in NQDC trust	96,450	96,450	—	—
Total Assets	<u>\$ 1,937,160</u>	<u>\$ 1,886,908</u>	<u>\$ 50,252</u>	<u>\$ —</u>
	Total	Level 1	Level 2	Level 3
	(In thousands)			
<u>Liabilities</u>				
Foreign currency exchange contracts	\$ 7,533	\$ —	\$ 7,533	\$ —
Total Liabilities	\$ 7,533	\$ —	\$ 7,533	\$ —

Level 1 Measurements

Cadence's cash equivalents held in money market funds, marketable equity securities and the trading securities held in Cadence's NQDC trust are measured at fair value using Level 1 inputs.

Level 2 Measurements

The valuation techniques used to determine the fair value of Cadence's investments in marketable debt securities, foreign currency forward exchange contracts and New Senior Notes are classified within Level 2 of the fair value hierarchy. For additional information relating to Cadence's debt arrangements, see Note 4 in the notes to condensed consolidated financial statements.

NOTE 12. INVENTORY

Cadence's inventory balances as of March 31, 2025 and December 31, 2024 were as follows:

	As of	
	March 31, 2025	December 31, 2024
	(In thousands)	
Inventories:		
Raw materials	\$ 210,713	\$ 243,244
Work-in-process	—	1,216
Finished goods	14,908	13,251
Total inventories	\$ 225,621	\$ 257,711

NOTE 13. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

From time to time, Cadence is involved in various disputes and litigation that arise in the ordinary course of business. These include disputes and legal proceedings related to intellectual property, indemnification obligations, mergers and acquisitions, licensing, contracts, customers, products, distribution and other commercial arrangements and employee relations matters. Cadence is also subject from time to time to inquiries, investigations and regulatory proceedings involving governments and regulatory agencies in the jurisdictions in which Cadence operates, including the ongoing investigations by the Bureau of Industry and Security ("BIS") of the U.S. Department of Commerce and the U.S. Department of Justice ("DOJ") regarding certain historical sales by Cadence to customers in China. At least quarterly, Cadence reviews the status of each significant matter and assesses its potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount or the range of loss can be estimated, Cadence accrues a liability for the estimated loss. Legal proceedings are subject to uncertainties, and the outcomes are difficult to predict. Because of such uncertainties, accruals are based on Cadence's judgments using the best information available at the time. As additional information becomes available, Cadence reassesses the potential liability related to pending claims and legal proceedings and may revise estimates.

Cadence has been responding to subpoenas received from BIS in February 2021 and DOJ in November 2023 regarding sales and business activity in China. In December 2024, Cadence began discussions with BIS and DOJ regarding their preliminary findings and a potential resolution. Although Cadence believes it has defenses to the potential claims, Cadence has recorded an estimated probable liability as of March 31, 2025 and December 31, 2024 that is immaterial to Cadence's condensed consolidated financial statements. Actual losses could differ materially.

Other Contingencies

Cadence provides its customers with a warranty on sales of hardware products, generally for a 90-day period. Cadence did not incur any significant costs related to warranty obligations during the three months ended March 31, 2025 or March 31, 2024.

Cadence's product license and services agreements typically include a limited indemnification provision for claims from third parties relating to Cadence's intellectual property. If the potential loss from any indemnification claim is considered probable and the amount or the range of loss can be estimated, Cadence accrues a liability for the estimated loss.

Cadence did not incur any material losses from indemnification claims during the three months ended March 31, 2025 or March 31, 2024.

NOTE 14. ACCUMULATED OTHER COMPREHENSIVE LOSS

Cadence's accumulated other comprehensive loss is comprised of the aggregate impact of foreign currency translation gains and losses, changes in defined benefit plan liabilities, unrealized losses on derivatives designated as hedging instruments and unrealized gains and losses on available-for-sale debt securities, and is presented in Cadence's condensed consolidated statements of comprehensive income.

Accumulated other comprehensive loss was comprised of the following as of March 31, 2025 and December 31, 2024:

	As of	
	March 31, 2025	December 31, 2024
	(In thousands)	
Foreign currency translation loss	\$ (112,461)	\$ (178,611)
Changes in defined benefit plan liabilities	(4,092)	(4,447)
Unrealized losses on derivatives designated as hedging instruments	(6,843)	(7,038)
Unrealized gains (losses) on available-for-sale debt securities	219	(352)
Total accumulated other comprehensive loss	<u>\$ (123,177)</u>	<u>\$ (190,448)</u>

For the three months ended March 31, 2025 and March 31, 2024, there were no significant amounts reclassified from accumulated other comprehensive loss to net income.

NOTE 15. SEGMENT REPORTING

Segment reporting is based on the "management approach," following the method that management organizes the company's reportable segments for which separate financial information is made available to, and evaluated regularly by, the chief operating decision maker in allocating resources and in assessing performance. Cadence operates as one operating segment. Cadence's chief operating decision maker ("CODM") is its CEO. The CODM makes decisions on resource allocation and assesses performance of the business based on Cadence's consolidated results, including net income.

For additional information on Cadence's revenue, including the nature and timing of revenue from contracts with customers, see Note 2 in the notes to condensed consolidated financial statements. The following table presents revenue, significant expenses and net income for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Revenue	\$ 1,242,366	\$ 1,009,103
Costs and Expenses:		
Salary, benefits and other employee-related costs	542,655	475,886
Stock based compensation	107,613	88,129
Manufacturing costs	81,666	56,661
Facilities and other infrastructure costs	43,836	41,654
Depreciation and amortization	52,916	39,556
Professional services	32,461	38,917
Restructuring	(109)	280
Other segment items ⁽¹⁾	22,740	(41,203)
Interest income	(26,222)	(9,512)
Interest expense	29,118	8,692
Provision for income taxes	82,113	62,400
Net income	\$ 273,579	\$ 247,643

(1) Other segment items include direct costs for advertising, marketing events, travel, entertainment, bad debt and other operating expense categories that are not considered significant individually. It also includes non-operating expenses such as gains and losses on investments, foreign currency and other non-operating expenses that are not considered significant individually.

Outside the United States, Cadence markets and supports its products and services primarily through its subsidiaries. Revenue is attributed to geography based upon the country in which the product is used, or services are delivered. Long-lived assets are attributed to geography based on the country where the assets are located.

The following table presents a summary of revenue by geography for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In thousands)	
Americas:		
United States	\$ 568,967	\$ 435,523
Other Americas	29,612	27,347
Total Americas	598,579	462,870
Asia:		
China	139,381	117,229
Other Asia	240,512	208,531
Total Asia	379,893	325,760
Europe, Middle East and Africa ("EMEA")	195,743	169,056
Japan	68,151	51,417
Total	\$ 1,242,366	\$ 1,009,103

The following table presents a summary of long-lived assets by geography as of March 31, 2025 and December 31, 2024:

	As of	
	March 31, 2025	December 31, 2024
	(In thousands)	
Americas:		
United States	\$ 422,658	\$ 412,339
Other Americas	10,242	7,437
Total Americas	432,900	419,776
Asia:		
China	20,011	22,929
Other Asia	91,734	83,951
Total Asia	111,745	106,880
EMEA	72,784	73,551
Japan	3,905	4,183
Total	\$ 621,334	\$ 604,390

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q (this "Quarterly Report") and in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (our "Annual Report"). This Quarterly Report contains statements that are not historical in nature, are predictive, or that depend upon or refer to future events or conditions or contain other forward-looking statements. Statements including, but not limited to, statements regarding the extent, timing and mix of future revenues and customer demand; the deployment of our products and services; the impact of the macroeconomic and geopolitical environment, including but not limited to, expanded trade controls, tariffs, conflicts around the world, volatility in foreign currency exchange rates, inflation and changes in interest rates; the impact of government actions; future costs, expenses, tax rates and uses of cash; pending legal, administrative and tax proceedings; restructuring actions and associated charges and benefits; pending acquisitions, the accounting for acquisitions and integration of acquired businesses; and other statements using words such as "anticipates," "believes," "could," "estimates," "expects," "forecasts," "intends," "may," "plans," "projects," "should," "targets," "will" and "would," and words of similar import and the negatives thereof, constitute forward-looking statements. These statements are predictions based upon our current expectations about future events. Actual results could vary materially as a result of certain factors, including, but not limited to, those expressed in these statements. We refer you to the "Results of Operations," "Quantitative and Qualitative Disclosures About Market Risk," and "Liquidity and Capital Resources" sections contained in this Quarterly Report, the "Risk Factors" section contained in our Annual Report, and the risks discussed in our other Securities and Exchange Commission ("SEC") filings, which identify important risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements.

We urge you to consider these factors carefully in evaluating the forward-looking statements contained in this Quarterly Report. All subsequent written or oral forward-looking statements attributable to our company or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements included in this Quarterly Report are made only as of the date of this Quarterly Report. We disclaim any obligation to update these forward-looking statements, except as required by law.

Business Overview

Cadence® is a global market leader that develops computational, AI-driven software, accelerated hardware, and intellectual property ("IP") solutions for engineers and scientists to bring new and innovative products to life. The world's most innovative technology companies use our solutions and services to deliver transformational products to multiple industries that drive the global economy. The products these companies develop are some of the most complex systems in the world. Since our inception, we have been at the forefront of technology innovation. We work closely with our customers, helping them solve their most complex challenges in the semiconductor and electronic systems industries to unlock limitless opportunities.

Our customers include semiconductor companies that design and manufacture semiconductor devices and systems companies that design and manufacture products containing many different types of semiconductors, which they either make themselves or buy from a semiconductor company. Semiconductors, also referred to as integrated circuits ("ICs"), or chips, are the heart of almost every industry. Semiconductors are the catalyst for innovation in many industries including automotive, aerospace, biotech, hyperscale and cloud computing, data centers, telecommunications, medical technology, industrial internet of things ("IIoT"), and AI. They are found in a wide variety of consumer products such as cell phones, automobiles, computers, home appliances, home security, drones, and home entertainment systems.

Our Intelligent System Design™ ("ISD") strategy allows us to deliver solutions to our customers to solve their most complex product development challenges. Our industry-leading computational software, accelerated hardware, and IP enable us to adapt to our customers' dynamic design requirements, allowing them to meet their critical business and environmental concerns including time-to-market and sustainability. The creation of even the most seemingly simple electronic systems and products typically includes a complex design process and requires highly trained engineers with various areas of specialized knowledge and skill sets. Our ability to deliver innovative products that keep up with increasing complexity allows our customers to be successful in meeting their business goals and objectives.

In alignment with our ISD strategy, we group our solutions in three product categories: Core EDA, Semiconductor IP, and System Design and Analysis. Core EDA includes our software, hardware, and services used to design and verify a wide variety of semiconductors. Our Semiconductor IP portfolio includes silicon subsystems, software, and services that are used in semiconductor design. The System Design and Analysis category includes our software and services used to design and verify a wide variety of physical electronic systems. Leveraging our AI and computational software expertise, we have integrated the multiphysics domain (also known as "computational fluid dynamics," or "CFD") with our EDA solutions to provide customers with complete system-level design and analysis solutions. These categories are tightly integrated to provide complete design solutions for our customers.

For additional information about our products, see the discussion in Item 1, "Business," under the heading "Product Categories," in our Annual Report.

Management uses certain performance indicators to manage our business, including revenue, certain elements of operating expenses and cash flow from operations, and we describe these items further below under the headings "Results of Operations" and "Liquidity and Capital Resources."

Acquisitions

As part of our ISD strategy, we invest in and acquire complementary businesses, joint ventures, services and technologies and IP rights. The size and timing of these investments and acquisitions may affect comparability of revenue, expenses and cash flows between fiscal periods.

During the second quarter of fiscal 2024, we completed our acquisition of BETA CAE Systems International AG (“BETA CAE”), a system analysis platform provider of multi-domain, engineering simulation solutions. For the three months ended March 31, 2025, revenue associated with contracts assumed with our acquisition of BETA CAE is primarily classified as product and maintenance revenue in our System Design and Analysis product category, and cost of revenue associated with these contracts is primarily classified as cost of product and maintenance in our condensed consolidated income statements.

Macroeconomic and Geopolitical Environment

Because we operate globally, our business is subject to the effects of economic downturns or recessions in the regions in which we do business, volatility in foreign currency exchange rates relative to the U.S. dollar, inflation, changing interest rates, expanded trade control laws and regulations, imposition of new or higher tariffs and geopolitical conflicts.

We have been impacted by the continued expansion of trade control laws and regulations, including certain export control restrictions concerning advanced node IC production in China, the inclusion of additional Chinese technology companies on the Bureau of Industry and Security “Entity List” and regulations governing the sale of certain technologies. Based on our current assessments, we expect the impact of these expanded trade control laws and regulations on our business to be limited.

In addition, U.S. President Trump has made a series of announcements regarding the imposition of new and higher U.S. tariffs on imports from many countries, including China and Mexico. In response, China and other countries, as well as the European Union, have announced retaliatory tariffs on imports of U.S. goods and other countermeasures. We are monitoring these actions, including any pauses, escalations, exemptions or removal of exemptions, with respect to the threatened or imposed tariffs, and will continue to assess their potential impact on our business either directly, such as on our hardware business, or due to downstream effects.

We also continuously monitor geopolitical conflicts around the world, including the ongoing conflict between Russia and Ukraine and conflicts in the Middle East, and assess their impact on our business. To date, these conflicts have not materially limited our ability to develop or support our products and have not had a material impact on our results of operations, financial condition, liquidity or cash flows.

While our business model provides some resilience against these factors, we will continue to monitor the direct and indirect impacts of these or similar circumstances on our business and financial results. For additional information on the potential impact of macroeconomic and geopolitical conditions on our business, see the “Risk Factors” section in our Annual Report. For additional information on the potential impact of foreign currency exchange rates and interest rates on our business, see the “Quantitative and Qualitative Disclosures About Market Risk” section of this Quarterly Report.

Critical Accounting Estimates

In preparing our condensed consolidated financial statements, we make assumptions, judgments and estimates that can have a significant impact on our revenue, operating income and net income, as well as on the value of certain assets and liabilities on our condensed consolidated balance sheets. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. At least quarterly, we evaluate our assumptions, judgments and estimates, and make changes as deemed necessary.

For additional information about our critical accounting estimates, see the discussion in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” under the heading “Critical Accounting Estimates” in our Annual Report.

New Accounting Standards

For additional information about the adoption of new accounting standards, see Note 1 in the notes to condensed consolidated financial statements.

Results of Operations

Financial results for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, reflect the following:

- Growth in revenue from our software, hardware and IP offerings;
- Continued investment in research and development activities and technical sales support, including headcount from acquisitions; and
- Increased interest expense from our outstanding indebtedness.

Revenue

We primarily generate revenue from licensing our software and IP, selling or leasing our hardware products, providing maintenance for our software, hardware and IP, providing engineering services and earning royalties generated from the use of our IP. The timing of our revenue is significantly affected by the mix of software, hardware and IP products generating revenue in any given period and whether the revenue is recognized over time or at a point in time, upon completion of delivery.

Recurring revenue includes revenue recognized over time from our software licensing arrangements, services, royalties, maintenance on IP licenses and hardware products, and operating leases of hardware. Recurring revenue also includes revenue recognized at varying points in time over the term of other arrangements with non-cancelable commitments, whereby the customer commits to a fixed dollar amount over a specified period of time that can be used to purchase from a list of products.

The remainder of our revenue is recognized at a point in time and is characterized as up-front revenue. Up-front revenue is primarily generated by our sales of hardware products, individual IP licenses and certain software licenses. The percentage of our recurring and up-front revenue and fluctuations in revenue within our geographies in any single fiscal period are primarily impacted by delivery of hardware and IP products to our customers.

The following table shows the percentage of our revenue that is classified as recurring or up-front for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Revenue recognized over time	77 %	87 %
Revenue from arrangements with non-cancelable commitments	3 %	3 %
Recurring revenue	80 %	90 %
Up-front revenue	20 %	10 %
Total	100 %	100 %

The percentage of revenue characterized as recurring compared to revenue characterized as up-front may vary between fiscal quarters. As compared to prior years, we expect our percentage of annual up-front revenue to continue to increase in 2025 as growth in our product offerings for which revenue is recognized up-front is expected to be greater than the growth of our product offerings for which revenue is recognized over time. The following table shows the percentage of recurring revenue for the twelve-month periods ending concurrently with our five most recent fiscal quarters:

	Trailing Twelve Months Ended				
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Recurring revenue	80 %	83 %	86 %	87 %	87 %
Up-front revenue	20 %	17 %	14 %	13 %	13 %
Total	100 %	100 %	100 %	100 %	100 %

Revenue by Period

The following table shows our revenue for the three months ended March 31, 2025 and March 31, 2024 and the change in revenue between periods:

	Three Months Ended		Change	
	March 31, 2025	March 31, 2024	Amount	Percentage
(In millions, except percentages)				
Product and maintenance	\$ 1,110.9	\$ 913.4	\$ 197.5	22 %
Services	131.5	95.7	35.8	37 %
Total revenue	\$ 1,242.4	\$ 1,009.1	\$ 233.3	23 %

Product and maintenance revenue increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to growth in revenue from our software, hardware and IP product offerings as a result of existing customers' continued investment in complex designs for their products.

Services revenue increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to increased revenue from our IP service offerings. Services revenue may fluctuate from period to period based on the timing of fulfillment of our services and IP performance obligations.

No single customer accounted for 10% or more of total revenue during the three months ended March 31, 2025 or March 31, 2024.

Revenue by Product Category

The following table shows the percentage of revenue contributed by each of our product categories for the past five consecutive quarters:

	Three Months Ended				
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Core EDA	71 %	68 %	70 %	73 %	76 %
Semiconductor IP	14 %	13 %	14 %	13 %	12 %
System Design and Analysis	15 %	19 %	16 %	14 %	12 %
Total	100 %	100 %	100 %	100 %	100 %

Revenue from any one product category as a percentage of total revenue may fluctuate from period to period based on the mix of products and services sold in a given period and the timing of revenue recognition, particularly for our hardware, IP and certain software products.

Certain of our licensing arrangements allow customers the ability to remix among software products. Additionally, we have arrangements with customers that include a combination of our products, with the actual product selection and number of licensed users to be determined at a later date. For these arrangements, we estimate the allocation of the revenue to product categories based upon the expected usage of our products. The actual usage of our products by these customers may differ, in which case the revenue allocation in the table above would differ.

Revenue by Geography

	Three Months Ended		Change	
	March 31, 2025	March 31, 2024	Amount	Percentage
	(In millions, except percentages)			
United States	\$ 569.0	\$ 435.5	\$ 133.5	31 %
Other Americas	29.6	27.4	2.2	8 %
China	139.4	117.2	22.2	19 %
Other Asia	240.5	208.5	32.0	15 %
Europe, Middle East and Africa ("EMEA")	195.7	169.1	26.6	16 %
Japan	68.2	51.4	16.8	33 %
Total revenue	\$ 1,242.4	\$ 1,009.1	\$ 233.3	23 %

During the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, demand for our software product offerings contributed to growth in each geography. In addition, growth from our hardware and IP product offerings contributed to increased revenue in the United States.

Revenue by Geography as a Percent of Total Revenue

	Three Months Ended	
	March 31, 2025	March 31, 2024
United States	46 %	43 %
Other Americas	2 %	3 %
China	11 %	12 %
Other Asia	19 %	20 %
EMEA	16 %	17 %
Japan	6 %	5 %
Total	100 %	100 %

Most of our revenue is transacted in the U.S. dollar. However, certain revenue transactions are denominated in foreign currencies. For an additional description of how changes in foreign exchange rates affect our condensed consolidated financial statements, see the discussion under Item 3, "Quantitative and Qualitative Disclosures About Market Risk – Foreign Currency Risk."

Cost of Revenue

	Three Months Ended		Change	
	March 31, 2025	March 31, 2024	Amount	Percentage
(In millions, except percentages)				
Cost of product and maintenance	\$ 116.7	\$ 75.4	\$ 41.3	55 %
Cost of services	50.5	49.8	0.7	1 %

Cost of Product and Maintenance

Cost of product and maintenance includes costs associated with the sale and lease of our hardware products and licensing of our software and IP products, certain employee salary and benefits and other employee-related costs, cost of our customer support services, amortization of technology-related acquired intangibles, costs of technical documentation and royalties payable to third-party vendors. Cost of product and maintenance depends primarily on our hardware product sales in any given period, but is also affected by employee salary and benefits and other employee-related costs, reserves for inventory, and the timing and extent to which we acquire intangible assets, license third-party technology or IP, and sell our products that include such acquired or licensed assets, technology or IP.

A summary of cost of product and maintenance is as follows:

	Three Months Ended		Change	
	March 31, 2025	March 31, 2024	Amount	Percentage
(In millions, except percentages)				
Product and maintenance-related costs	\$ 100.2	\$ 64.1	\$ 36.1	56 %
Amortization of acquired intangibles	16.5	11.3	5.2	46 %
Total cost of product and maintenance	<u>\$ 116.7</u>	<u>\$ 75.4</u>	<u>\$ 41.3</u>	<u>55 %</u>

The changes in product and maintenance-related costs for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, were due to the following:

	Change Three Months Ended (In millions)
Hardware product costs	\$ 30.1
Other items	6.0
Total change in product and maintenance-related costs	<u>\$ 36.1</u>

Costs associated with our hardware products include components, assembly, testing, applicable reserves and overhead. These costs make our cost of hardware products higher, as a percentage of revenue, than our cost of software and IP products. Hardware product costs increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to increased installations of our hardware products.

Amortization of acquired intangibles included in cost of product and maintenance may fluctuate from period to period depending on the timing of newly acquired assets relative to assets becoming fully amortized in any given period.

Cost of Services

Cost of services primarily includes employee salary, benefits and other employee-related costs to perform work on revenue-generating projects, costs to maintain the infrastructure necessary to manage a services organization, and direct costs associated with certain design services. Cost of services may fluctuate from period to period based on our utilization of design services engineers on revenue-generating projects rather than internal development projects and the timing of design service projects being completed.

Operating Expenses

Our operating expenses include marketing and sales, research and development, and general and administrative expenses. Factors that tend to cause our operating expenses to fluctuate include changes in the number of employees due to hiring and acquisitions, industry trends for salary and other employee benefits, stock-based compensation, foreign exchange rate movements, acquisition-related costs, and volatility in variable compensation programs that are driven by operating results.

Many of our operating expenses are transacted in various foreign currencies. We recognize lower expenses in periods when the U.S. dollar strengthens in value against other currencies and we recognize higher expenses when the U.S. dollar weakens against other currencies. For an additional description of how changes in foreign exchange rates affect our condensed consolidated financial statements, see the discussion in Item 3, "Quantitative and Qualitative Disclosures About Market Risk – Foreign Currency Risk."

Our operating expenses for the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended		Change	
	March 31, 2025	March 31, 2024	Amount	Percentage
(In millions, except percentages)				
Marketing and sales	\$ 202.7	\$ 180.6	\$ 22.1	12 %
Research and development	439.1	379.0	60.1	16 %
General and administrative	63.1	68.7	(5.6)	(8)%
Total operating expenses	<u>\$ 704.9</u>	<u>\$ 628.3</u>	<u>\$ 76.6</u>	<u>12 %</u>

Our operating expenses, as a percentage of total revenue, for the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Marketing and sales	16 %	18 %
Research and development	35 %	37 %
General and administrative	5 %	7 %
Total operating expenses	<u>56 %</u>	<u>62 %</u>

Marketing and Sales

The increase in marketing and sales expense for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was due to the following:

	Change	
	Three Months Ended	
	(In millions)	
Salary, benefits and other employee-related costs	\$	15.1
Stock-based compensation		3.8
Marketing programs		1.4
Other items		1.8
Total change in marketing and sales expense	<u>\$</u>	<u>22.1</u>

Salary, benefits and other employee-related costs and stock-based compensation included in marketing and sales expense increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to our continued investment in attracting and retaining talent dedicated to technical sales support, including additional headcount from acquisitions. We expect to continue attracting and retaining talent dedicated to technical sales support through hiring and acquisitions.

Research and Development

The increase in research and development expense for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was due to the following:

	Change	
	Three Months Ended	
	(In millions)	
Salary, benefits and other employee-related costs	\$	43.1
Stock-based compensation		13.5
Facilities and other infrastructure costs		4.5
Other items		(1.0)
Total change in research and development expense	\$	60.1

Salary, benefits and other employee-related costs and stock-based compensation included in research and development expense increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to our continued investment in attracting and retaining talent for research and development activities, including additional headcount from acquisitions. Facilities and other infrastructure costs included in research and development expense increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to our growing workforce. We expect to continue attracting and retaining talent dedicated to research and development activities through hiring and acquisitions.

General and Administrative

The decrease in general and administrative expense for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was due to the following:

	Change	
	Three Months Ended	
	(In millions)	
Professional services	\$	(6.6)
Other items		1.0
Total change in general and administrative expense	\$	(5.6)

Professional services decreased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to decreased legal and consulting services associated with acquisition-related activities.

Restructuring

We have initiated restructuring plans in recent years, most recently in August 2024, to better align our resources with our business strategy. Restructuring charges and related benefits are derived from management's estimates during the formulation of the restructuring plans, based on then-currently available information. As a result, our restructuring plans may not achieve the benefits anticipated on the timetable or at the level contemplated. Additional actions, including further restructuring of our operations, may be required in the future.

Operating Margin

Operating margin represents income from operations as a percentage of total revenue. Our operating margin for the three months ended March 31, 2025 and the three months ended March 31, 2024 was as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Operating margin	29 %	25 %

Operating margin increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to the mix of products and services sold during each respective period.

Interest Expense

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In millions)	
Contractual cash interest expense:		
Senior Notes	27.7	3.8
Term Loan	—	4.7
Amortization of debt discount and debt issuance costs:		
Senior Notes	1.0	0.2
Revolving Credit Facility	0.1	—
Other	0.3	—
Total interest expense	<u>\$ 29.1</u>	<u>\$ 8.7</u>

During the three months ended March 31, 2024, our indebtedness was comprised of \$350.0 million aggregate principal amount of senior notes that were due October 15, 2024 (the “2024 Senior Notes”) and a \$300.0 million three-year senior non-amortizing term loan facility that was due on September 7, 2025 (the “2025 Term Loan”).

In September 2024, we issued \$2.5 billion aggregate principal amount of senior notes, consisting of \$500.0 million aggregate principal amount of senior notes due 2027 (the “2027 Notes”), \$1.0 billion aggregate principal amount of senior notes due 2029 (the “2029 Notes”) and \$1.0 billion aggregate principal amount of senior notes due 2034 (the “2034 Notes” and together with the 2027 Notes and the 2029 Notes, the “New Senior Notes”).

In September 2024, we used a portion of the net proceeds from the New Senior Notes to fully prepay the outstanding principal and accrued interest of the 2025 Term Loan. In October 2024, we settled the outstanding principal of \$350.0 million and accrued interest on the 2024 Senior Notes.

Interest expense increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to the increased level of debt on our condensed consolidated balance sheet as of March 31, 2025, as compared to March 31, 2024. For additional information relating to our debt arrangements, see Note 4 in the notes to condensed consolidated financial statements.

Other Income, Net

Other income, net consists primarily of interest earned on cash, cash equivalents and investments in debt securities, realized and unrealized gains and losses from our investments in equity securities of other companies, gains and losses from investments held in the Nonqualified Deferred Compensation (“NQDC”) trust and foreign exchange gains and losses. Other income, net decreased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to net losses from our investments in equity securities of publicly held companies, offset by increased interest from deposits and a gain on the sale of IP and other assets. For additional information about other income, net, see Note 8 in the notes to condensed consolidated financial statements.

Income Taxes

The following table presents the provision for income taxes and the effective tax rate for the three months ended March 31, 2025 and March 31, 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
	(In millions, except percentages)	
Provision for income taxes	\$ 82.1	\$ 62.4
Effective tax rate	23.1 %	20.1 %

Our provision for income taxes for the three months ended March 31, 2025 was primarily attributable to federal, state and foreign income taxes on our anticipated fiscal 2025 income. We also recognized tax benefits of \$18.6 million related to stock-based compensation that vested or was exercised during the period. The increase in our provision for income taxes during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was primarily attributable to an increase in our earnings.

In 2021, the Organisation for Economic Co-operation and Development ("OECD") announced Pillar Two Model Rules which call for the taxation of large multinational corporations, such as Cadence, at a global minimum tax rate of 15%. The currently enacted Pillar Two Model Rules did not have a material impact to our provision for income taxes for the three months ended March 31, 2025.

Our provision for income taxes for the three months ended March 31, 2024 was primarily attributable to federal, state and foreign income taxes on our then anticipated fiscal 2024 income. We also recognized tax benefits of \$22.8 million related to stock-based compensation that vested or was exercised during the respective periods.

Our future effective tax rates may also be materially impacted by tax amounts associated with our foreign earnings at rates different from the United States federal statutory rate, research credits, the tax impact of stock-based compensation, accounting for uncertain tax positions, business combinations, closure of statutes of limitations or settlement of tax audits and changes in tax law. A significant amount of our foreign earnings is generated by our subsidiaries organized in Ireland and Hungary. Our future effective tax rates may be adversely affected if our earnings were to be lower in countries where we have lower statutory tax rates relative to earnings in countries where we have higher statutory tax rates. We currently expect that our fiscal 2025 effective tax rate will be approximately 26%. We expect that our quarterly effective tax rates will vary from our fiscal 2025 effective tax rate as a result of recognizing the income tax effects of stock-based awards in the quarterly periods that the awards vest or are settled and other items that we cannot anticipate. For additional discussion about how our effective tax rate could be affected by various risks, see Part I, Item 1A, "Risk Factors," in our Annual Report.

Liquidity and Capital Resources

	As of		
	March 31, 2025	December 31, 2024	Change
	(In millions)		
Cash and cash equivalents	\$ 2,777.7	\$ 2,644.0	\$ 133.7
Net working capital	2,697.3	2,646.0	51.3

Cash and Cash Equivalents

As of March 31, 2025, our principal sources of liquidity consisted of \$2,777.7 million of cash and cash equivalents as compared to \$2,644.0 million as of December 31, 2024.

Our primary sources of cash and cash equivalents during the three months ended March 31, 2025 were cash generated from operations and proceeds from the issuance of common stock resulting from stock purchases under our employee stock purchase plan and stock options exercised during the period.

Our primary uses of cash and cash equivalents during the three months ended March 31, 2025 were payments related to employee salaries and benefits, repurchases of our common stock, payment of employee taxes on vesting of restricted stock, and purchases of property, plant and equipment.

Approximately 33% of our cash and cash equivalents was held by our foreign subsidiaries as of March 31, 2025. Our cash and cash equivalents held by our foreign subsidiaries may vary from period to period due to the timing of collections and repatriation of foreign earnings. We expect that current cash and cash equivalent balances and cash flows that are generated from operations and financing activities will be sufficient to meet the needs of our domestic and international operating activities and other capital and liquidity requirements, including acquisitions, investments and share repurchases, for at least the next 12 months and thereafter for the foreseeable future.

Net Working Capital

Net working capital is comprised of current assets less current liabilities, as shown on our condensed consolidated balance sheets. Our net working capital varies from period to period due to changes in operating assets and liabilities and the timing of investing and financing activities.

Cash Flows from Operating Activities

Cash flows provided by operating activities during the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended		
	March 31, 2025	March 31, 2024	Change
	(In millions)		
Cash provided by operating activities	\$ 487.0	\$ 253.2	\$ 233.8

Cash flows provided by operating activities include net income, adjusted for certain non-cash items, as well as changes in the balances of certain assets and liabilities. Our cash flows from operating activities are significantly influenced by business levels and the payment terms set forth in our customer agreements. The increase in cash flows from operating activities for the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, was primarily due to the timing of cash receipts from customers and the timing of cash disbursements for operating assets and liabilities.

Cash Flows Used for Investing Activities

Cash flows used for investing activities during the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended		
	March 31, 2025	March 31, 2024	Change
	(In millions)		
Cash used for investing activities	\$ (21.8)	\$ (79.8)	\$ 58.0

Cash used for investing activities decreased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to a decrease in payments for business combinations and purchases of property, plant and equipment. We expect to continue our investing activities, including purchasing property, plant and equipment, purchasing intangible assets, acquiring other companies and businesses, and making investments.

Cash Flows Used for Financing Activities

Cash flows used for financing activities during the three months ended March 31, 2025 and March 31, 2024 were as follows:

	Three Months Ended		
	March 31, 2025	March 31, 2024	Change
	(In millions)		
Cash used for financing activities	\$ (345.8)	\$ (159.4)	\$ (186.4)

Cash used for financing activities increased during the three months ended March 31, 2025, as compared to the three months ended March 31, 2024, primarily due to an increase in repurchases of common stock and decreased proceeds from the issuance of common stock resulting from stock purchases under our employee stock purchase plan and stock options exercised during the period. These factors were partially offset by a decrease in payments of employee taxes on vesting of restricted stock.

Other Factors Affecting Liquidity and Capital Resources

Senior Notes

In September 2024, we issued \$2.5 billion aggregate principal amount of senior notes, consisting of \$500.0 million aggregate principal amount of 4.200% Senior Notes due 2027 (the "2027 Notes"), \$1.0 billion aggregate principal amount of 4.300% Senior Notes due 2029 (the "2029 Notes") and \$1.0 billion aggregate principal amount of 4.700% Senior Notes due 2034 (the "2034 Notes" and together with the 2027 Notes and the 2029 Notes, the "New Senior Notes"). Interest on the New Senior Notes is payable semi-annually in arrears in March and September of each year. As of March 31, 2025, we were in compliance with all covenants associated with the New Senior Notes.

Revolving Credit Facility

In August 2024, we terminated our existing revolving credit facility, dated June 30, 2021, and amended in September 2022, and entered into a five-year senior unsecured revolving credit facility with a group of lenders led by Bank of America, N.A., as administrative agent (the "2024 Credit Facility"). The 2024 Credit Facility provides for borrowings up to \$1.25 billion, with the right to request increased capacity up to an additional \$500.0 million upon receipt of lender commitments, for total maximum borrowings of \$1.75 billion. The 2024 Credit Facility expires on August 14, 2029. Any outstanding loans drawn under the 2024 Credit Facility are due at maturity on August 14, 2029, subject to an option to extend the maturity date. Outstanding borrowings may be repaid at any time prior to maturity. Interest rates associated with the 2024 Credit Facility are variable, so interest expense is impacted by changes in the interest rates, particularly for periods when there are outstanding borrowings under the revolving credit facility. Interest is payable quarterly. As of March 31, 2025, there were no borrowings outstanding under the 2024 Credit Facility, and we were in compliance with all covenants associated with such credit facility.

For additional information relating to our debt arrangements, see Note 4 in the notes to condensed consolidated financial statements.

Stock Repurchase Program

We are authorized to repurchase shares of our common stock under a publicly announced program that was most recently increased by our Board of Directors in August 2023. The actual timing and amount of repurchases are subject to business and market conditions, corporate and regulatory requirements, stock price, acquisition opportunities and other factors. Our repurchase authorization does not obligate us to acquire a minimum amount of shares, does not have an expiration date and may be modified, suspended or terminated without prior notice. As of March 31, 2025, approximately \$0.5 billion of the share repurchase authorization remained available to repurchase shares of our common stock. See Part II, Item 2, "Unregistered Sales of Equity Securities and Use of Proceeds" for additional information on share repurchases.

Other Liquidity Requirements

During the three months ended March 31, 2025, there were no material changes to our other liquidity requirements as reported in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency Risk

A material portion of our revenue, expenses and business activities are transacted in the U.S. dollar. In certain foreign countries where we price our products and services in U.S. dollars, a decrease in value of the local currency relative to the U.S. dollar results in an increase in the prices for our products and services compared to those products of our competitors that are priced in local currency. This could result in our prices being uncompetitive in certain markets.

In certain countries where we may invoice customers in the local currency, our revenue benefits from a weaker dollar and is adversely affected by a stronger dollar. The opposite impact occurs in countries where we record expenses in local currencies. In those cases, our costs and expenses benefit from a stronger dollar and are adversely affected by a weaker dollar. The fluctuations in our operating expenses outside the United States resulting from volatility in foreign exchange rates are not generally moderated by corresponding fluctuations in revenue from existing contracts.

We enter into foreign currency forward exchange contracts to protect against currency exchange risks associated with existing assets and liabilities. A foreign currency forward exchange contract acts as a hedge by increasing in value when underlying assets decrease in value or underlying liabilities increase in value due to changes in foreign exchange rates. Conversely, a foreign currency forward exchange contract decreases in value when underlying assets increase in value or underlying liabilities decrease in value due to changes in foreign exchange rates. These forward contracts are not designated as accounting hedges, so the unrealized gains and losses are recognized in other income (expense), net, in advance of the actual foreign currency cash flows with the fair value of these forward contracts being recorded as accrued liabilities or other current assets.

We do not use forward contracts for trading purposes. Our forward contracts generally have maturities of 90 days or less. We enter into foreign currency forward exchange contracts based on estimated future asset and liability exposures, and the effectiveness of our hedging program depends on our ability to estimate these future asset and liability exposures. Recognized gains and losses with respect to our current hedging activities will ultimately depend on how accurately we are able to match the amount of foreign currency forward exchange contracts with actual underlying asset and liability exposures.

The following table provides information about our foreign currency forward exchange contracts as of March 31, 2025. The information is provided in U.S. dollar equivalent amounts. The table presents the notional amounts, at contract exchange rates, and the weighted average contractual foreign currency exchange rates expressed as units of the foreign currency per U.S. dollar, which in some cases may not be the market convention for quoting a particular currency. All of these forward contracts mature before or during May 2025.

	Notional Principal (In millions)	Weighted Average Contract Rate
Forward Contracts:		
European Union euro	\$ 287.9	0.96
Japanese yen	140.3	149.52
British pound	69.9	0.80
Israeli shekel	63.4	3.61
Chinese renminbi	45.7	7.25
Indian rupee	39.5	87.19
Canadian dollar	34.7	1.43
Swedish krona	34.4	10.23
Swiss franc	12.7	0.90
Taiwan dollar	11.7	32.91
South Korean won	5.3	1,456.74
Singapore dollar	2.8	1.34
Brazilian real	2.0	5.86
Total	\$ 750.3	
Estimated fair value	\$ 12.3	

As of December 31, 2024, our foreign currency exchange contracts had an aggregate principal amount of \$927.6 million, and an estimated fair value of \$(7.5) million.

We have performed sensitivity analyses as of March 31, 2025 and December 31, 2024, using a modeling technique that measures the change in the fair values arising from a hypothetical 10% change in the value of the U.S. dollar relative to applicable foreign currency exchange rates, with all other variables held constant. The foreign currency exchange rates we used in performing the sensitivity analysis were based on market rates in effect at each respective date. The sensitivity analyses indicated that a hypothetical 10% decrease in the value of the U.S. dollar would result in a decrease to the fair value of our foreign currency forward exchange contracts of \$9.3 million and an increase of \$18.3 million as of March 31, 2025 and December 31, 2024, respectively, while a hypothetical 10% increase in the value of the U.S. dollar would result in an increase to the fair value of our foreign currency forward exchange contracts of \$13.5 million and a decrease of \$12.7 million as of March 31, 2025 and December 31, 2024, respectively.

We actively monitor our foreign currency risks, but our foreign currency hedging activities may not substantially offset the impact of fluctuations in currency exchange rates on our results of operations, cash flows and financial position.

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our portfolio of cash, cash equivalents, investments in debt securities and any balances outstanding on our 2024 Credit Facility. We are exposed to interest rate fluctuations in many of the world's leading industrialized countries, but our interest income and expense is most sensitive to fluctuations in the general level of United States interest rates. In this regard, changes in United States interest rates affect the interest earned on our cash and cash equivalents and the costs associated with foreign currency hedges. All highly liquid securities with a maturity of three months or less at the date of purchase are considered to be cash equivalents. The carrying value of our interest-bearing instruments approximated fair value as of March 31, 2025.

Our investments in debt securities had a fair value of approximately \$51.0 million and \$50.3 million as of March 31, 2025 and December 31, 2024, respectively, that may decline in value if market interest rates rise. As of March 31, 2025 and December 31, 2024, an increase in the market rates of interest of 1% would result in a decrease in the fair values of our marketable debt securities by approximately \$2.2 million and \$2.0 million, respectively.

Interest rates under our 2024 Credit Facility are variable, so interest expense could be adversely affected by changes in interest rates, particularly for periods when we maintain an outstanding balance. As of March 31, 2025, there were no borrowings outstanding under our 2024 Credit Facility.

Interest rates for our 2024 Credit Facility can fluctuate based on changes in market interest rates and in interest rate margins that vary based on the credit ratings of our unsecured debt. Assuming all loans were fully drawn and we were to fully exercise our right to increase borrowing capacity under our 2024 Credit Facility, each quarter point change in interest rates would result in a \$4.4 million change in annual interest expense on our indebtedness under our 2024 Credit Facility. For an additional description of the 2024 Credit Facility, see Note 4 in the notes to condensed consolidated financial statements.

Equity Price Risk

Equity Investments

We have a portfolio of equity investments that includes marketable equity securities and non-marketable investments. Our equity investments are made primarily in connection with our strategic investment program. Under our strategic investment program, from time to time, we make cash investments in companies with technologies that have the potential to be strategically important to us. For an additional description of our portfolio of equity investments, see Note 10 in the notes to condensed consolidated financial statements.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), under the supervision and with the participation of our management, including our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2025.

Based on their evaluation as of March 31, 2025, our CEO and CFO have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report to provide reasonable assurance that the information required to be disclosed by us in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and is accumulated and communicated to our management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the fiscal quarter ended March 31, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. Internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of internal control are met. Further, the design of internal control must reflect the fact that there are resource constraints, and the benefits of the control must be considered relative to their costs. While our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of their effectiveness, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Cadence, have been detected.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding pending legal proceedings, related matters and associated risks, see Note 13 in the notes to condensed consolidated financial statements under Part I, Item 1 in this Quarterly Report and the “Risk Factors” section in our Annual Report.

Item 1A. Risk Factors

Our operations and financial results are subject to various risks and uncertainties, including those described in the “Risk Factors” sections in our Annual Report, that could adversely affect our business, financial condition, results of operations, cash flows, liquidity, revenue, growth, prospects, demand, reputation, and the trading price of our common stock, and make an investment in us speculative or risky. The risks described in our Annual Report do not include all of the risks that we face, and there may be additional risks or uncertainties that are currently unknown or not believed to be material that occur or become material.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We are authorized to repurchase shares of our common stock under a publicly announced program that was most recently increased by our Board of Directors on August 2, 2023. Pursuant to this authorization, we may repurchase shares from time to time through open market repurchases, in privately negotiated transactions or by other means, including accelerated share repurchase transactions or other structured repurchase transactions, block trades or pursuant to trading plans intended to comply with Rule 10b5-1 of the Exchange Act. The actual timing and amount of repurchases are subject to business and market conditions, corporate and regulatory requirements, stock price, acquisition opportunities and other factors. Our repurchase authorization does not obligate us to acquire a minimum amount of shares, does not have an expiration date and may be modified, suspended or terminated without prior notice.

The following table presents repurchases made under our publicly announced repurchase authorizations and shares surrendered by employees to satisfy income tax withholding obligations during the three months ended March 31, 2025:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program ⁽³⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under Publicly Announced Plan or Program ⁽¹⁾ (In millions)
January 1, 2025 - January 31, 2025	210,849	\$ 304.83	185,947	\$ 770
February 1, 2025 - February 28, 2025	283,202	\$ 290.07	198,959	\$ 714
March 1, 2025 - March 31, 2025	1,015,715	\$ 242.92	976,515	\$ 477
Total	1,509,766	\$ 260.41	1,361,421	

(1) Shares purchased that were not part of our publicly announced repurchase programs represent shares of restricted stock surrendered by employees to satisfy employee income tax withholding obligations due upon vesting, and do not reduce the dollar value that may yet be purchased under our publicly announced repurchase programs.

(2) The weighted average price paid per share of common stock does not include the cost of commissions.

(3) Our publicly announced share repurchase program was originally announced on February 1, 2017 and most recently increased by an additional \$1.0 billion on August 2, 2023.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Insider Trading Arrangements

During the fiscal quarter ended March 31, 2025, our directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated the contracts, instructions or written plans for the purchase or sale of our securities set forth in the table below.

Name and Position	Action	Adoption/ Termination Date	Type of Trading Arrangement	Total Shares of Common Stock to be Sold	Expiration Date
			Rule 10b5-1*		
Chin-Chi Teng, Senior Vice President and General Manager, R&D	Adoption	3/7/2025	X	Up to 26,390	9/2/2025
Paul Cunningham, Senior Vice President and General Manager, System Verification Group	Adoption ⁽¹⁾	3/10/2025	X	Up to 12,000	5/8/2026
Paul Cunningham, Senior Vice President and General Manager, System Verification Group	Termination ⁽¹⁾	3/13/2025	X	Up to 12,000	5/8/2026
Paul Cunningham, Senior Vice President and General Manager, System Verification Group	Adoption	3/14/2025	X	Up to 12,000	5/8/2026

* Contract, instruction or written plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

- (1) Dr. Cunningham's trading arrangement entered into on March 10, 2025 was promptly terminated on March 13, 2025 due to a clerical error. No securities were purchased or sold under the trading arrangement.

Item 6. Exhibits

Exhibit Number	Exhibit Title	Incorporated by Reference				Provided Herewith
		Form	File No.	Exhibit No.	Filing Date	
3.1	The Registrant's Restated Certificate of Incorporation, as filed with the Secretary of State of the State of Delaware on May 3, 2024.	8-K	000-15867	3.1	5/6/2024	
3.2	The Registrant's Amended and Restated Bylaws, effective as of November 2, 2023.	8-K	000-15867	3.1	11/3/2023	
10.1	* Form of Incentive Stock Award Agreement for Non-Executives and Consultants under the Registrant's Omnibus Equity Incentive Plan.					X
10.2	* Form of Long Term Equity Award V (LTP V) Agreement for Non-Executives under the Registrant's Omnibus Equity Incentive Plan.					X
10.3	* Form of Restricted Stock Unit Agreement for Non-Executives and Consultants under the Registrant's Omnibus Equity Incentive Plan.					X
10.4	*# Form of Long Term Equity Award V (LTP V) Agreement for Executives under the Registrant's Omnibus Equity Incentive Plan.					X
10.5	*# Form of Performance-Based Restricted Stock Unit (PSU) Agreement for Executives with Operating Income Metrics under the Registrant's Omnibus Equity Incentive Plan.					X
10.6	*# Form of Performance-Based Restricted Stock Unit (PSU) Agreement for Executives with Relative Total Shareholder Return (rTSR) Metrics under the Registrant's Omnibus Equity Incentive Plan.					X
10.7	*# Form of Restricted Stock Unit Agreement for Executives under the Registrant's Omnibus Equity Incentive Plan.					X
31.1	* Certification of the Registrant's Chief Executive Officer, Anirudh Devgan, pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.					X
31.2	* Certification of the Registrant's Chief Financial Officer, John M. Wall, pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.					X
32.1	† Certification of the Registrant's Chief Executive Officer, Anirudh Devgan, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2	† Certification of the Registrant's Chief Financial Officer, John M. Wall, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X

101.INS	* Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	
101.SCH	* Inline XBRL Taxonomy Extension Schema Document.	X
101.CAL	* Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X
101.DEF	* Inline XBRL Definition Linkbase Document.	X
101.LAB	* Inline XBRL Taxonomy Extension Label Linkbase Document.	X
101.PRE	* Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X
104	Cover Page Interactive Data File - The cover page from this Quarterly Report on Form 10-Q is formatted in Inline XBRL (included as Exhibit 101).	X

*	Filed herewith.
†	Furnished herewith.
#	Indicates management contract or compensatory plan or arrangement covering executive officers or directors of the Registrant.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CADENCE DESIGN SYSTEMS, INC. (Registrant)

DATE: April 29, 2025

By: /s/ Anirudh Devgan

Anirudh Devgan

President and Chief Executive Officer

DATE: April 29, 2025

By: /s/ John M. Wall

John M. Wall

Senior Vice President and Chief Financial Officer

**CADENCE DESIGN SYSTEMS, INC.****Incentive Stock Award Agreement
Omnibus Equity Incentive Plan
(the "*Plan*")**

Cadence Design Systems, Inc. (the "***Company***") grants the participant named below (the "***Participant***") an Incentive Stock Award pursuant to the Plan as set forth below (the "***Award***"). This Award is subject to the terms and conditions set forth in this Incentive Stock Award Agreement, including the additional terms and conditions contained in the appendix attached hereto (the "***Appendix***") (collectively, this "***Agreement***"), and in the Plan located at the Company's Employee Stock Services' intranet webpage; provided, however, if there is a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement will govern. Capitalized terms that are not defined herein will have the meanings set forth in the Plan.

Participant: [●]

ID Number: [●]

Incentive Stock Award Number: [●]

Date of Award: [●]

Number of Shares Subject to the Incentive Stock Award ("*Shares*"): [●]

Vesting Commencement Date: [●]

Vesting Schedule: [●]

Status of Award. On the Date of Award, the total number of Shares subject to the Award, as set forth above, will be issued in the Participant's name and will be deposited into an escrow account with the Company's designated stock transfer agent, pending vesting of the Shares. The Shares are subject to forfeiture until the Awards have vested and the restrictions on the Shares have lapsed in accordance with the Vesting Schedule (as set forth above) and the terms and conditions set forth in this Agreement.

Voting Rights / Rights to Dividends. The Participant will have all voting rights and rights to dividends and other distributions with respect to such Shares as of the Date of Award. The Company will determine whether any such dividends or distributions will be automatically reinvested in additional Shares or will be payable in cash; provided that such additional Shares and/or cash will be subject to the same restrictions and vesting conditions as the Shares with respect to which they were distributed. In addition, any dividends or distributions payable in cash will be withheld and paid to the Participant only as and when such vesting conditions are satisfied in the manner determined by the Company at its sole discretion.

Vesting Restrictions. On the applicable vesting date, the restrictions on each Share (subject to adjustment under the Plan) will lapse and the Shares will be made available to the Participant or, in the event of the Participant's death, to the Participant's estate or heirs, provided that the Participant has remained in Continuous Status as an Employee or Consultant through such vesting date, has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with the Award,

and that the Participant has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of the Shares. No fractional shares will be issued under this Agreement.

Termination of Continuous Status as an Employee or Consultant. For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Award will immediately cease to vest and any rights to the Shares subject to the Award will be forfeited without consideration to the Participant on the effective date of termination of his or her Continuous Status as an Employee or Consultant. The Participant's Continuous Status as an Employee or Consultant will terminate effective as of the date the Participant is no longer providing services as an Employee or Consultant, with such date being as of the end of any notice period mandated under the employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement (if applicable). The Board (as defined below) will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee or Consultant has terminated for purposes of the Award.

Death of Participant. In the event of the Participant's death before all the Shares subject to this Award have vested, if the Participant will have been in Continuous Status since the Date of Award, the number of Shares scheduled to vest one year after the Participant's date of death will be deemed to have vested immediately prior to the Participant's death. All other Shares will cease vesting and any rights to the Shares subject to the Award will be forfeited without compensation to the Participant.

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement will be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision will be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of the Shares subject to the Award prior to the date the restrictions on the Shares lapse and the Shares are made available to the Participant pursuant to this Agreement will be strictly prohibited and void.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under this Award, including without limitation (i) restrictions under the Company's Securities Trading Policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or non-U.S. law) covering the Award and/or the Shares subject to the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading / Market Abuse Laws. By participating in the Plan, the Participant agrees to comply with the Company's Securities Trading Policy. Further, the Participant acknowledges that he or she may be subject to insider-trading restrictions and/or market-abuse laws in applicable jurisdictions including, but not limited to, the United States and, if different, the Participant's country of residence, which may affect his or her ability to sell or otherwise dispose of the Shares or rights to Shares (e.g., the Incentive Stock Award) or rights linked to the value of Shares during such times as the Participant is considered to have "material non-public information" regarding the Company (as defined by the laws in applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's Securities Trading Policy. The Participant understands and agrees that he or she should consult his or her personal legal advisor for details regarding any insider trading restrictions and/or market-abuse laws in his or her country and that the Participant is solely responsible for complying with such laws or regulations.

Certain Conditions of the Award. By accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) The grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant's participation in the Plan will not create a right to further Continuous Status as an Employee or Consultant and will not interfere with any applicable ability of the Company (or any Affiliate) to terminate the Participant's Continuous Status as an Employee or Consultant at any time;
- (e) The Award and the Participant's participation in the Plan will not be interpreted to form or amend an employment contract or service contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income from and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income from and value of the same, are not part of normal or expected compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;
- (i) The future value of the Shares subject to the Award is unknown and cannot be predicted with certainty;

- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and
- (k) If the Participant resides outside of the United States, in addition to subsections (a) through (j) above, the following provisions will also apply:
 - a. The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
 - b. None of the Company, any Affiliate nor the Company or the Affiliate employing or engaging the Participant (the “**Employer**”) will be liable for any foreign exchange rate fluctuation between the Participant’s local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement;
 - c. No claim or entitlement to compensation or damages will arise from (i) forfeiture of the Award resulting from termination of the Participant’s Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s employment or service agreement, if any) and/or (ii) forfeiture of the Award or recoupment of any Shares, cash or other benefits acquired pursuant to the Incentive Stock Awards resulting from the application of any recoupment or clawback policy of the Company, as it may be amended from time to time (whether such policy is adopted on or after the date of this Agreement) or any recoupment otherwise required by applicable laws, regulations or stock exchange listing standards; and
 - d. Unless otherwise agreed with the Company, the Award and the Shares subject to the Award, and the income and value of the same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of an Affiliate of the Company.

Data Privacy Notice and Consent: This section applies if the Participant resides and/or works outside of the European Union or European Economic Area.

- (a) The Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in the paragraph below of this Agreement and any other Plan documents (collectively, the “**Data**”) by and among, as applicable, the Employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing his or her participation in the Plan.
- (b) The Participant understands that Data may include certain personal information about him or her including, but not limited to, the Participant’s name, home address, email address and telephone number, date of birth, social insurance number, passport number, or other identification number (e.g., resident registration number), salary, nationality, job title, any Shares or directorships held in the Company, details of all Incentive Stock Awards or any

other entitlement to Shares awarded, canceled, exercised, purchased, vested, unvested or outstanding in his or her favor.

- (c) The Participant understands that Data will be transferred to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co. and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the “**Designated Broker**”), which is assisting the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of Data may be located in the Participant’s country or elsewhere and that the recipient’s country may have different data privacy laws and protections than the Participant’s country. The Participant understands that if he or she resides outside the United States, the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.
- (d) The Participant authorizes the Company, the Designated Broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant’s participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Participant understands that he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents in this Agreement, in any case without cost, by contacting his or her local human resources representative. The Participant understands that he or she is providing the consents in this Agreement on a purely voluntary basis. If the Participant does not consent, or if he or she later seeks to revoke his or her consent, the Participant’s status as an Employee and/or Consultant and service with the Employer will not be affected; the only consequence of refusing or withdrawing his or her consent is that the Company would not be able to grant the Incentive Stock Award to the Participant, or administer or maintain the Incentive Stock Award. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan. For more information on the consequences of the Participant’s refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.
- (e) Upon request of the Company or the Employer, the Participant agrees to provide any other executed data privacy consent form or agreement that the Company and/or the Employer may deem necessary to obtain under the data privacy laws in his or her country, either now or in the future. The Participant understands that he or she will not be able to participate in the Plan if he or she fails to execute any such consent or agreement.

Data Privacy Notice and Consent. This section applies if the Participant resides and/or works in the European Union or European Economic Area:

- (a) The Participant understands information about the Company’s data processing practices in connection with the Participant’s participation in the Plan is available in the Company’s Employee and Staff Privacy Policy provided [here](#).

- (b) The Participant understands that the Company will collect the Participant's personal data for purposes of allocating the Shares and implementing, administering and managing the Plan. The Company will also transfer the Participant's personal data to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co. and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the "**Designated Broker**") so that the Designated Broker can assist the Company with the implementation, administration and management of the Plan. Without limiting any other rights the Company may have, the Participant declares his or her consent to the use of his or her personal data in connection with the Plan.
- (c) The Participant's participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does not consent, or the Participant withdraws his or her consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary as an Employee of the Employer or payment as a Consultant of the Employer, or the Participant's service with the Employer. Instead, the Company would not be able to grant the Participant the Incentive Stock Award or other awards, or administer or maintain such awards. The Participant understands that refusing or withdrawing his or consent may affect his or her ability to participate in the Plan.

Tax Obligations

- (a) Responsibility for Taxes. The Participant acknowledges that, regardless of any action the Company or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable or deemed applicable to the Participant (the "**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the responsibility of the Participant and may exceed the amount actually withheld by the Company or the Employer, if any.

The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items, including but not limited to, the grant or vesting of the Award, the subsequent sale of the Shares acquired pursuant to the vesting of the Award or the receipt of dividends, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue, deliver or make available the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company will require the Participant to satisfy his or her obligation for Tax-Related Items, subject to subsection (d) below, by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value

on the applicable vesting date (or other applicable date on which the Tax-Related Items arise) not in excess of the amount of such Tax-Related Items; provided that, if the applicable date falls on a non-trading day, the Fair Market Value will be determined based on the closing price of the Common Stock on the next available trading day.

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due.

- (c) Alternative Withholding Methods. If the Company determines in its discretion that withholding in Shares is not permissible or advisable under applicable local law, the Company may satisfy its obligations for Tax-Related Items by one or a combination of the following:
- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer;
 - (ii) withholding from proceeds of the sale of Shares made available upon vesting of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization); or
 - (iii) requiring the Participant to pay an amount equal to the Tax-Related Items to the Company or the Employer.
- (d) Withholding Rate. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including up to the maximum statutory tax rate for the applicable tax jurisdiction(s), to the extent consistent with the Plan and applicable laws. If the Company determines the withholding amount using maximum applicable rates, the Participant may be entitled to a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded by the Company or the Employer, the Participant may seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or non-U.S. postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, including the Appendix, the Plan Prospectus,

and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

- (b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read the "Delivery of Documents and Notices" section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Recoupment. As an additional condition of receiving the Award, the Participant agrees that the Incentive Stock Awards whether vested or unvested, and/or the Shares, cash or other benefits acquired pursuant to the Incentive Stock Awards (and any proceeds therefrom) may be subject to recoupment to the extent required (i) under the Company's clawback policies in effect as of the date of this Agreement, or to the extent adopted following the date of this Agreement any similar policy applicable to circumstances where the Participant engages in misconduct, fraud, a violation of law or other similar circumstances, and, in each case, as they may be amended from time to time, or (ii) under applicable laws, regulations or stock exchange listing standards (collectively, the "**Recoupment Policy**"). In order to satisfy any recoupment obligation arising under the Recoupment Policy, among other things, the Participant expressly and explicitly authorize the Company to issue instructions, on the Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold any Shares or other amounts acquired pursuant to the Incentive Stock Awards to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy. No recovery of compensation as described in this section will be an event giving rise to your right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, any Subsidiary, Affiliate and/or the Employer.

Language. By participating in the Plan, the Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English to allow the Participant to understand the terms and conditions of this Agreement and Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions will nevertheless be binding and enforceable.

Governing Law; Venue. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Appendix. Notwithstanding any provisions in this Agreement, the grant of this Award will be subject to any additional terms and conditions set forth in any Appendix to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset / Account Reporting Requirements; Exchange Controls. The Participant acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any sale proceeds or dividends paid on Shares acquired under the Plan). The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations and the Participant should consult his or her personal legal advisor for any details.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

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Acceptance. Failure by the Participant to accept and acknowledge this Agreement prior to the first vesting shall result in a delay of the issuance of the Shares until the Agreement has been accepted or ***forfeiture*** of the Award if the Agreement is not accepted prior to such date that allows the Company to issue the Shares by March 15th of the year following the year the Award vests).

Cadence Design Systems, Inc.

By: _____

Name: John Wall

Title: Sr. Vice President and Chief Financial Officer

Date: [●], 2024

Acknowledged and Agreed:

By: _____

Name:

Date: _____

APPENDIX

TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant works and/or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant transfers employment and/or residency to a different country after the Award is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Appendix also includes notifications regarding exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. These notifications are based on the securities, exchange control and other laws in effect in the respective countries as of May 2024. Such laws are often complex and change frequently. As a result, the Participant understands that he or she should not rely on the notifications contained in this Appendix as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out-of-date at the time the Participant vests in the Incentive Stock Award or sells any Shares obtained upon such vesting.

In addition, the notifications contained in this Appendix are general in nature, may not apply to the Participant's particular situation and relate to the Participant's personal obligations with respect to participation in the Plan and, as a result, the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's individual situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant relocates to a different country after the Award is granted, the notifications contained in this Appendix may not be applicable to the Participant in the same manner.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the Shares subject to the Award. The Participant understands and agrees that he or she should consult with his or her personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

AUSTRIA

Notifications

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank. If the value of the Shares meets or exceeds a certain threshold, the Participant must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where the cash amounts held outside of Austria meets or exceeds a certain threshold, monthly reporting obligations apply as explained in the next paragraph.

If the Participant sells Shares, or receives any cash dividends, the Participant may have exchange control obligations if the Participant holds the cash proceeds outside of Austria. If the transaction volume of all the Participant's accounts abroad meets or exceeds a certain threshold, the Participant must report to the Austrian National Bank the movements and balances of all accounts on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

BELGIUM

NOTIFICATIONS

Foreign Asset/Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts (including brokerage accounts) held outside Belgium on his or her annual tax return. The first time the Participant reports the foreign security and/or bank accounts, the Participant will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the caption *Kredietcentrales / Centrales des crédits*.

Stock Exchange Act. A stock exchange tax applies to transactions executed by the Participant through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when Shares acquired under the Plan are sold. The Participant should consult his or her personal tax or financial advisor for additional details.

Annual Securities Accounts Tax Information. An "annual securities accounts tax" imposes a 0.15% annual tax on the value of the qualifying securities held in a Belgian or foreign securities account. The tax will not apply unless the total value of securities held in such account exceeds EUR 1 million on average on four reference dates within the relevant reporting period (i.e., December 31, March 31, June 30 and September 30). Different payment obligations apply depending on whether the securities account is held with a Belgian or foreign financial institution. The Participant understands the Participant should consult his or her personal tax advisor for more information regarding the Participant's annual securities accounts tax payment obligations.

BRAZIL

TERMS AND CONDITIONS

Compliance with Law. By accepting the Award, the Participant agrees to comply with any applicable Brazilian laws and is responsible for paying and reporting any and all applicable Tax-Related Items associated with the Participant's participation in the Plan and the sale of Shares obtained as a result of the Participant's participation in the Plan. The Participant agrees that, for all legal purposes, (i) any benefits provided to the Participant under the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Plan is not a part of the terms and conditions of the Participant's employment; and (iii) the income from the Shares acquired under the Plan, if any, is not part of the Participant's remuneration from employment.

Certain Conditions of the Award. This provision supplements the "Certain Conditions of the Award" section of this Agreement:

By accepting the Award, the Participant acknowledges and agrees that (i) the Participant is making an investment decision and (ii) the value of the underlying Shares is not fixed and may increase or decrease over the vesting period without compensation to the Participant.

NOTIFICATIONS

Exchange Control Information. The Participant is required to submit a declaration of assets and rights (including Shares acquired under the Plan) held outside of Brazil if the aggregate value of such assets exceeds a threshold amount that is established annually by the Central Bank. The Participant should consult with his or her personal legal advisor to determine whether he or she will be subject to this reporting requirement.

CANADA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

Termination of Employment. This provision replaces the "Termination of Continuous Status as an Employee or Consultant" section of the Agreement:

For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Incentive Stock Awards will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant upon the earliest of: (i) the Employee receiving notice of termination of employment or the Consultant receiving notice of termination of the applicable service contract, (ii) the Employee providing notice of resignation from his or her employment or the Consultant providing notice of termination of the applicable service contract, and (iii) the Employee or Consultant ceasing to provide active services, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, common law, civil

law, contract or otherwise. The Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's right to vest ceases, nor will the Participant be entitled to any compensation for lost vesting. In the event that the date when the Participant's Continuous Status as an Employee or Consultant has terminated cannot be reasonably determined under the terms of the Agreement and/or the Plan, the Board will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee or Consultant has terminated for purposes of the Award (including whether the Participant may still be considered to be providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Incentive Stock Awards, if any, will terminate effective as of the last day of the Participant's minimum statutory notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's statutory notice period, nor will the Participant be entitled to any compensation for lost vesting. Similarly, if the Participant is a Consultant and the applicable service contract explicitly requires continued entitlement to vesting during the contractual notice period, the Participant's right to vest in the Incentive Stock Awards, if any, will terminate effective as of the last day of the minimum contractual notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's contractual notice period, nor will the Participant be entitled to any compensation for lost vesting.

The following provision will apply if the Participant is a resident of Quebec:

French Language Documents. A French translation of this Agreement and the Plan will be made available to the Participant concurrently with this Agreement. The Participant understands that, from time to time, additional information related to the Incentive Stock Awards may be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and this Agreement will govern the Participant's participation in the Plan.

Data Privacy Notice and Consent. This provision supplements the "Data Privacy Notice and Consent" section of this Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, the Employer, its Affiliates and the plan administrator to disclose and discuss the Plan with their respective advisors, including the Designated Broker. The Participant further authorizes the Employer, the Company and its Affiliates to record such information and to keep such information in the Participant's employee file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, the Participant also acknowledges that the Company, the Employer, its Affiliates and the Designated Broker may use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.

NOTIFICATIONS

Securities Law Information. Shares acquired through the Plan may be sold through the Designated Broker, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Global Select Market).

Foreign Asset/Account Reporting Information. Specified foreign property, including Shares acquired under the Plan and other rights to receive Shares (e.g., Incentive Stock Awards) of a non-Canadian company held by the Participant must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time during the year. Thus, such rights must be reported – generally at a nil cost – if the C\$100,000 cost threshold is exceeded because other specified foreign property the Participant holds. When Shares are acquired, their cost generally is the adjusted cost base (“**ACB**”) of the shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares.

CHINA

TERMS AND CONDITIONS

Mandatory Sale Restriction. Due to exchange control restrictions in the People’s Republic of China (“**PRC**”), the Participant understands and agrees that the Company reserves the right to require the sale of the Shares issued to the Participant upon vesting of the Award, either (i) immediately upon the vesting of the Award, (ii) no later than ninety (90) days after the date the Participant ceases to be an Employee of the Company or a Related Entity or Affiliate, or (iii) within any other such time frame as may be permitted by the Company, or required by the PRC State Administration of Foreign Exchange, subject to insider-trading restrictions and/or market-abuse laws.

By accepting the Award, the Company is authorized to instruct its Designated Broker to assist with a mandatory sale of such Shares (on the Participant’s behalf pursuant to this authorization), subject to insider-trading restrictions and/or market-abuse laws, and the Participant expressly authorizes the Company’s Designated Broker to complete the sale of such Shares. Upon any such sale of the Shares, the proceeds, less any broker’s fees or commissions, will be remitted to me in accordance with any applicable exchange control laws and regulations.

Exchange Control Restrictions. By accepting the Award, the Participant understands and agrees that, due to exchange control laws in China, the Participant is not permitted to transfer any Shares acquired under the Plan out of the Participant’s account established with the Designated Broker, and that the Participant will be required to immediately repatriate all proceeds due to the Participants as a result of his or her participation in the Plan, including any proceeds from the sale of Shares acquired under the Plan to China.

The Participant further understands that such repatriation of the proceeds will need to be effected through a special exchange control account established by the Company, the Employer, or an Affiliate in China, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant in China. The proceeds may be paid in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she may be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local

currency, the Participant acknowledges that the Company is under no obligation to secure any particular currency conversion rate, and that it may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Participant acknowledges and agrees that he or she bears the risk of any currency conversion rate fluctuation between the date that the Shares are sold and the date of conversion of the proceeds to local currency. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

FINLAND

There are no country-specific provisions.

FRANCE

TERMS AND CONDITIONS

Consent to Receive Information in English. By accepting the Award, the Participant confirms having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. French residents must report all foreign bank and brokerage accounts on an annual basis (including accounts opened, held, used and/or closed during the tax year) on a special form together with the income tax return. Failure to report triggers a significant penalty.

GERMANY

NOTIFICATIONS

Exchange Control Information. Cross-border payments in excess of EUR 50,000 (as of January 1, 2025) must be reported to the German Federal Bank (Bundesbank). If the Participant acquires Shares with a value in excess of this amount, the Employer will report the acquisition of the Shares to Bundesbank. If the Participant otherwise makes or receives a payment in excess of this amount (e.g., if Shares are withheld to cover applicable Tax-Related Items or if the Participant sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover the Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("**Allgemeine Meldeportal Statistik**") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

Foreign Asset/Account Reporting Information. The Participant understands that if his or her acquisition of Shares under the Plan leads to a so-called “qualified participation” at any point during the calendar year, the Participant may need to report the acquisition when he or she files his or her tax return for the relevant year. A “qualified participation” is attained if (i) the value of the Shares acquired exceeds EUR 150,000 and the Participant holds Shares reaching or exceeding 1% of the Company's total Common Stock or (ii) in the unlikely event the Participant holds Shares exceeding 10% of the Company's total Common Stock.

GREECE

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If the Participant acquires Shares under the Plan, the Participant must report such foreign assets on the Participant's annual tax return.

HUNGARY

There are no country-specific provisions.

INDIA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

NOTIFICATIONS

Exchange Control Information. The Participant must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of Shares) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. The Participant should obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where the Participant deposits the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Employer requests proof of repatriation. The Participant may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Employer to enable them to comply with their filing requirements under exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant must declare the following items in his or her annual tax return: (i) any foreign assets held (including Shares acquired under the Plan), and (ii) any foreign bank accounts for which the Participant has signing authority. The Participant is responsible for complying with this reporting obligation and should consult his or her personal tax advisor in this regard.

IRELAND

There are no country-specific provisions.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment. By accepting the grant of the Award, the Participant acknowledges that he or she has received a copy of the Plan and the Agreement, including this Appendix and has reviewed the Plan and the Agreement (including this Appendix) in their entirety and fully understands and accept all provisions of the Plan and the Agreement (including this Appendix).

The Participant further acknowledges that he or she has read and specifically and expressly approves the following sections of the Agreement: Vesting Schedule; Settlement; Status of Award; Voting Rights / Rights to Dividends; Vesting Restrictions; Termination of Continuous Status as an Employee or Consultant; Certain Conditions of the Award; Tax Obligations; Language; Governing Law and Venue; Appendix; Imposition of Other Requirements; and Data Privacy Notice and Consent for participants residing and/or working in the European Union or European Economic Area.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If, at any time during the fiscal year, the Participant holds foreign financial assets (including cash and Shares) which may generate income taxable in Italy, the Participant is required to report these assets on his or her annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to the Participant if he or she is the beneficial owner of foreign financial assets under Italian money laundering provisions.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Participant acquires Shares valued at more than JPY 100 million in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days after the acquisition of the Shares. The Participant should consult his or her personal tax advisor to determine the applicable reporting obligations.

Foreign Asset/Account Reporting Information. The Participant is required to report details of any assets held outside of Japan as of December 31, including Shares acquired under the Plan, to the extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report will be due by March 15th each year. The Participant is responsible for complying with this reporting obligation if applicable to the Participant and should consult his or her personal tax advisor in this regard.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation. These provisions supplement the "Certain Conditions of the Award " section of this Agreement:

Modification. By accepting the Award, the Participant understands and agrees that any modification of the Plan or the Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The Award grant the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 2655 Seely Avenue, Building 5, San Jose, California 95134 U.S.A., is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis, nor does it establish any rights between the Participant and the Employer. Further, the Participant agrees that any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment or service contract, if applicable.

Plan Document Acknowledgment. By accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Participant further acknowledges that the Participant has read and specifically and expressly approved the terms and conditions in the "Certain Conditions of the Award " section of this Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Parent or Subsidiary or Affiliate are not responsible for any decrease in the value of the Shares underlying the Award.

Finally, the Participant hereby declares that the Participant does not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of the Participant's participation in the Plan and therefore grants a full and broad release to the Employer, the Company and any Parent or Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

Spanish Translation

Sin derecho a compensación o reclamaciones por compensación. Estas disposiciones complementan la sección "Ciertas Condiciones de la Adjudicación" del presente Acuerdo:

Modificación. Al aceptar las Premio de Acciones de Incentivo (el "Premio"), el Empleado entiende y acuerda que cualquier modificación al Plan o al Contrato o su terminación no constituirá un cambio o perjuicio a los términos y condiciones de empleo.

Declaración de Política. El Premio que la Compañía está haciendo de conformidad con el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin responsabilidad alguna.

La Compañía, con oficinas registradas ubicadas en 2655 Seely Avenue, Building 5, San Jose, California 95134, EE.UU. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, de forma alguna, establecer una relación de

trabajo entre el Empleado y la Compañía, ya que el Empleado está participa en el Plan de una base totalmente comercial, y tampoco establece ningún derecho entre el Empleado y el Patrón. Asimismo, el Empleado acuerda que cualquier modificación al Plan o a su terminación no generarán un cambio o impedimento en los términos y condiciones derivados de su contrato de servicios.

Reconocimiento del Documento del Plan. Al aceptar el Premio, el Empleado reconoce que el Empleado ha recibido copias del Plan, ha revisado el Plan y el Contrato en su totalidad y entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Contrato.

Adicionalmente, mediante la firma del Contrato, el Empleado reconoce que el Empleado ha leído y especifica y expresamente ha aprobado los términos y condiciones del sección "Ciertas Condiciones de la Adjudicación" de este Acuerdo, en el que claramente se ha descrito y establecido que: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el Plan es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones subyacentes a al Premio.

Finalmente, el Empleado de acuerdo en que el Empleado no se reserva ninguna acción o derecho para interponer cualquier demanda o reclamación en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de su participación en el Plan y, por lo tanto, otorga finiquito al Patrón, la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada con respecto a cualquier demanda o reclamación que pudiera surgir en virtud del Plan.

NOTIFICATIONS

Securities Law Information. Any Incentive Stock Award offered under the Plan and the Shares underlying the Incentive Stock Award have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and any other document relating to any Incentive Stock Award may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and its Subsidiaries and Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees or contractors of the Company or one of its Subsidiaries and Affiliates s, made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

POLAND

NOTIFICATIONS

Exchange Control Information. Information regarding bank or brokerage accounts holding cash and securities (including Shares) outside of Poland must be reported on a quarterly basis to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds a certain threshold. Any transfer of funds in excess of a certain threshold into or out of

Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions should be retained for a period of five (5) years as measured from the end of the year in which such transaction occurred.

SINGAPORE

NOTIFICATIONS

Securities Law Information. The Award under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“**SFA**”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Hence, statutory liability under the SFA in relation to the content of the prospectuses will not apply. The Award granted under the Plan is subject to section 257 of the SFA and the Participant understands that he or she should not sell or offer to sell, any Shares directly to any person or entity in Singapore unless such sale or offer is made (i) six months or more after the date of grant, (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Director Notification Information. Any director, associate director or shadow director of a Singapore Affiliate or Related Entity is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Affiliate or Related Entity in Singapore in writing when receiving or disposing of an interest (e.g., Rights or Shares) in the Company or in any Affiliate or Related Entity. Such notifications must be made within two days of acquiring or disposing of an interest in the Company or any Affiliate or Related Company, or within two days of becoming a director if such an interest is held at that time.

SOUTH KOREA

NOTIFICATIONS

Exchange Control Information. If the Participant sells Shares acquired under the Plan or receives cash dividends, the Participant may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. The Participant is responsible for complying with any applicable exchange control reporting obligations in Korea and the Participant should consult his or her personal legal advisor to determine his or her personal reporting obligations.

Foreign Asset/Account Reporting Information. The Participant must declare all foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds the applicable threshold on any month-end date during a calendar year. The Participant should consult his or her personal tax advisor to determine his or her personal reporting obligations.

SWEDEN

TERMS AND CONDITIONS

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limiting the Company’s and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the “Tax Obligations” section of this Agreement, by accepting the Award, the Participant authorizes the Company and/or the Employer by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award or withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant’s behalf pursuant to this authorization) to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

SWITZERLAND

NOTIFICATIONS

Securities Law Information. Neither this document nor any other materials relating to the offer of participation in the Plan (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“**FinSA**”); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (**FINMA**).

TAIWAN

NOTIFICATIONS

Securities Law Information. The offer of participation in the Plan is available only for eligible Employees and Consultants. The offer of participation in Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including proceeds from the sale of Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD 500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

UNITED KINGDOM

TERMS AND CONDITIONS

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limitation to the “Tax Obligations” section of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant’s behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provisions will not apply. The Participant understands that, in the event he or she is an executive officer or director and the income tax is not collected by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions (“**NICs**”) may be payable. The Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable for the value of any NICs due on this additional benefit.

UNITED STATES OF AMERICA

There are no country-specific provisions.

**Cadence Design Systems, Inc.
Restricted Stock Unit Agreement
Omnibus Equity Incentive Plan (“Plan”)**

Cadence Design Systems, Inc. (the “**Company**”), pursuant to the Plan, hereby grants the participant named below (the “**Participant**”) Restricted Stock Units (the “**Award**”) as set forth below. Each Restricted Stock Unit represents the right to receive one Share (as adjusted from time to time pursuant to the Plan), subject to the fulfillment of the vesting and other conditions set forth in this Agreement.

The Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the performance-based vesting conditions contained in Exhibit A attached hereto, and the list of companies included in either the S&P MidCap 400 Information Technology Index or the S&P 500 IT Index as of the Date of Award as set forth on Exhibit B attached hereto (collectively, this “**Agreement**”), and in the Plan located on the Employee Stock Services Website (located at <https://cadence.sharepoint.com/sites/legal/sitepages/employeestockservices.aspx>); provided, however, that in the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall prevail. Moreover, in the event of a conflict between the terms of this Agreement (read together with the Plan) and the terms of a written employment agreement, the transition and release agreement attached to the Participant’s employment agreement (the “**Transition Agreement**”), severance plan or other similar agreement between the Participant and the Company that has been approved by the Board (as defined below) (collectively, the “**Written Agreements**”), the terms of the Written Agreement(s) shall prevail, except that (i) the vesting and acceleration of vesting and settlement terms herein shall, with respect to this Award, supersede such corresponding terms in the Written Agreements, and (ii) in connection with a Change in Control, Section 3 of Exhibit A hereto (including the definition of “Change in Control” as incorporated by reference to the Plan) shall, with respect to this Award, supersede any corresponding change in control sections in the Written Agreements.

Capitalized terms that are not defined herein or explicitly referenced to another agreement shall have the meanings set forth in the Plan.

Participant (Name): [●]

ID Number: [●]

Date of Award: March 17, 2025

Total Number of Shares Subject to Restricted Stock Units on the Date of Award: [●] Shares

The Shares are rounded to the nearest whole number of shares. No fractional shares will be issued under this Agreement.

Vesting Schedule:

If the Company achieves the performance goals set forth on Exhibit A (the “**Performance Goals**”) and the Participant has maintained Continuous Status as an Employee from the Date of Award through the applicable Vesting Date (as defined in Exhibit A), the Shares subject to the Award shall vest in accordance with Exhibit A.

The portion of the Shares subject to this Award that do not vest at the end of the 5-Year Performance Period (as defined in Exhibit A) shall be forfeited and cancelled by the Company.

Settlement. Except as otherwise provided for herein and subject to the fulfillment of the vesting and other conditions set forth in this Agreement and Section 3 of Exhibit A hereto, settlement of the vested Restricted Stock Units, if any, shall be effected in the form of issuance of whole Shares, within 60 days following the applicable Vesting Date (as defined in Exhibit A). Each vested Restricted Stock Unit will be settled by the delivery of one Share (subject to adjustment under the Plan) to the Participant or, in the event of the Participant's death, to the Participant's estate or heirs, provided that the Participant has remained in Continuous Status as an Employee through the applicable Vesting Date (except as otherwise set forth in this Agreement), has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with such Shares, and has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of such Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares subject to the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant shall be recorded as a stockholder of the Company with respect to such Shares and shall have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee. Except as otherwise provided in this Agreement in the section below entitled "Death or Permanent Disability of Participant," in the event of the termination of the Participant's Continuous Status as an Employee for any reason (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's Written Agreements), the Participant's Award shall immediately cease to vest and any rights to any underlying unvested Shares shall be forfeited without consideration to the Participant on the effective date of the termination of his or her Continuous Status as an Employee.

The Participant's Continuous Status as an Employee will terminate effective as of the date the Participant is no longer employed by the Company (such date, the "**Termination Date**"), with such Termination Date being as of the end of any notice period mandated under local laws or provided for in the Participant's Written Agreements (if applicable); provided, however, that the commencement of the "Transition Period" provided in the Participant's Transition Agreement shall be deemed to immediately terminate Participant's Continuous Status as an Employee. Subject to Section 409A of the Code, the Board (as defined below) shall have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award.

Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Death or Permanent Disability of Participant. In the event that (i) the Participant has remained in Continuous Status as an Employee since the Date of Award (not including the "Transition Period" provided in the Participant's Transition Agreement) and (ii) the Participant's Continuous Status as an Employee terminates due to death or Permanent Disability (as defined in the Participant's Written Agreements), in each case, prior to the end of any Performance Period (as defined in Exhibit A), then the Award shall vest based on the number of Restricted Stock Units that would have vested at the end of the Performance Period that ends first after the Termination Date.

Such vesting shall be determined based on actual achievement of the Performance Goals through the end of the applicable Performance Period as determined pursuant to Exhibit A, less any portion of the Award that previously vested under any Performance Period that concluded prior to the Termination Date.

Any vesting of the Award shall be conditioned upon (i) the Participant's, or in the event of the Participant's death, the Participant's estate's or heirs' timely execution and non-revocation of the Transition Agreement and (ii) the Participant's continued compliance with the terms of the Transition Agreement. The Restricted Stock Units that vest under this section shall be settled in whole Shares within 60 days following the applicable Vesting Date.

Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement shall be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision shall be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement shall be strictly prohibited and void.

Section 409A Compliance. This Award is intended to be exempt from or comply with Section 409A of the Code, and shall be interpreted and construed accordingly, and each payment hereunder shall be considered a separate payment. To the extent this Agreement provides for the Award to become vested and be settled upon the Participant's termination of Continuous Service, the applicable Shares shall be transferred to the Participant or his or her beneficiary upon the Participant's "separation from service," within the meaning of Section 409A of the Code; provided that if the Participant is a "specified employee," within the meaning of Section 409A of the Code and the Award is considered "nonqualified deferred compensation" within the meaning of Section 409A of the Code, then such Shares shall be transferred to the Participant or his or her beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of the Participant's death, to the extent required to comply with Section 409A of the Code. Further, to the extent that the settlement of the Award is subject to the execution and non-revocation of the Transition Agreement and the period to consider the Transition Agreement begins in one taxable year and ends in a second taxable year, the Award shall be paid or provided in the later of the two taxable years. Each settlement of the Award hereunder shall be considered a separate payment for purposes of Section 409A of the Code.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under the Award, including without limitation (i) restrictions under an insider trading policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or foreign law) covering the Award and/or the Shares subject to the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading. By participating in the Plan, the Participant agrees to comply with the Company's policy on insider trading (to the extent that it is applicable to the Participant). Further, the Participant acknowledges that the Participant's country of residence may also have laws or regulations governing insider trading and that such laws or regulations may impose additional restrictions on the Participant's ability to participate in the Plan (e.g., acquiring or selling shares) and that the Participant is solely responsible for complying with such laws or regulations.

Clawback Policy. The Participant acknowledges and agrees that this Award is subject to the Company's Clawback Policy in effect on the date hereof and as may be amended from time to time to comply with applicable law and the terms and conditions of which are incorporated by reference into this Agreement. The Participant also acknowledges that such Clawback Policy has been provided or made available to the Participant.

Certain Conditions of the Award. In accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) The grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant's participation in the Plan shall not create a right to further Continuous Status as an Employee or Consultant and shall not interfere with the ability of the Company (or any Affiliate) to terminate the Participant's Continuous Status as an Employee or Consultant at any time;
- (e) The Award and the Participant's participation in the Plan will not be interpreted to form an employment contract or service contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or payments or welfare benefits or similar payments;
- (i) The future value of the Shares subject to the Award is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and
- (k) If the Participant resides outside of the United States, in addition to subsections (a) through (j) above, the following provisions will also apply:
 - (i) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
 - (ii) None of the Company, any Affiliate or the Company or the Affiliate employing or engaging the Participant (the "**Employer**") shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States dollar that may affect the value of the Award or of any amounts due to Participant pursuant to the

settlement of the Award or the subsequent sale of any Shares acquired upon settlement; and

- (iii) No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of the Participant's Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any), and in consideration of the grant of the Award to which the Participant is otherwise not entitled, the Participant irrevocably agrees never to institute any claim against the Company or any Affiliate, waives his or her ability, if any, to bring any such claim, and releases the Company and any Affiliate from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

Tax Withholding

- (a) Responsibility for Taxes. Regardless of any action taken by the Company or the Employer with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant (the "***Tax-Related Items***"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including but not limited to, the grant, vesting or settlement of the Award, the subsequent sale of Shares acquired pursuant to such settlement, or the receipt of any dividends, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction between the Date of Award and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company shall require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value, as defined in the Plan as of the date on which the Tax-Related Items arise, not in excess of the amount of such Tax-Related Items.

The Company shall withhold or account for Tax-Related Items based on the applicable minimum statutory withholding amounts or such other applicable withholding rate specified by the Participant. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the

vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan.

(c) Alternative Withholding Methods. Provided Local Law prevents the Company from withholding in Shares, the Company may satisfy its obligations for Tax-Related Items by:

- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or
- (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization);

provided, however, if the Participant is subject to Section 16 of the Securities Exchange Act of 1934, as amended, then the Participant shall be able to elect, in Participant's sole and absolute discretion, from the withholding methods set forth in the foregoing clauses (i) and (ii), or whether to pay in cash the amount of the Tax-Related Items to the Company and/or Employer.

(d) Acceleration of Settlement to Pay Employment Taxes. Notwithstanding anything herein to the contrary and subject to Section 409A of the Code, Shares to be delivered under this Agreement shall be accelerated as required to pay employment taxes incurred by the Participant related to the Shares subject to this Agreement prior to the scheduled settlement of the Shares pursuant to this Agreement, in accordance with and to the extent permitted by U.S. Treasury Regulation 1.409A-3(j)(vi), with the payment of such employment related taxes to be accomplished by the Company withholding whole Shares which would otherwise be issued or transferred to the Participant having an aggregate Fair Market Value, determined as of the date on which such withholding obligation arises, equal to the amount of such employment taxes.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, including the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.
- (b) Consent to Electronic Delivery. The Participant acknowledges that the Participant has read the "Delivery of Documents and Notices" section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The

Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Data Privacy. This Data Privacy section applies if the Participant resides outside of the United States:

The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Agreement and any other Award grant materials ("**Data**") by and among, as applicable, the Employer, the Company and any Affiliate for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.

The Participant understands that Data may include certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all awards or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor.

The Participant understands that Data will be transferred to E*TRADE Financial Services, Inc., or such other stock plan service provider as may be selected by the Company in the future (the "**Designated Broker**"), which is assisting the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of Data may be located in the United States or elsewhere, and that a recipient's country of operation (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.

The Participant authorizes the Company, the Designated Broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. The Participant understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her status as an Employee or Consultant and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant the Participant awards or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan. For more information on the consequences of his or her refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

Finally, upon request of the Company or the Employer, the Participant agrees to provide an executed data privacy consent form to the Employer or the Company (or any other agreements or consents that may be required by the Employer or the Company) that the Company and/or the Employer may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. The Participant understands that he or she will not be able to participate in the Plan if he or she fails to execute any such consent or agreement.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Governing Law and Venue. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

[Acceptance and Acknowledgment Follows]

Acceptance. Your right to the Award will be forfeited unless you accept and acknowledge below.

Cadence Design Systems, Inc.

By: _____

Name:

Title:

Date:

Acknowledged and Agreed

By: _____

Name: [●]

Date:

EXHIBIT A

PERFORMANCE-BASED AWARD VESTING CRITERIA

1. Vesting and Caps. On March 15, 2028 (the period from the Date of Award through such date is herein called the “**3-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares multiplied by the applicable Vesting Factor (as calculated in Section 2 below), subject to (i) a limit of not more than 33% of the Adjusted Shares and (ii) the 2.5x Value Cap (as defined below).

On March 15, 2029 (the period from the Date of Award through such date is herein called the “**4-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares multiplied by the applicable Vesting Factor (as calculated in Section 2 below) less any Shares that vested at the end of the 3-Year Performance Period (as converted to Adjusted Shares), subject to (i) a limit of not more than 67% of the Adjusted Shares for the 3-Year Performance Period and the 4-Year Performance Period in the aggregate and (ii) the 2.5x Value Cap.

On March 15, 2030 (the period from the Date of Award through such date is herein called the “**5-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares multiplied by the applicable Vesting Factor (as calculated in Section 2 below) less any Shares that vested at the end of the 3-Year Performance Period and 4-Year Performance Period (as converted to Adjusted Shares), subject to (i) a limit of 100% of the Adjusted Shares for all Performance Periods in the aggregate and (ii) the 2.5x Value Cap.

The “**2.5x Value Cap**” will operate as follows: If the closing trading price of the Company’s common stock on a Vesting Date (the “**Applicable Closing Price**”) exceeds the Price Cap (as defined below), then the number of Shares that would otherwise vest on such Vesting Date without the application of this sentence (such number of Shares, the “**Base Vesting Number**”) shall be limited to the “**Adjusted Vesting Number**,” which is a number equal to the quotient of (i) the Base Vesting Number multiplied by the Price Cap, divided by (ii) the Applicable Closing Price, with the result rounded to the nearest whole number.

Notwithstanding any language in this Agreement to the contrary and subject to the 33%, 67%, and 100% limits specified above (the “**Performance Period Cumulative Caps**”) and the 2.5x Value Cap, the maximum cumulative shares for a Vesting Date shall be earned and vest on such Vesting Date (provided the Participant has maintained Continuous Status as an Employee through such Vesting Date) if on any day during the three-month period immediately preceding such Vesting Date (the “**Lookback Period**”), both of the following are true: (i) the Average Market Price is at or above the price required to earn the maximum number of Shares for such Vesting Date and (ii) the Cumulative TSR Growth Performance Goal is satisfied. For purposes of measuring whether the Cumulative TSR Growth Performance Goal is satisfied as of any particular day during a Lookback Period, the applicable Performance Period relating to such Lookback Period shall be deemed to end on such particular day.

The number of shares vesting at any time shall be rounded to the nearest whole number of shares. No fractional shares will be issued under this Agreement.

2. Vesting Factor.

The “*Vesting Factor*” shall be determined as follows:

	Performance Goal: Average Market Price(1)	Performance Goal: Cumulative TSR Growth(2)	Vesting Factor(3)
Threshold	\$359 (which is the “ <i>Base Threshold Average Market Price</i> ”)	The Company’s Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is equal to or above the 35 th percentile of the Peer Group	0
Maximum	\$524 (which is the “ <i>Base Maximum Average Market Price</i> ”)	The Company’s Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is equal to or above the 35 th percentile of the Peer Group	1

- (1) “*Average Market Price*” means the average of the closing prices of a share of the Company’s common stock, as reported on the principal national stock exchange on which such common stock is traded, for the twenty (20) consecutive trading days ending on the date for which the Average Market Price is being determined for the achievement of the Performance Goal (i.e., March 15, 2028, March 15, 2029, March 15, 2030, and any day within a Lookback Period); provided, however, that if the date for which the Average Market Price is being determined is a day that is not a trading day on the principal national stock exchange on which such common stock is traded, then the measurement date will be the last trading day prior to the date for which the Average Market Price is being determined.

The Average Market Price Performance Goals shall be adjusted for any increase or decrease in the number of issued shares resulting from a stock split or any other increase or decrease in the number of issued shares effected without payment or receipt of consideration by the Company. For avoidance of doubt, conversion of any convertible securities of the Company shall not be deemed to have been “effected” without receipt of consideration.

- (2) “*Cumulative TSR Growth*” means the Company’s cumulative total shareholder return during the applicable Performance Period, assuming dividend reinvestment (determined based on the Record Date (as defined below) with respect to such dividends).

The “Cumulative TSR Growth” percentage for the applicable Performance Period is obtained by:

- (i) Subtracting the Grant Date Average Market Price (as defined below) from the Ending Stock Value (as defined below), then
- (ii) Dividing the difference obtained in (i) above by the Grant Date Average Market Price, with the quotient expressed as a percentage.

The Cumulative TSR Growth Performance Goal for an applicable Performance Period shall be satisfied if the Cumulative TSR Growth for the period from the Date of Award through the end of such Performance Period is equal to or above the 35th percentile of the Peer Group. No Shares

shall vest at the end of the applicable Performance Period if the Company's Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is below the 35th percentile of the Peer Group.

- (3) The "***Vesting Factor***" for the applicable Performance Period shall be a number between 0 and 1, inclusive, and shall be interpolated linearly for performance between threshold and maximum performance levels and obtained by calculating the following quotient, whereby:

- (i) The numerator shall be the Average Market Price for the last day of the applicable Performance Period minus the Base Threshold Average Market Price, and
- (ii) the denominator shall be the Base Maximum Average Market Price minus the Base Threshold Average Market Price.

3. Change in Control. In the event of a Change in Control prior to March 15, 2030, (i) the Performance Periods shall cease as of the date of the Change in Control, (ii) for purposes of determining vesting of the Adjusted Shares, the Average Market Price and the closing price of a share of the Company's common stock for purposes of calculating the Cumulative TSR Growth shall equal the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction, and (iii) the Adjusted Shares shall vest on each applicable Vesting Date pursuant to Section 1 above, subject to the Participant maintaining Continuous Status as an Employee through the applicable Vesting Date and the Performance Period Cumulative Caps; provided, however, following a Change in Control, if the Participant's employment is terminated due to death or Permanent Disability (as defined in the Written Agreements), the Adjusted Shares that would have vested under clause (ii) of this Section 3 in the absence of the Performance Period Cumulative Caps based on the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction as provided in clause (ii) in the above paragraph shall vest immediately and shall be settled within 60 days of such termination of Continuous Service.

In the event that the acquirer in a Change in Control does not effectively assume the Award (as determined by the Board as constituted prior to the Change in Control in its sole discretion), then in lieu of clause (iii) of this Section 3, the Adjusted Shares that are eligible for vesting based on the achievement of the Performance Goals based on the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction as provided in clause (ii) of this Section 3 shall vest immediately prior to such Change in Control without regard to the Performance Period Cumulative Caps; provided, however, that if the Award constitutes "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) and the Change in Control is not a "change in control event" (within the meaning of Section 409A of the Code) or the settlement of the Award upon such Change in Control would not otherwise be permissible under Section 409A of the Code, then the Award shall be settled upon the earlier to occur of (i) within 60 days following the applicable Vesting Date and (ii) within 60 days following the Participant's termination of Continuous Service.

4. Definitions.

"***Accumulated Shares***" means the sum of (i) one (1) share of common stock plus (ii) the cumulative number of shares of common stock that would be purchased with the applicable dividend paid on a share of common stock for which the Record Date occurs during the applicable Performance Period or the 20 consecutive trading days ending on and inclusive of the beginning of the Performance Period, assuming that such dividends are immediately reinvested in shares of common stock at the closing price of a share of common stock on the applicable Record Date.

“Adjusted Shares” mean the number of Shares subject to the grant equitably adjusted for any increase or decrease in the number of issued Company shares resulting from a stock split or any other increase or decrease in the number of issued shares effected without payment or receipt of consideration by the Company.

“Baseline Price” means \$262.

“Ending Stock Value” means the average, for the 20 consecutive trading days ending on and inclusive of the last day of the applicable Performance Period, of the product of (i) the number of Accumulated Shares multiplied by (ii) the closing price of a share of the Company’s common stock, as reported on the principal national stock exchange on which such common stock is traded.

“Grant Date Average Market Price” means \$251.18, which is the trailing 20-day average closing price on the Date of Award, inclusive of the Date of Award.

“Peer Group” means the companies included in either (i) the S&P MidCap 400 Information Technology Index or (ii) the S&P 500 IT Index (together, with the S&P MidCap 400 Information Technology Index, the **“S&P Indices”**) as of the Date of Award listed in Exhibit B; provided, however, that any company that, during the applicable Performance Period, is (i) acquired by another person (except as noted below), or (ii) de-listed from the S&P Indices for any reason other than bankruptcy shall be excluded from the Peer Group for such Performance Period; provided, further, that a company that is removed from either of the S&P Indices for any reason other than acquisition or bankruptcy but continues to be publicly traded shall remain a member of the Peer Group. In the case of a Peer Group member that is acquired during the Performance Period, such Peer Group member shall be included in the first Performance Period during which such acquisition closes (the **“Acquisition Performance Period”**) with the Ending Stock Value assigned to such Peer Group member based on the transaction price received by such member’s shareholders in such acquisition, as determined by the Committee, and such Peer Group member shall be excluded with respect to any Performance Periods ending after the Acquisition Performance Period. For the avoidance of doubt, if a company in the Peer Group files for bankruptcy prior to the end of the 5-Year Performance Period, such company will continue to be included in the Peer Group. If there is insufficient information to calculate the Cumulative TSR Growth for such bankrupt company, such company shall be treated as having the lowest Cumulative TSR Growth of all the companies in the Peer Group.

“Performance Period” means each of the 3-Year Performance Period, the 4-Year Performance Period, and the 5-Year Performance Period.

“Price Cap” means \$655, which is 2.5 times the Baseline Price.

“Record Date” means the record date on which a stockholder must hold a share of common stock in order to be entitled to a dividend in respect of such share.

“Vesting Date” means March 15, 2028, March 15, 2029 or March 15, 2030 for the 3-Year Performance Period, the 4-Year Performance Period or the 5-Year Performance Period, respectively.

EXHIBIT B

**LIST OF COMPANIES INCLUDED IN THE S&P MIDCAP 400 INFORMATION TECHNOLOGY INDEX AND THE
S&P 500 IT INDEX AS OF THE DATE OF AWARD**

(attached)

CADENCE DESIGN SYSTEMS, INC.

**Restricted Stock Unit Agreement
Omnibus Equity Incentive Plan
(the “Plan”)**

Cadence Design Systems, Inc. (the “**Company**”) grants the participant named below (the “**Participant**”) Restricted Stock Units pursuant to the Plan as set forth below (the “**Award**”). Each Restricted Stock Unit represents the right to receive one Share (as adjusted from time to time pursuant to the Plan), subject to vesting and other conditions set forth in this Agreement (as defined below).

This Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the additional terms and conditions contained in the appendix attached hereto (the “**Appendix**”) (collectively, this “**Agreement**”), and in the Plan located at the Company’s Employee Stock Services’ intranet webpage; provided, however, if there is a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement will govern. Capitalized terms that are not defined herein will have the meanings set forth in the Plan.

Participant: [●]

ID Number: [●]

Restricted Stock Unit Number: [●]

Date of Award: [●]

Number of Shares Subject to the Restricted Stock Units (the “Shares”): [●]

Vesting Commencement Date: [●]

Vesting Schedule: [●]

Settlement. Each vested Restricted Stock Unit will be settled by the delivery of one Share (subject to adjustment under the Plan) to the Participant or, in the event of the Participant’s death, to the Participant’s estate or heirs, on or as soon as practicable following the applicable vesting date (but in no event more than 30 days thereafter), provided that the Participant has remained in Continuous Status as an Employee or Consultant through such vesting date, has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with the Award, and that the Participant has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of the Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares underlying the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant will be recorded as a stockholder of the Company with respect to such Shares and will have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee or Consultant. For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant on the effective date of termination of his or her Continuous Status as an Employee or Consultant. The Participant's Continuous Status as an Employee or Consultant will terminate effective as of the date the Participant is no longer providing services as an Employee or Consultant, with such date being as of the end of any notice period mandated under the employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement (if applicable). The Board (as defined below) will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee or Consultant has terminated for purposes of the Award.

Death of Participant. In the event of the Participant's death before all the Restricted Stock Units subject to this Award have vested, if the Participant will have been in Continuous Status since the Date of Award, the number of Restricted Stock Units scheduled to vest one year after the Participant's date of death will be deemed to have vested immediately prior to the Participant's death. All other Restricted Stock Units will cease vesting and any rights to the underlying Shares will be forfeited without compensation to the Participant.

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement will be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision will be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement will be strictly prohibited and void.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under this Award, including without limitation (i) restrictions under the Company's Securities Trading Policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or non-U.S. law) covering the Award and/or the Shares underlying the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading / Market Abuse Laws. By participating in the Plan, the Participant agrees to comply with the Company's Securities Trading Policy. Further, the Participant acknowledges that, depending on the Participant's country, the Participant may be subject to insider trading restrictions

and/or market-abuse laws, which may affect his or her ability to sell the Shares during such times as he or she is considered to have “inside information” regarding the Company (as defined by the laws in the applicable jurisdictions or the Participant’s country). Any restrictions under these laws or regulations are in addition to any restrictions that may be imposed under the Company’s Securities Trading Policy. The Participant understands and agrees that he or she should consult his or her personal legal advisor for details regarding any insider trading restrictions and/or market-abuse laws in his or her country and that the Participant is solely responsible for complying with such laws or regulations.

Certain Conditions of the Award. By accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) The grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant’s participation in the Plan will not create a right to further Continuous Status as an Employee or Consultant and will not interfere with any applicable ability of the Company (or any Affiliate) to terminate the Participant’s Continuous Status as an Employee or Consultant at any time;
- (e) The Award and the Participant’s participation in the Plan will not be interpreted to form or amend an employment contract or service contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income from and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income from and value of the same, are not part of normal or expected compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;
- (i) The future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another

company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

- (k) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
- (l) None of the Company, any Affiliate nor the Company or the Affiliate employing or engaging the Participant (the “**Employer**”) will be liable for any foreign exchange rate fluctuation between the Participant’s local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement;
- (m) No claim or entitlement to compensation or damages will arise from (i) forfeiture of the Award resulting from termination of the Participant’s Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s employment or service agreement, if any) and/or (ii) forfeiture of the Award or recoupment of any Shares, cash or other benefits acquired pursuant to the Restricted Stock Units resulting from the application of any recoupment or clawback policy of the Company, as it may be amended from time to time (whether such policy is adopted on or after the date of this Agreement) or any recoupment otherwise required by applicable laws, regulations or stock exchange listing standards; and
- (n) Unless otherwise agreed with the Company, the Award and the Shares subject to the Award, and the income and value of the same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of an Affiliate of the Company.

Data Privacy Notice and Consent. This section applies if the Participant resides outside of the United States:

- (a) The Participant understands information about the Company’s data processing practices in connection with the Participant’s participation in the Plan is available in the Company’s Employee and Staff Privacy Policy provided [here](#).
- (b) The Participant understands that the Company will collect the Participant’s personal data for purposes of allocating the Shares and implementing, administering and managing the Plan. The Company will also transfer the Participant’s personal data to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co. and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the “**Designated Broker**”) so that the Designated Broker can assist the Company with the implementation, administration and management of the Plan. Without limiting any other rights the Company may have, the Participant declares his or her consent to the use of his or her personal data in connection with the Plan.
- (c) The Participant’s participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does

not consent, or the Participant withdraws his or her consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary as an Employee of the Employer or payment as a Consultant of the Employer, or the Participant's service with the Employer. Instead, the Company would not be able to grant the Participant the Restricted Stock Units or other awards, or administer or maintain such awards. The Participant understands that refusing or withdrawing his or consent may affect his or her ability to participate in the Plan.

Tax Obligations

- (a) Responsibility for Taxes. The Participant acknowledges that, regardless of any action the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable or deemed applicable to the Participant (the "**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the responsibility of the Participant and may exceed the amount actually withheld by the Company or the Employer, if any.

The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of rights or any aspect of the Participant's participation in the Plan to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company will require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value on the applicable vesting date (or other applicable date on which the Tax-Related Items arise) not in excess of the amount of such Tax-Related Items, subject to subsection (d) below and provided that if the applicable date falls on a non-trading day, the Fair Market Value will be determined based on the closing price of the Common Stock on the next available trading day. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of satisfying the Company's (or the Employer's) withholding obligation with respect to the Tax-Related Items.
- (c) Alternative Withholding Methods. If the Company determines in its discretion that withholding in Shares is not permissible or advisable under applicable local law, the Company may satisfy its obligations for Tax-Related Items by one or a combination of the following:

- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or
 - (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization); or
 - (iii) requiring the Participant to pay an amount equal to the Tax-Related Items to the Company or the Employer.
- (d) Withholding Rate. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including up to the maximum statutory tax rate for the applicable tax jurisdiction(s), to the extent consistent with the Plan and applicable laws. If the Company determines the withholding amount using maximum applicable rates, the Participant may be entitled to a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded by the Company or the Employer, the Participant may seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or non-U.S. postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, including the Appendix, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.
- (b) Consent to Electronic Delivery. The Participant acknowledges that the Participant has read the "Delivery of Documents and Notices" section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section.

The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further

acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails.

The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Recoupment. As an additional condition of receiving the Award, the Participant agrees that the Restricted Stock Units whether vested or unvested, and/or the Shares, cash or other benefits acquired pursuant to the Restricted Stock Units (and any proceeds therefrom) may be subject to recoupment to the extent required (i) under the Company's clawback policies in effect as of the date of this Agreement, or to the extent adopted following the date of this Agreement any similar policy applicable to circumstances where the Participant engages in misconduct, fraud, a violation of law or other similar circumstances, and, in each case, as they may be amended from time to time, or (ii) under applicable laws, regulations or stock exchange listing standards (collectively, the "**Recoupment Policy**"). In order to satisfy any recoupment obligation arising under the Recoupment Policy, among other things, the Participant expressly and explicitly authorize the Company to issue instructions, on the Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold any Shares or other amounts acquired pursuant to the Restricted Stock Units to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy. No recovery of compensation as described in this section will be an event giving rise to your right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, any Subsidiary, Affiliate and/or the Employer.

Language. By accepting the Award, the Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English to allow the Participant to understand the terms and conditions of this Agreement and Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions will nevertheless be binding and enforceable.

Governing Law; Venue. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Appendix. Notwithstanding any provisions in this Agreement, the grant of this Award will be subject to any additional terms and conditions set forth in any Appendix to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset / Account Reporting Requirements; Exchange Controls. The Participant acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any sale proceeds or dividends paid on Shares acquired under the Plan). The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations and the Participant should consult his or her personal legal advisor for any details.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

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Acceptance. Failure by the Participant to accept and acknowledge this Agreement prior to the first vesting shall result in a delay of the issuance of the Shares until the Agreement has been accepted or forfeiture of the Award if the Agreement is not accepted prior to such date that allows the Company to issue the Shares by March 15th of the year following the year the Award vests).

Cadence Design Systems, Inc.

By:

Name: John Wall

Title: Sr. Vice President Chief Financial Officer

Date: [●], 2024

Acknowledged and Agreed:

By: _____

Name:

Date: _____

APPENDIX

TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant works and/or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant transfers employment and/or residency to a different country after the Award is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Appendix also includes notifications regarding exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. These notifications are based on the securities, exchange control and other laws in effect in the respective countries as of **May 2024**. Such laws are often complex and change frequently. As a result, the Participant understands that he or she should not rely on the notifications contained in this Appendix as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out-of-date at the time the Participant vests in the Restricted Stock Units or sells any Shares obtained upon such vesting.

In addition, the notifications contained in this Appendix are general in nature, may not apply to the Participant's particular situation and relate to the Participant's personal obligations with respect to participation in the Plan and, as a result, the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's individual situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant relocates to a different country after the Award is granted, the notifications contained in this Appendix may not be applicable to the Participant in the same manner.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Participant understands and agrees that he or she should consult with his or her personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

AUSTRIA***Notifications***

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank. If the value of the Shares meets or exceeds a certain threshold, the Participant must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where the cash amounts held outside of Austria meets or exceeds a certain threshold, monthly reporting obligations apply as explained in the next paragraph.

If the Participant sells Shares, or receives any cash dividends, the Participant may have exchange control obligations if the Participant holds the cash proceeds outside of Austria. If the transaction volume of all the Participant's accounts abroad meets or exceeds a certain threshold, the Participant must report to the Austrian National Bank the movements and balances of all accounts on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

BELGIUM***NOTIFICATIONS***

Foreign Asset/Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts (including brokerage accounts) held outside Belgium on his or her annual tax return. The first time the Participant reports the foreign security and/or bank accounts, the Participant will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the caption *Kredietcentrales / Centrales des crédits*.

Stock Exchange Tax. A stock exchange tax applies to transactions executed by the Participant through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when Shares acquired under the Plan are sold. The Participant should consult his or her personal tax or financial advisor for additional details.

Annual Securities Accounts Tax Information. An "annual securities accounts tax" imposes a 0.15% annual tax on the value of the qualifying securities held in a Belgian or foreign securities account. The tax will not apply unless the total value of securities held in such account exceeds EUR 1 million on average on four reference dates within the relevant reporting period (i.e., December 31, March 31, June 30 and September 30). Different payment obligations apply depending on whether the securities account is held with a Belgian or foreign financial institution. The Participant understands the Participant should consult his or her personal tax advisor for more information regarding the Participant's annual securities accounts tax payment obligations.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the Award, the Participant agrees to comply with any applicable Brazilian laws and is responsible for paying and reporting any and all applicable Tax-Related Items associated with the Participant's participation in the Plan and the sale of Shares obtained as a result of the Participant's participation in the Plan. The Participant agrees that, for all legal purposes, (i) any benefits provided to the Participant under the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Plan is not a part of the terms and conditions of the Participant's employment; and (iii) the income from the Shares acquired under the Plan, if any, is not part of the Participant's remuneration from employment.

Certain Conditions of the Award. This provision supplements the "Certain Conditions of the Award" section of this Agreement:

By accepting the Award, the Participant acknowledges and agrees that (i) the Participant is making an investment decision and (iii) the value of the underlying Shares is not fixed and may increase or decrease over the vesting period without compensation to the Participant.

NOTIFICATIONS

Exchange Control Information. The Participant is required to submit a declaration of assets and rights (including Shares acquired under the Plan) held outside of Brazil if the aggregate value of such assets exceeds a threshold amount that is established annually by the Central Bank. The Participant should consult with his or her personal legal advisor to determine whether he or she will be subject to this reporting requirement.

CANADA**TERMS AND CONDITIONS**

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

Termination of Employment. This provision replaces the "Termination of Continuous Status as an Employee or Consultant" section of the Agreement:

For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant upon the earliest of: (i) the Employee receiving notice of termination of employment or the Consultant receiving notice of termination of the applicable service contract, (ii) the Employee providing notice of resignation from his or her employment or the Consultant providing notice of termination of the applicable service contract, and (iii) the Employee or Consultant ceasing to provide active services, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or

required to be provided under statute, common law, civil law, contract or otherwise. The Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's right to vest ceases, nor will the Participant be entitled to any compensation for lost vesting. In the event that the date when the Participant's Continuous Status as an Employee or Consultant has terminated cannot be reasonably determined under the terms of the Agreement and/or the Plan, the Board will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee or Consultant has terminated for purposes of the Award (including whether the Participant may still be considered to be providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of the Participant's minimum statutory notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's statutory notice period, nor will the Participant be entitled to any compensation for lost vesting. Similarly, if the Participant is a Consultant and the applicable service contract explicitly requires continued entitlement to vesting during the contractual notice period, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of the minimum contractual notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's contractual notice period, nor will the Participant be entitled to any compensation for lost vesting.

The following provision will apply if the Participant is a resident of Quebec:

French Language Documents. A French translation of this Agreement and the Plan will be made available to the Participant concurrently with this Agreement. The Participant understands that, from time to time, additional information related to the Restricted Stock Units may be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and this Agreement will govern the Participant's participation in the Plan.

Data Privacy Notice and Consent. This provision supplements the applicable “Data Privacy Notice and Consent” section of this Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, the Employer, its Affiliates and the plan administrator to disclose and discuss the Plan with their respective advisors, including the Designated Broker. The Participant further authorizes the Employer, the Company and its Affiliates to record such information and to keep such information in the Participant's employee file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, the Participant also acknowledges that the Company, the Employer, its Affiliates and the Designated Broker may use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.

NOTIFICATIONS

Securities Law Information. Shares acquired through the Plan may be sold through the Designated Broker, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Global Select Market).

Foreign Asset/Account Reporting Information. Specified foreign property, including Shares acquired under the Plan and other rights to receive Shares (*e.g.*, Restricted Stock Units) of a non-Canadian company held by the Participant must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time during the year. Thus, such rights must be reported – generally at a nil cost – if the C\$100,000 cost threshold is exceeded because of other specified foreign property the Participant holds. When Shares are acquired, their cost generally is the adjusted cost base (“**ACB**”) of the shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares.

CHINA

TERMS AND CONDITIONS

Mandatory Sale Restriction. Due to exchange control considerations in the People’s Republic of China (“**PRC**”), the Company reserves the right to require the sale of any Shares issued to the Participant upon vesting of the Restricted Stock Units, either (i) immediately upon vesting of the Restricted Stock Units, (ii) within ninety (90) days following the termination of the Participant’s Continuous Status as an Employee or Consultant, or (iii) within any other such time frame as may be required by the PRC State Administration of Foreign Exchange.

By accepting the Award, the Participant acknowledges that he or she understands and agrees that the Company is authorized to, and may in its sole discretion, instruct the Designated Broker to assist with the mandatory sale of Shares (on the Participant’s behalf pursuant to this authorization) and the Participant expressly authorizes the Designated Broker to complete the sale of such Shares. The Participant acknowledges that the Designated Broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the proceeds, less any Tax-Related Items and brokerage fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

Exchange Control Restrictions. By accepting the Award, the Participant understands and agrees that, due to exchange control laws in China, the Participant is not permitted to transfer any Shares acquired under the Plan out of the Participant’s account established with the Designated Broker, and that the Participant will be required to immediately repatriate all proceeds due to the Participant as a result of his or her participation in the Plan, including any proceeds from the sale of Shares acquired under the Plan to China.

The Participant further understands that such repatriation of the proceeds will need to be effected through a special exchange control account established by the Company, the Employer, or an Affiliate in China, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant in China. The proceeds may be paid in U.S. dollars or local currency at the Company’s discretion. If the proceeds

are paid in U.S. dollars, the Participant understands that he or she may be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, the Participant acknowledges that the Company is under no obligation to secure any particular currency conversion rate, and that it may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Participant acknowledges and agrees that he or she bears the risk of any currency conversion rate fluctuation between the date that the Shares are sold and the date of conversion of the proceeds to local currency. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

FINLAND

There are no country-specific provisions.

FRANCE

TERMS AND CONDITIONS

Consent to Receive Information in English. By accepting the Award, the Participant confirms having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. French residents must report all foreign bank and brokerage accounts on an annual basis (including accounts opened, held, used and/or closed during the tax year) on a special form together with the income tax return. Failure to report triggers a significant penalty.

GERMANY

NOTIFICATIONS

Exchange Control Information. Cross-border payments in excess of EUR 50,000 (as of January 1, 2025) must be reported to the German Federal Bank (Bundesbank). If the Participant acquires Shares with a value in excess of this amount, the Employer will report the acquisition of the Shares to Bundesbank. If the Participant otherwise makes or receives a payment in excess of this amount (e.g., if Shares are withheld to cover applicable Tax-Related Items or if the Participant sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover the Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("**Allgemeine Meldeportal Statistik**") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or

required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

Foreign Asset/Account Reporting Information. The Participant understands that if his or her acquisition of Shares under the Plan leads to a so-called “qualified participation” at any point during the calendar year, the Participant may need to report the acquisition when he or she files his or her tax return for the relevant year. A “qualified participation” is attained if (i) the value of the Shares acquired exceeds EUR 150,000 and the Participant holds Shares reaching or exceeding 1% of the Company's total Common Stock or (ii) in the unlikely event the Participant holds Shares exceeding 10% of the Company's total Common Stock.

GREECE

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If the Participant acquires Shares under the Plan, the Participant must report such foreign assets on the Participant's annual tax return.

HUNGARY

There are no country-specific provisions.

INDIA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

NOTIFICATIONS

Exchange Control Information. The Participant must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of Shares) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. The Participant should obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where the Participant deposits the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Employer requests proof of repatriation. The Participant may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Employer to enable them to comply with their filing requirements under exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant must declare the following items in his or her annual tax return: (i) any foreign assets held (including Shares acquired under the Plan), and (ii) any foreign bank accounts for which the Participant has signing authority. The Participant is responsible for complying with this reporting obligation and should consult his or her personal tax advisor in this regard.

IRELAND

There are no country-specific provisions.

ISRAEL**TERMS AND CONDITIONS**

Nature of Award. By accepting the Award, the Participant understands and agrees that the Restricted Stock Units are offered subject to and in accordance with the Sub-Plan for Israeli Participants to the Plan (the “**Israeli Subplan**”) and the Award is intended to be a Capital Gain Award pursuant to Section 102 of the Ordinance (as defined in the Israeli Subplan). Notwithstanding the foregoing, the Company does not undertake to maintain the qualified status of the Restricted Stock Units and the Participant acknowledges that he or she will not be entitled to damages of any nature whatsoever if the Award becomes disqualified and no longer qualifies as a Capital Gain Award. In the event of any inconsistencies between the Israeli Subplan, the Agreement and/or the Plan, the terms of the Israeli Subplan will govern.

Further, to the extent requested by the Company or the Employer, the Participant agrees to execute any letter or other agreement in connection with the grant of the Restricted Stock Units or any future Restricted Stock Units granted under the Israeli Subplan. If the Participant fails to comply with such request, the Award may not qualify as a Capital Gain Award.

Trust Arrangement. The Participant acknowledges and agrees that the Award and any Shares issued upon vesting of the Restricted Stock Units will be held on the Participant’s behalf, in trust, or controlled by the Company’s designated trustee in Israel, Tamir Fishman or any such other trustee in Israel which may be designated by the Company in the future (the “**Trustee**”) in accordance with the terms of the trust agreement between the Company and the Trustee. The Participant further agrees that such Shares will be subject to the Holding Period (as defined in the Israeli Subplan). The Company may, in its sole discretion, replace the trustee from time to time and instruct the transfer of all Restricted Stock Units and Shares held and/or administered by such trustee at such time to its successor and the provisions of the Agreement will apply to the new trustee.

Restriction on Sale. The Participant acknowledges that, in order to maintain the Award’s status as a Capital Gain Award, any Shares issued upon vesting of the Restricted Stock Units may not be disposed of prior to the expiration of the Holding Period. Accordingly, the Participant will not dispose of (or request the Trustee to dispose of) any such Shares prior to the expiration of the Holding Period, other than as permitted by applicable law. For purposes of this Appendix for Israel, “dispose” will mean any sale, transfer or other disposal of the Shares by the Participant or the Trustee, including a release of such Shares from the Trustee to the Participant.

Tax Obligations. This provision supplements the “Tax Obligations” section of the Agreement:

Upon disposal of the Shares, the fair market value of the Restricted Stock Units on the Date of Award (as computed in accordance with the provisions of the Ordinance relating to Capital Gain Awards) will be subject to taxation in Israel in accordance with ordinary income tax principles. Moreover, in the event that the Participant disposes of any Shares underlying the Restricted Stock Units prior to the expiration of the Holding Period, the Participant acknowledges and agrees that any additional gains from the sale of such Shares will not qualify for capital gains tax treatment applicable to Capital Gain Awards and will be subject to taxation in Israel in accordance with

ordinary income tax principles. Further, the Participant acknowledges and agrees that he or she will be liable for the Employer's component of payments to the Israeli National Insurance Institute (to the extent such payments by the Employer are required).

The Participant further agrees that the Trustee may act on behalf of the Company or the Employer, as applicable, to satisfy any obligation to withhold Tax-Related Items applicable to the Participant in connection with the Restricted Stock Units granted under the Israeli Subplan.

Additional Conditions of the Award. By accepting the Award, the Participant (i) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Awards, and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, Section 102 may not apply, and (ii) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the Employer, which is available for the Participant's review, during normal working hours, at Company's offices, (iii) acknowledges that releasing the Awards and Shares from the holding or control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions, (iv) authorizes the Company and/or the Employer to provide the Trustee with any information required for the purpose of administering the Plan including executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Awards, Shares, income tax rates, salary bank account, contact details and identification number.

NOTIFICATIONS

Securities Law Information. An exemption from filing a prospectus in relation to the Plan has been granted to the Company by the Israeli Securities Authority. Copies of the Plan and the Form S-8 registration statement for the Plan filed with the SEC are available at my local human resources department.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment. By accepting the grant of the Award, the Participant acknowledges that he or she has received a copy of the Plan and the Agreement, including this Appendix and has reviewed the Plan and the Agreement (including this Appendix) in their entirety and fully understands and accept all provisions of the Plan and the Agreement (including this Appendix).

The Participant further acknowledges that he or she has read and specifically and expressly approves the following sections of the Agreement: Vesting Schedule; Settlement; Status of Award; Termination of Continuous Status as an Employee or Consultant; Certain Conditions of the Award; Data Privacy Notice and Consent; Tax Obligations; Language; Governing Law and Venue; Appendix; and Imposition of Other Requirements.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If, at any time during the fiscal year, the Participant holds foreign financial assets (including cash, rights and Shares) which may generate

income taxable in Italy, the Participant is required to report these assets on his or her annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to the Participant if he or she is the beneficial owner of foreign financial assets under Italian money laundering provisions.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Participant acquires Shares valued at more than JPY 100 million in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days after the acquisition of the Shares. The Participant should consult his or her personal tax advisor to determine the applicable reporting obligations.

Foreign Asset/Account Reporting Information. The Participant is required to report details of any assets held outside of Japan as of December 31, including Shares acquired under the Plan, to the extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report will be due by March 15th each year. The Participant is responsible for complying with this reporting obligation if applicable to the Participant and should consult his or her personal tax advisor in this regard.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation. These provisions supplement the "Certain Conditions of the Award " section of this Agreement:

Modification. By accepting the Restricted Stock Units, the Participant understands and agrees that any modification of the Plan or the Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The grant of Restricted Stock Units the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 2655 Seely Avenue, Building 5, San Jose, California 95134 U.S.A., is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis, nor does it establish any rights between the Participant and the Employer. Further, the Participant agrees that any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment or service contract, if applicable.

Plan Document Acknowledgment. By accepting the Restricted Stock Units, the Participant acknowledges that the Participant has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Participant further acknowledges that the Participant has read and specifically and expressly approved the terms and conditions in the "Certain Conditions of the Award " section of this Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Parent or Subsidiary or Affiliate are not responsible for any decrease in the value of the Shares underlying the Restricted Stock Units.

Finally, the Participant hereby declares that the Participant does not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of the Participant's participation in the Plan and therefore grants a full and broad release to the Employer, the Company and any Parent or Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

Spanish Translation

Sin derecho a compensación o reclamaciones por compensación. Estas disposiciones complementan la sección "Ciertas Condiciones de la Adjudicación" del presente Acuerdo:

Modificación. Al aceptar las Unidades de Acciones Restringidas, el Empleado entiende y acuerda que cualquier modificación al Plan o al Contrato o su terminación no constituirá un cambio o perjuicio a los términos y condiciones de empleo.

Declaración de Política. El otorgamiento de Unidades de Acciones Restringidas que la Compañía está haciendo de conformidad con el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin responsabilidad alguna.

La Compañía, con oficinas registradas ubicadas en 2655 Seely Avenue, Building 5, San Jose, California 95134, EE.UU. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, de forma alguna, establecer una relación de trabajo entre el Empleado y la Compañía, ya que el Empleado está participa en el Plan de una base totalmente comercial, y tampoco establece ningún derecho entre el Empleado y el Patrón. Asimismo, el Empleado acuerda que cualquier modificación al Plan o a su terminación no generarán un cambio o impedimento en los términos y condiciones derivados de su contrato de servicios.

Reconocimiento del Documento del Plan. Al aceptar el Otorgamiento de las Unidades de Acciones Restringidas, el Empleado reconoce que el Empleado ha recibido copias del Plan, ha revisado el Plan y el Contrato en su totalidad y entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Contrato.

Adicionalmente, mediante la firma del Contrato, el Empleado reconoce que el Empleado ha leído y específica y expresamente ha aprobado los términos y condiciones del sección "Ciertas Condiciones de la Adjudicación" de este Acuerdo, en el que claramente se ha descrito y establecido que: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el Plan es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones subyacentes a las Unidades de Acciones Restringidas.

Finalmente, el Empleado de acuerdo en que el Empleado no se reserva ninguna acción o derecho para interponer cualquier demanda o reclamación en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de su participación en el Plan y, por lo tanto, otorga finiquito al Patrón, la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada con respecto a cualquier demanda o reclamación que pudiera surgir en virtud del Plan.

NOTIFICATIONS

Securities Law Information. Any Restricted Stock Units offered under the Plan and the Shares underlying the Restricted Stock Units have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and any other document relating to any Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and its Subsidiaries and Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees or contractors of the Company or one of its Subsidiaries and Affiliates, made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

POLAND

NOTIFICATIONS

Exchange Control Information. Information regarding bank or brokerage accounts holding cash and securities (including Shares) outside of Poland must be reported on a quarterly basis to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds a certain threshold. Any transfer of funds in excess of a certain threshold into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions should be retained for a period of five (5) years as measured from the end of the year in which such transaction occurred.

SINGAPORE

NOTIFICATIONS

Securities Law Information. The Award under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("**SFA**"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Award granted under the Plan is subject to section 257 of the SFA and the Participant understands that he or she should not sell or offer to sell, any Shares directly to any person or entity in Singapore unless such sale or offer is made (i) six months or more after the date of grant, (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision

(4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Director Notification Information. Any director, associate director or shadow director of a Singapore Affiliate or Related Entity is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Affiliate or Related Entity in Singapore in writing when receiving or disposing of an interest (e.g., rights or Shares) in the Company or in any Affiliate or Related Entity. Such notifications must be made within two days of acquiring or disposing of an interest in the Company or any Affiliate or Related Company, or within two days of becoming a director if such an interest is held at that time.

SOUTH KOREA

NOTIFICATIONS

Exchange Control Information. If the Participant sells Shares acquired under the Plan or receives cash dividends, the Participant may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. The Participant is responsible for complying with any applicable exchange control reporting obligations in Korea and the Participant should consult his or her personal legal advisor to determine his or her personal reporting obligations.

Foreign Asset/Account Reporting Information. The Participant must declare all foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds the applicable threshold on any month-end date during a calendar year. The Participant should consult his or her personal tax advisor to determine his or her personal reporting obligations.

SWEDEN

TERMS AND CONDITIONS

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limiting the Company’s and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the “Tax Obligations” section of this Agreement, by accepting the Award, the Participant authorizes the Company and/or the Employer by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award or withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant’s behalf pursuant to this authorization) to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

SWITZERLAND**NOTIFICATIONS**

Securities Law Information. Neither this document nor any other materials relating to the offer of participation in the Plan (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("**FinSA**"); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("**FINMA**").

TAIWAN**NOTIFICATIONS**

Securities Law Information. The offer of participation in the Plan is available only for eligible Employees and Consultants. The offer of participation in Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including proceeds from the sale of Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD 500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

UNITED KINGDOM**TERMS AND CONDITIONS**

Tax Withholding. This provision supplements the "Tax Obligations" section of this Agreement:

Without limitation to the "Tax Obligations" section of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs ("**HMRC**") (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant's behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provisions will not apply. The Participant understands that, in the event he or she is an executive officer or director and the income tax is not collected by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("**NICs**") may be payable. The Participant will be responsible for reporting and paying any income tax due on this additional

benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable for the value of any NICs due on this additional benefit.

UNITED STATES OF AMERICA

There are no country-specific provisions.

**CADENCE DESIGN SYSTEMS, INC.
RESTRICTED STOCK UNIT AGREEMENT
OMNIBUS EQUITY INCENTIVE PLAN (“PLAN”)**

Cadence Design Systems, Inc. (the “**Company**”), pursuant to the Plan, hereby grants the participant named below (the “**Participant**”) Restricted Stock Units (the “**Award**”) as set forth below. Each Restricted Stock Unit represents the right to receive one Share (as adjusted from time to time pursuant to the Plan), subject to the fulfillment of the vesting and other conditions set forth in this Agreement.

The Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the performance-based vesting conditions contained in Exhibit A attached hereto, and the list of companies included in either the S&P MidCap 400 Information Technology Index or the S&P 500 IT Index as of the Date of Award as set forth on Exhibit B attached hereto (collectively, this “**Agreement**”), and in the Plan located on the Employee Stock Services Website (located at <https://cadence.sharepoint.com/sites/legal/sitepages/employeestockservices.aspx>); provided, however, that in the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall prevail. Moreover, in the event of a conflict between the terms of this Agreement (read together with the Plan) and the terms of a written employment agreement, the transition and release agreement attached to the Participant’s employment agreement (the “**Transition Agreement**”), severance plan or other similar agreement between the Participant and the Company that has been approved by the Board (as defined below) (collectively, the “**Written Agreements**”), the terms of the Written Agreement(s) shall prevail, except that (i) the vesting and acceleration of vesting and settlement terms herein shall, with respect to this Award, supersede such corresponding terms in the Written Agreements, and (ii) in connection with a Change in Control, Section 3 of Exhibit A hereto (including the definition of “Change in Control” as incorporated by reference to the Plan) shall, with respect to this Award, supersede any corresponding change in control sections in the Written Agreements.

Capitalized terms that are not defined herein or explicitly referenced to another agreement shall have the meanings set forth in the Plan.

Participant (Name): [●]

ID Number: [●]

Date of Award: March [●], 2025

Total Number of Shares Subject to Restricted Stock Units on the Date of Award: [●] Shares

The Shares are rounded to the nearest whole number of shares. No fractional shares will be issued under this Agreement.

Vesting Schedule:

If the Company achieves the performance goals set forth on Exhibit A (the “**Performance Goals**”) and the Participant has maintained Continuous Status as an Employee from the Date of Award through the applicable Vesting Date (as defined in Exhibit A), the Shares subject to the Award shall vest in accordance with Exhibit A.

The portion of the Shares subject to this Award that do not vest at the end of the 5-Year Performance Period (as defined in Exhibit A) shall be forfeited and cancelled by the Company.

Settlement. Except as otherwise provided for herein and subject to the fulfillment of the vesting and other conditions set forth in this Agreement and Section 3 of Exhibit A hereto, settlement of the vested Restricted Stock Units, if any, shall be effected in the form of issuance of whole Shares, within 60 days following the one-year anniversary of the applicable Vesting Date (as defined in Exhibit A). Each vested Restricted Stock Unit will be settled by the delivery of one Share (subject to adjustment under the Plan) to the Participant or, in the event of the Participant's death, to the Participant's estate or heirs, provided that the Participant has remained in Continuous Status as an Employee through the applicable Vesting Date (except as otherwise set forth in this Agreement), has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with such Shares, and has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of such Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares subject to the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant shall be recorded as a stockholder of the Company with respect to such Shares and shall have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee. Except as otherwise provided in this Agreement in the sections below entitled "Termination Without Cause or due to Constructive Termination," and "Death or Permanent Disability of Participant," in the event of the termination of the Participant's Continuous Status as an Employee for any reason (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's Written Agreements), the Participant's Award shall immediately cease to vest and any rights to any underlying unvested Shares shall be forfeited without consideration to the Participant on the effective date of the termination of his or her Continuous Status as an Employee.

The Participant's Continuous Status as an Employee will terminate effective as of the date the Participant is no longer employed by the Company (such date, the "**Termination Date**"), with such Termination Date being as of the end of any notice period mandated under local laws or provided for in the Participant's Written Agreements (if applicable); provided, however, that the commencement of the "Transition Period" provided in the Participant's Transition Agreement shall be deemed to immediately terminate Participant's Continuous Status as an Employee. Subject to Section 409A of the Code, the Board (as defined below) shall have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award.

Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Termination without Cause or due to Constructive Termination. In the event that the Participant has maintained Continuous Status as an Employee until March 15, 2027 and thereafter the Participant's Continuous Status as an Employee is terminated by the Company without Cause (as defined in the Participant's Written Agreements) or the Participant terminates his or her Continuous Status as an Employee due to Constructive Termination (as defined in the Participant's Written Agreements), in each case, prior to the end of the 5-Year Performance Period (as defined in Exhibit A), the Participant shall remain entitled to continued vesting of the Award as if employment had not terminated, based on the actual achievement of the Performance Goals as determined pursuant to Exhibit A through the end of the first Performance Period (as

defined in Exhibit A) that ends after the Termination Date; provided, however, that in no event shall the aggregate number of Shares that vest pursuant to this Award (including any portion of the Award that previously vested under any Performance Period that concluded prior to the Termination Date) exceed the applicable percentage of the Adjusted Shares determined in accordance with Exhibit C (such pro-rated number of Adjusted Shares, the “**Maximum Pro-Rata Amount**”). For the avoidance of doubt, in the event a number of Shares equal to the Maximum Pro-Rata Amount vest prior to the end of the 5-Year Performance Period, the Participant shall not be entitled to vesting of any additional Shares on any applicable Vesting Date, and any remaining Shares subject to this Award shall be forfeited and cancelled by the Company.

Any prorated vesting of the Award shall be conditioned upon (i) the Participant’s timely execution and non-revocation of the Transition Agreement and (ii) the Participant’s continued compliance with the terms of the Transition Agreement. The Restricted Stock Units that vest under this section shall be settled in whole Shares, within 60 days following the one-year anniversary of the applicable Vesting Date; provided, however, that if a Change in Control occurs following the Participant’s termination of Continuous Status as an Employee due to termination by the Company without Cause or by the Participant due to Constructive Termination and such Change in Control constitutes a “change in control event” within the meaning of Section 409A of the Code, then the Award shall be settled within 60 days following the Vesting Date to the extent permitted by Section 409A of the Code.

Upon termination of the Participant’s Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Role Change. In the event that the Participant has maintained Continuous Status as an Employee until March 15, 2027 and thereafter the Participant undergoes a material change in the Participant’s authority, duties, responsibilities, title, or reporting relationship, as determined by the Committee in its discretion (a “**Role Change**”), prior to the end of the 5-Year Performance Period, then, if determined appropriate by the Committee in its discretion, (i) the Participant shall only remain entitled to continued vesting of the Award based on the actual achievement of the Performance Goals as determined pursuant to Exhibit A through the end of the first Performance Period that ends after the effective date of the Role Change, and (ii) any portion of the Award that remains unvested on the next Vesting Date following the effective date of the Role Change shall be cancelled without the payment of any consideration to the Participant; provided, however, that in no event shall the aggregate number of Shares that vest pursuant to this Award (including any portion of the Award that previously vested under any Performance Period that concluded prior to the effective date of the Role Change) exceed the Maximum Pro-Rata Amount (determined in accordance with Exhibit C, and treating for such purpose the effective date of the Role Change as the Participant’s Termination Date). For the avoidance of doubt, in the event a number of Shares equal to the Maximum Pro-Rata Amount vest prior to the end of the 5-Year Performance Period, the Participant shall not be entitled to vesting of any additional Shares on any applicable Vesting Date, and any remaining Shares subject to this Award shall be forfeited and cancelled by the Company.

The Restricted Stock Units that vest under this section shall be settled in whole Shares, within 60 days following the one-year anniversary of the applicable Vesting Date; provided, however, that if a Change in Control occurs following the effective date of the Participant’s Role Change and such Change in Control constitutes a “change in control event” within the meaning of Section 409A of the Code, then the Award shall be settled within 60 days following the Vesting Date to the extent permitted by Section 409A of the Code.

Death or Permanent Disability of Participant. In the event that (i) the Participant has remained in Continuous Status as an Employee since the Date of Award (not including the “Transition Period” provided in the Participant’s Transition Agreement) and (ii) the Participant’s Continuous Status as an Employee terminates due to death or Permanent Disability (as defined in the Participant’s Written Agreements), in each case, prior

to the end of any Performance Period, then the Award shall vest based on the number of Restricted Stock Units that would have vested at the end of the Performance Period that ends first after the Termination Date.

Such vesting shall be determined based on actual achievement of the Performance Goals through the end of the applicable Performance Period as determined pursuant to Exhibit A, less any portion of the Award that previously vested under any Performance Period that concluded prior to the Termination Date.

Any vesting of the Award shall be conditioned upon (i) the Participant's, or in the event of the Participant's death, the Participant's estate's or heirs' timely execution and non-revocation of the Transition Agreement and (ii) the Participant's continued compliance with the terms of the Transition Agreement. The Restricted Stock Units that vest under this section shall be settled in whole Shares (i) in the case of death, within 60 days following the Vesting Date and (ii) in the case of a termination of the Participant's Continuous Status due to Permanent Disability, within 60 days following the one-year anniversary of the applicable Vesting Date; provided, however, that if a Change in Control occurs following the termination of the Participant's Continuous Status due to Permanent Disability and such Change in Control constitutes a "change in control event" within the meaning of Section 409A of the Code, then the Award shall be settled within 60 days following the Vesting Date to the extent permitted by Section 409A of the Code.

Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement shall be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision shall be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement shall be strictly prohibited and void.

Section 409A Compliance. This Award is intended to comply with Section 409A of the Code, and shall be interpreted and construed accordingly, and each payment hereunder shall be considered a separate payment. To the extent this Agreement provides for the Award to become vested and be settled upon the Participant's termination of Continuous Service, the applicable Shares shall be transferred to the Participant or his or her beneficiary upon the Participant's "separation from service," within the meaning of Section 409A of the Code; provided that if the Participant is a "specified employee," within the meaning of Section 409A of the Code, then such Shares shall be transferred to the Participant or his or her beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of the Participant's death, to the extent required to comply with Section 409A of the Code. Further, to the extent that the settlement of the Award is subject to the execution and non-revocation of the Transition Agreement and the period to consider the Transition Agreement begins in one taxable year and ends in a second taxable year, the Award shall be paid or provided in the later of the two taxable years.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under the Award, including without limitation (i) restrictions under an insider trading

policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or foreign law) covering the Award and/or the Shares subject to the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading. By participating in the Plan, the Participant agrees to comply with the Company's policy on insider trading (to the extent that it is applicable to the Participant). Further, the Participant acknowledges that the Participant's country of residence may also have laws or regulations governing insider trading and that such laws or regulations may impose additional restrictions on the Participant's ability to participate in the Plan (e.g., acquiring or selling shares) and that the Participant is solely responsible for complying with such laws or regulations.

Clawback Policy. The Participant acknowledges and agrees that this Award is subject to the Company's Clawback Policy in effect on the date hereof and as may be amended from time to time to comply with applicable law and the terms and conditions of which are incorporated by reference into this Agreement. The Participant also acknowledges that such Clawback Policy has been provided or made available to the Participant.

Certain Conditions of the Award. In accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) The grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant's participation in the Plan shall not create a right to further Continuous Status as an Employee or Consultant and shall not interfere with the ability of the Company (or any Affiliate) to terminate the Participant's Continuous Status as an Employee or Consultant at any time;
- (e) The Award and the Participant's participation in the Plan will not be interpreted to form an employment contract or service contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or payments or welfare benefits or similar payments;

- (i) The future value of the Shares subject to the Award is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and
- (k) If the Participant resides outside of the United States, in addition to subsections (a) through (j) above, the following provisions will also apply:
 - (i) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
 - (ii) None of the Company, any Affiliate or the Company or the Affiliate employing or engaging the Participant (the “Employer”) shall be liable for any foreign exchange rate fluctuation between the Participant’s local currency and the United States dollar that may affect the value of the Award or of any amounts due to Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement; and
 - (iii) No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of the Participant’s Continuous Status as an Employee or Consultant (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s employment or service agreement, if any), and in consideration of the grant of the Award to which the Participant is otherwise not entitled, the Participant irrevocably agrees never to institute any claim against the Company or any Affiliate, waives his or her ability, if any, to bring any such claim, and releases the Company and any Affiliate from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

Tax Withholding

- (a) Responsibility for Taxes. Regardless of any action taken by the Company or the Employer with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Participant’s participation in the Plan and legally applicable to the Participant (the “***Tax-Related Items***”), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant’s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including but not limited to, the grant, vesting or settlement of the Award, the subsequent sale of Shares acquired pursuant to such settlement, or the receipt of any dividends, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Participant’s liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction

between the Date of Award and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company shall require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value, as defined in the Plan as of the date on which the Tax-Related Items arise, not in excess of the amount of such Tax-Related Items.

The Company shall withhold or account for Tax-Related Items based on the applicable minimum statutory withholding amounts or such other applicable withholding rate specified by the Participant. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan.

- (c) Alternative Withholding Methods. Provided Local Law prevents the Company from withholding in Shares, the Company may satisfy its obligations for Tax-Related Items by:

- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or
- (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization);

provided, however, if the Participant is subject to Section 16 of the Securities Exchange Act of 1934, as amended, then the Participant shall be able to elect, in Participant's sole and absolute discretion, from the withholding methods set forth in the foregoing clauses (i) and (ii), or whether to pay in cash the amount of the Tax-Related Items to the Company and/or Employer.

- (d) Acceleration of Settlement to Pay Employment Taxes. Notwithstanding anything herein to the contrary and subject to Section 409A of the Code, Shares to be delivered under this Agreement shall be accelerated as required to pay employment taxes incurred by the Participant related to the Shares subject to this Agreement prior to the scheduled settlement of the Shares pursuant to this Agreement, in accordance with and to the extent permitted by U.S. Treasury Regulation 1.409A-(3)(j)(vi), with the payment of such employment related taxes to be accomplished by the Company withholding whole Shares which would otherwise be issued or transferred to the Participant having an aggregate Fair Market Value, determined as of the date on which such withholding obligation arises, equal to the amount of such employment taxes.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, including the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.
- (b) Consent to Electronic Delivery. The Participant acknowledges that the Participant has read the "Delivery of Documents and Notices" section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Data Privacy. This Data Privacy section applies if the Participant resides outside of the United States:

The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Agreement and any other Award grant materials ("**Data**") by and among, as applicable, the Employer, the Company and any Affiliate for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.

The Participant understands that Data may include certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all awards or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor.

The Participant understands that Data will be transferred to E*TRADE Financial Services, Inc., or such other stock plan service provider as may be selected by the Company in the future (the "**Designated Broker**"),

which is assisting the Company with the implementation, administration and management of the Plan. The Participant understands that the recipients of Data may be located in the United States or elsewhere, and that a recipient's country of operation (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative.

The Participant authorizes the Company, the Designated Broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. The Participant understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her status as an Employee or Consultant and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant the Participant awards or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan. For more information on the consequences of his or her refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

Finally, upon request of the Company or the Employer, the Participant agrees to provide an executed data privacy consent form to the Employer or the Company (or any other agreements or consents that may be required by the Employer or the Company) that the Company and/or the Employer may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. The Participant understands that he or she will not be able to participate in the Plan if he or she fails to execute any such consent or agreement.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Governing Law and Venue. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

[Acceptance and Acknowledgment Follows]

Acceptance. Your right to the Award will be forfeited unless you accept and acknowledge below.

Cadence Design Systems, Inc.

By: _____

Name:

Title:

Date:

Acknowledged and Agreed

By: _____

Name: [●]

Date:

EXHIBIT A

PERFORMANCE-BASED AWARD VESTING CRITERIA

1. **Vesting and Caps.** On March 15, 2028 (the period from the Date of Award through such date is herein called the “**3-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares *multiplied by* the applicable Vesting Factor (as calculated in Section 2 below), subject to (i) a limit of not more than 33% of the Adjusted Shares and (ii) the 2.5x Value Cap (as defined below).

On March 15, 2029 (the period from the Date of Award through such date is herein called the “**4-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares *multiplied by* the applicable Vesting Factor (as calculated in Section 2 below) *less* any Shares that vested at the end of the 3-Year Performance Period (as converted to Adjusted Shares), subject to (i) a limit of not more than 67% of the Adjusted Shares for the 3-Year Performance Period and the 4-Year Performance Period in the aggregate and (ii) the 2.5x Value Cap.

On March 15, 2030 (the period from the Date of Award through such date is herein called the “**5-Year Performance Period**”), the portion, if any, of the Adjusted Shares that will vest shall be determined by the product of the Adjusted Shares *multiplied by* the applicable Vesting Factor (as calculated in Section 2 below) *less* any Shares that vested at the end of the 3-Year Performance Period and 4-Year Performance Period (as converted to Adjusted Shares), subject to (i) a limit of 100% of the Adjusted Shares for all Performance Periods in the aggregate and (ii) the 2.5x Value Cap.

The “**2.5x Value Cap**” will operate as follows: If the closing trading price of the Company’s common stock on a Vesting Date (the “**Applicable Closing Price**”) exceeds \$655 (the “**Price Cap**”), which is 2.5 times the Baseline Price (as defined below), then the number of Shares that would otherwise vest on such Vesting Date without the application of this sentence (such number of Shares, the “**Base Vesting Number**”) shall be limited to the “**Adjusted Vesting Number**,” which is a number equal to the quotient of (i) the Base Vesting Number multiplied by the Price Cap, divided by (ii) the Applicable Closing Price, with the result rounded to the nearest whole number.

Notwithstanding any language in this Agreement to the contrary and subject to the 33%, 67%, and 100% limits specified above (the “**Performance Period Cumulative Caps**”) and the 2.5x Value Cap, the maximum cumulative shares for a Vesting Date shall be earned and vest on such Vesting Date (provided the Participant has maintained Continuous Status as an Employee through such Vesting Date) if on any day during the three-month period immediately preceding such Vesting Date (the “**Lookback Period**”) both of the following are true: (i) the Average Market Price is at or above the price required to earn the maximum number of Shares for such Vesting Date, and (ii) the Cumulative TSR Growth Performance Goal is satisfied. For purposes of measuring whether the Cumulative TSR Growth Performance Goal is satisfied as of any particular day during a Lookback Period, the applicable Performance Period relating to such Lookback Period shall be deemed to end on such particular day.

The number of shares vesting at any time shall be rounded to the nearest whole number of shares. No fractional shares will be issued under this Agreement.



2. Vesting Factor.

The “*Vesting Factor*” shall be determined as follows:

	Performance Goal: Average Market Price ⁽¹⁾	Performance Goal: Cumulative TSR Growth ⁽²⁾	Vesting Factor ⁽³⁾
Threshold	\$359.00 (which is the “ <i>Base Threshold Average Market Price</i> ”)	The Company’s Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is equal to or above the 35 th percentile of the Peer Group	0
Maximum	\$524.00 (which is the “ <i>Base Maximum Average Market Price</i> ”)	The Company’s Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is equal to or above the 35 th percentile of the Peer Group	1

- (1) “*Average Market Price*” means the average of the closing prices of a share of the Company’s common stock, as reported on the principal national stock exchange on which such common stock is traded, for the twenty (20) consecutive trading days ending on the date for which the Average Market Price is being determined for the achievement of the Performance Goal (i.e., March 15, 2028, March 15, 2029, March 15, 2030, and any day within a Lookback Period); provided, however, that if the date for which the Average Market Price is being determined is a day that is not a trading day on the principal national stock exchange on which such common stock is traded, then the measurement date will be the last trading day prior to the date for which the Average Market Price is being determined.

The Average Market Price Performance Goals shall be adjusted for any increase or decrease in the number of issued shares resulting from a stock split or any other increase or decrease in the number of issued shares effected without payment or receipt of consideration by the Company. For avoidance of doubt, conversion of any convertible securities of the Company shall not be deemed to have been “effected” without receipt of consideration.

- (2) “*Cumulative TSR Growth*” means the Company’s cumulative total shareholder return during the applicable Performance Period, assuming dividend reinvestment (determined based on the Record Date (as defined below) with respect to such dividends).

The “Cumulative TSR Growth” percentage for the applicable Performance Period is obtained by:

- (i) Subtracting the Grant Date Average Market Price (as defined below) from the Ending Stock Value (as defined below), then
- (ii) Dividing the difference obtained in (i) above by the Grant Date Average Market Price, with the quotient expressed as a percentage.

The Cumulative TSR Growth Performance Goal for an applicable Performance Period shall be satisfied if the Cumulative TSR Growth for the period from the Date of Award through the end of such Performance Period is equal to or above the 35th percentile of the Peer Group. No Shares shall vest at the end of the applicable Performance Period if the Company's Cumulative TSR Growth for the period from the Date of Award through the end of the applicable Performance Period is below the 35th percentile of the Peer Group.

- (3) The “**Vesting Factor**” for the applicable Performance Period shall be a number between 0 and 1, inclusive, and shall be interpolated linearly for performance between threshold and maximum performance levels and obtained by calculating the following quotient, whereby:
- (i) The numerator shall be the Average Market Price for the last day of the applicable Performance Period minus the Base Threshold Average Market Price, and
 - (ii) the denominator shall be the Base Maximum Average Market Price minus the Base Threshold Average Market Price.
3. Change in Control. In the event of a Change in Control prior to March 15, 2030, (i) the Performance Periods shall cease as of the date of the Change in Control, (ii) for purposes of determining vesting of the Adjusted Shares, the Average Market Price and the closing price of a share of the Company's common stock for purposes of calculating the Cumulative TSR Growth shall equal the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction, and (iii) the Adjusted Shares shall vest on each applicable Vesting Date pursuant to Section 1 above; provided, however, if the Change in Control is not a “change in control event” within the meaning of Section 409A of the Code, then the Award shall be settled within 60 days following the one-year anniversary of the applicable Vesting Date, subject to the Participant maintaining Continuous Status as an Employee through the applicable Vesting Date and the Performance Period Cumulative Caps; provided, however, following a Change in Control, if the Participant's employment is terminated:
- (a) Due to death or Permanent Disability (as defined in the Written Agreements),
 - (b) By the Company without Cause (as defined in the Written Agreements) or
 - (c) By the Participant due to Constructive Termination (as defined in the Written Agreements),

the Adjusted Shares that would have vested under clause (ii) of this Section 3 in the absence of the Performance Period Cumulative Caps based on the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction as provided in clause (ii) in the above paragraph shall vest immediately and shall be settled within 60 days of such termination of Continuous Service; provided, however, in the case of termination of Continuous Status due to Permanent Disability, by the Company without Cause or by the Participant due to Constructive Termination, if (i) the Change in Control is not a “change in control event” within the meaning of Section 409A of the Code or (ii) the Participant's termination of Continuous Status due to Permanent Disability, by the Company without Cause or by the Participant due to Constructive Termination occurs more than two years following the Change in Control, then the Adjusted Shares that vest pursuant to this paragraph shall be settled within 60 days following the one-year anniversary of the applicable Vesting Date.

In the event that the acquirer in a Change in Control does not effectively assume the Award (as determined by the Board as constituted prior to the Change in Control in its sole discretion), then in lieu of clause (iii) of this Section 3, the Adjusted Shares that are eligible for vesting based on the achievement of the Performance Goals based on the effective purchase price of each share of Common Stock paid by the acquirer in the Change in Control transaction as provided in clause (ii) of this Section 3 shall vest immediately prior to such Change in Control without regard to the Performance Period Cumulative Caps; provided, however, that if the Change in Control is not a “change in control event” (within the meaning of Section 409A of the Code) or the settlement of the Award upon such Change in Control would not otherwise be permissible under Section 409A of the Code, then the Award shall be settled upon the earlier to occur of (i) within 60 days following the one-year anniversary of the applicable Vesting Date and (ii) within 60 days following the Participant’s death.

4. Definitions.

“**Accumulated Shares**” means the sum of (i) one (1) share of common stock *plus* (ii) the cumulative number of shares of common stock that would be purchased with the applicable dividend paid on a share of common stock for which the Record Date occurs during the applicable Performance Period or the 20 consecutive trading days ending on and inclusive of the beginning of the Performance Period, assuming that such dividends are immediately reinvested in shares of common stock at the closing price of a share of common stock on the applicable Record Date.

“**Adjusted Shares**” mean the number of Shares subject to the grant equitably adjusted for any increase or decrease in the number of issued Company shares resulting from a stock split or any other increase or decrease in the number of issued shares effected without payment or receipt of consideration by the Company.

“**Baseline Price**” means \$262.00.

“**Ending Stock Value**” means the average, for the 20 consecutive trading days ending on and inclusive of the last day of the applicable Performance Period, of the product of (i) the number of Accumulated Shares *multiplied by* (ii) the closing price of a share of the Company’s common stock, as reported on the principal national stock exchange on which such common stock is traded.

“**Grant Date Average Market Price**” means \$251.18, which is the trailing 20-day average closing price on the Date of Award, inclusive of the Date of Award.

“**Peer Group**” means the companies included in either (i) the S&P MidCap 400 Information Technology Index or (ii) the S&P 500 IT Index (together, with the S&P MidCap 400 Information Technology Index, the “**S&P Indices**”) as of the Date of Award listed in Exhibit B; provided, however, that any company that, during the applicable Performance Period, is (i) acquired by another person (except as noted below), or (ii) de-listed from the S&P Indices for any reason other than bankruptcy shall be excluded from the Peer Group for such Performance Period; provided, further, that a company that is removed from either of the S&P Indices for any reason other than acquisition or bankruptcy but continues to be publicly traded shall remain a member of the Peer Group. In the case of a Peer Group member that is acquired during the Performance Period, such Peer Group member shall be included in the first Performance Period during which such acquisition closes (the “**Acquisition Performance Period**”) with the Ending

Stock Value assigned to such Peer Group member based on the transaction price received by such member's shareholders in such acquisition, as determined by the Committee, and such Peer Group member shall be excluded with respect to any Performance Periods ending after the Acquisition Performance Period. For the avoidance of doubt, if a company in the Peer Group files for bankruptcy prior to the end of the 5-Year Performance Period, such company will continue to be included in the Peer Group. If there is insufficient information to calculate the Cumulative TSR Growth for such bankrupt company, such company shall be treated as having the lowest Cumulative TSR Growth of all the companies in the Peer Group.

“Performance Period” means each of the 3-Year Performance Period, the 4-Year Performance Period, and the 5-Year Performance Period.

“Record Date” means the record date on which a stockholder must hold a share of common stock in order to be entitled to a dividend in respect of such share.

“Vesting Date” means March 15, 2028, March 15, 2029 or March 15, 2030 for the 3-Year Performance Period, the 4-Year Performance Period or the 5-Year Performance Period, respectively.

EXHIBIT B

**LIST OF COMPANIES INCLUDED IN THE S&P MIDCAP 400 INFORMATION TECHNOLOGY INDEX AND
THE S&P 500 IT INDEX AS OF THE DATE OF AWARD**

(attached)

EXHIBIT C

DETERMINATION OF MAXIMUM PRO-RATA AMOUNT

The Maximum Pro-Rata Amount will equal the percentage of the Adjusted Shares set forth in the table below that corresponds to the full number of months set forth in the table below that have elapsed from March 15, 2025 through and including Participant's Termination Date.

Number of Months	Maximum Pro-Rata Amount
24	22.0%
25	22.9%
26	23.8%
27	24.8%
28	25.7%
29	26.6%
30	27.5%
31	28.4%
32	29.3%
33	30.3%
34	31.2%
35	32.1%
36	41.2%
37	43.4%
38	45.6%
39	47.8%
40	50.1%
41	52.3%
42	54.5%
43	56.7%
44	58.9%
45	61.2%
46	63.4%
47	65.6%
48	72.8%
49	75.1%
50	77.3%
51	79.6%
52	81.9%
53	84.1%
54	86.4%

55	88.7%
56	90.9%
57	93.2%
58	95.5%
59	97.7%
60	100.0%

CADENCE DESIGN SYSTEMS, INC.

**Restricted Stock Unit Agreement
Omnibus Equity Incentive Plan
(the “Plan”) (Operating Income)**

Cadence Design Systems, Inc. (the “**Company**”) grants the participant named below (the “**Participant**”) Restricted Stock Units pursuant to the Plan as set forth below (the “**Award**”). Each Restricted Stock Unit represents the right to receive up to two Shares (as adjusted from time to time pursuant to the Plan), subject to vesting and other conditions set forth in this Agreement (as defined below).

This Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the performance-based vesting conditions contained in Exhibit A attached hereto, , and additional terms and conditions contained in the appendix attached hereto (the “**Appendix**”) (collectively, this “**Agreement**”), and in the Plan located at the Company’s Employee Stock Services’ intranet webpage (located at <https://cadence.sharepoint.com/sites/legal/sitepages/employeestockservices.aspx>); provided, however, if there is a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement will govern.

Moreover, in the event of a conflict between the terms of this Agreement (read together with the Plan) and the terms of a written employment agreement, the transition and release agreement attached to the Participant’s employment agreement (the “**Transition Agreement**”), severance plan or other similar agreement between the Participant and the Company that has been approved by the Board (as defined below) (collectively, the “**Written Agreements**”), the terms of the Written Agreement(s) shall prevail, except that (i) the vesting and acceleration of vesting terms herein shall, with respect to this Award, supersede such corresponding terms in the Written Agreements, and (ii) in connection with a Change in Control, Section 4 of Exhibit A hereto (including the definition of “Change in Control” as incorporated by reference to the Plan) shall, with respect to this Award, supersede any corresponding change in control sections in the Written Agreements.

Capitalized terms that are not defined herein will have the meanings set forth in the Plan.

Participant: [●]

ID Number: [●]

Restricted Stock Unit Number: [●]

Date of Award: [●]

Maximum Number of Shares Subject to the Restricted Stock Units (the “Shares”): [2x the number of RSUs]

Vesting Commencement Date: [●]

Vesting Schedule:

Except as otherwise provided in this Agreement, if the Participant maintains Continuous Status as an Employee from the Date of Award through the applicable Vesting Date (as defined in Exhibit A), 33% of the Restricted Stock Units will vest on one (1)-year anniversary of the Date of Award, 33% of the Restricted Stock Units will vest on the two (2)-year anniversary of the Date of Award, and 34% of the Restricted Stock Units will vest on the three (3)-year anniversary of the Date of

Award. The number of Shares (as defined in Exhibit A) issuable in respect of any vested Restricted Stock Units (if any) shall be the number of Earned Shares (as defined in Exhibit A) determined in accordance with the performance-based vesting conditions set forth on Exhibit A (the “**Performance Goals**”).

Settlement. Except as otherwise provided for herein and subject to the fulfillment of the vesting and other conditions set forth in this Agreement and Section 3 of Exhibit A hereto, settlement of the vested Restricted Stock Units, if any, shall be effected in the form of issuance of whole Shares, on or as soon as possible (and in no event more than sixty (60) days thereafter) following the applicable Vesting Date (each as defined in Exhibit A) that relates to such vested Restricted Stock Units. Each vested Restricted Stock Unit will be settled by the delivery of up to two Shares as determined in accordance with Exhibit A hereto (subject to adjustment under the Plan) to the Participant or, in the event of the Participant's death, to the Participant's estate or heirs, provided that the Participant has remained in Continuous Status as an Employee through the applicable Vesting Date, has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with the Award, and that the Participant has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of the Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares underlying the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant will be recorded as a stockholder of the Company with respect to such Shares and will have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee. Except as otherwise provided in this Agreement in the sections below entitled “Termination Without Cause or due to Constructive Termination,” and “Death or Permanent Disability of Participant,” or under Section 4 of Exhibit A hereto, in the event of the termination of the Participant's Continuous Status as an Employee for any reason (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's Written Agreements), the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant on the effective date of termination of his or her Continuous Status as an Employee.

The Participant's Continuous Status as an Employee will terminate effective as of the date the Participant is no longer providing services as an Employee (such date, the “**Termination Date**”), with such Termination Date being as of the end of any notice period mandated under the employment laws in the jurisdiction where the Participant is employed or providing services, or provided for in the Participant's Written Agreements (if applicable); provided, however, that the commencement of the “Transition Period” provided in the Participant's Transition Agreement shall be deemed to immediately terminate Participant's Continuous Status as an Employee. Subject to Section 409A of the Code, the Board (as defined below) will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award.

Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Termination without Cause or due to Constructive Termination (outside of a Change in Control). In the event the Participant's Continuous Status as an Employee is terminated by the Company without Cause (as defined in the Participant's Written Agreements) or the Participant terminates his or her Continuous Status as an Employee due to Constructive Termination (as defined in the Participant's Written Agreements), in each case, (i) prior to the end of the Performance Period (as defined in Exhibit A) and before a Change in Control, the Participant shall remain entitled to continued vesting of the Award as if employment had not terminated, and shall vest in such number of Restricted Stock Units based on the actual achievement of the Performance Goals as determined pursuant to Exhibit A as of the completion of the Performance Period as though Participant had remained in continuous Service as an Employee through the [12][18] month period following the Termination Date; and (ii) on or following the end of the Performance Period and before a Change in Control, the Participant shall vest in such number of Restricted Stock Units as of the Termination Date as though Participant had remained in Continuous Service as an Employee through the [12][18] month period following the Termination Date (in each case, the "**Tail Period**"). Any remaining portion of the Award that remains unvested shall be cancelled without payment of any consideration to the Participant.

Any such vesting of the Award that occurs on or after the Termination Date shall be conditioned upon (i) the Participant's timely execution and non-revocation of the Transition Agreement (or in the absence of a Transition Agreement, a release of claims in a form and manner satisfactory to the Company) and (ii) if applicable, the Participant's continued compliance with the terms of the Transition Agreement. The Restricted Stock Units that vest under this section shall be settled in whole Shares, on or as soon as possible following the applicable Vesting Date (and in no event more than sixty (60) days thereafter). Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Death or Permanent Disability of Participant. In the event the Participant's Continuous Status as an Employee terminates due to death or Permanent Disability (as defined in the Participant's Written Agreements), in each case, prior to the end of the Performance Period and before a Change in Control, then the Award shall vest on the Termination Date based on the deemed achievement of the "target" performance level set forth on Exhibit A. The Award shall vest based on actual achievement of the Performance Goals if the Performance Period has ended prior to the Termination Date.

Any such vesting of the Award on or following the Termination Date shall be conditioned upon the Participant's, timely execution and non-revocation of the Transition Agreement (or in the absence of a Transition Agreement, a release of claims in a form and manner satisfactory to the Company) or in the event of the Participant's death, the Participant's estate's or heirs' timely execution and non-revocation of a release of claims in a form and manner satisfactory to the Company. The Restricted Stock Units that vest under this section shall be settled in whole Shares as soon as possible following the vesting date (and in no event more than sixty (60) days thereafter).

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement will be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision will be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or

Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement will be strictly prohibited and void.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under this Award, including without limitation (i) restrictions under the Company's Securities Trading Policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or non-U.S. law) covering the Award and/or the Shares underlying the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading / Market Abuse Laws. By participating in the Plan, the Participant agrees to comply with the Company's Securities Trading Policy. Further, the Participant acknowledges that, depending on the Participant's country, the Participant may be subject to insider trading restrictions and/or market-abuse laws, which may affect his or her ability to sell the Shares during such times as he or she is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions or the Participant's country). Any restrictions under these laws or regulations are in addition to any restrictions that may be imposed under the Company's Securities Trading Policy. The Participant understands and agrees that he or she should consult his or her personal legal advisor for details regarding any insider trading restrictions and/or market-abuse laws in his or her country and that the Participant is solely responsible for complying with such laws or regulations.

Certain Conditions of the Award. By accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) The grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant's participation in the Plan will not create a right to further Continuous Status as an Employee and will not interfere with any applicable ability of the Company (or any Affiliate) to terminate the Participant's Continuous Status as an Employee at any time;
- (e) The Award and the Participant's participation in the Plan will not be interpreted to form or amend an employment contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income from and value of the same, are not intended to replace any pension rights or compensation;

- (h) The Award and the Shares subject to the Award, and the income from and value of the same, are not part of normal or expected compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;
- (i) The future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;
- (k) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
- (l) None of the Company, any Affiliate nor the Company or the Affiliate employing or engaging the Participant (the “**Employer**”) will be liable for any foreign exchange rate fluctuation between the Participant’s local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement;
- (m) No claim or entitlement to compensation or damages will arise from (i) forfeiture of the Award resulting from termination of the Participant’s Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s employment or service agreement, if any) and/or (ii) forfeiture of the Award or recoupment of any Shares, cash or other benefits acquired pursuant to the Restricted Stock Units resulting from the application of any recoupment or clawback policy of the Company, as it may be amended from time to time (whether such policy is adopted on or after the date of this Agreement) or any recoupment otherwise required by applicable laws, regulations or stock exchange listing standards; and
- (n) Unless otherwise agreed with the Company, the Award and the Shares subject to the Award, and the income and value of the same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of an Affiliate of the Company.

Data Privacy Notice and Consent. This section applies if the Participant resides outside of the United States:

- (a) The Participant understands information about the Company’s data processing practices in connection with the Participant’s participation in the Plan is available in the Company’s Employee and Staff Privacy Policy provided [here](#).
- (b) The Participant understands that the Company will collect the Participant’s personal data for purposes of allocating the Shares and implementing, administering and managing the

Plan. The Company will also transfer the Participant's personal data to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co. and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the "**Designated Broker**") so that the Designated Broker can assist the Company with the implementation, administration and management of the Plan. Without limiting any other rights the Company may have, the Participant declares his or her consent to the use of his or her personal data in connection with the Plan.

- (c) The Participant's participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does not consent, or the Participant withdraws his or her consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary as an Employee of the Employer, or the Participant's service with the Employer. Instead, the Company would not be able to grant the Participant the Restricted Stock Units or other awards, or administer or maintain such awards. The Participant understands that refusing or withdrawing his or consent may affect his or her ability to participate in the Plan.

Tax Obligations

- (a) Responsibility for Taxes. The Participant acknowledges that, regardless of any action the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable or deemed applicable to the Participant (the "**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the responsibility of the Participant and may exceed the amount actually withheld by the Company or the Employer, if any.

The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of rights or any aspect of the Participant's participation in the Plan to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company will require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value on the applicable vesting date (or other applicable date on which the Tax-Related Items arise) not in excess of the amount of such Tax-Related Items, subject to subsection (d) below and provided that if the applicable date falls on a non-trading day, the Fair Market Value will be determined based on the closing price of the Common Stock on the next available trading day. For

tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of satisfying the Company's (or the Employer's) withholding obligation with respect to the Tax-Related Items.

- (c) Alternative Withholding Methods. If the Company determines in its discretion that withholding in Shares is not permissible or advisable under applicable local law, the Company may satisfy its obligations for Tax-Related Items by one or a combination of the following:
- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or
 - (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization); or
 - (iii) requiring the Participant to pay an amount equal to the Tax-Related Items to the Company or the Employer.
- (d) Withholding Rate. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including up to the maximum statutory tax rate for the applicable tax jurisdiction(s), to the extent consistent with the Plan and applicable laws. If the Company determines the withholding amount using maximum applicable rates, the Participant may be entitled to a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded by the Company or the Employer, the Participant may seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or non-U.S. postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, including the Appendix, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

- (b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read the “Delivery of Documents and Notices” section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section.

The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails.

The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Recoupment. As an additional condition of receiving the Award, the Participant agrees that the Restricted Stock Units whether vested or unvested, and/or the Shares, cash or other benefits acquired pursuant to the Restricted Stock Units (and any proceeds therefrom) may be subject to recoupment to the extent required (i) under the Company’s clawback policies in effect as of the date of this Agreement, or to the extent adopted following the date of this Agreement any similar policy applicable to circumstances where the Participant engages in misconduct, fraud, a violation of law or other similar circumstances, and, in each case, as they may be amended from time to time, or (ii) under applicable laws, regulations or stock exchange listing standards (collectively, the “**Recoupment Policy**”). In order to satisfy any recoupment obligation arising under the Recoupment Policy, among other things, the Participant expressly and explicitly authorize the Company to issue instructions, on the Participant’s behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold any Shares or other amounts acquired pursuant to the Restricted Stock Units to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company’s enforcement of the Recoupment Policy. No recovery of compensation as described in this section will be an event giving rise to your right to resign for “good reason” or “constructive termination” (or similar term) under any plan of, or agreement with, the Company, any Subsidiary, Affiliate and/or the Employer.

Language. By accepting the Award, the Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English to allow the Participant to understand the terms and conditions of this Agreement and Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions will nevertheless be binding and enforceable.

Governing Law; Venue. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of

litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Appendix. Notwithstanding any provisions in this Agreement, the grant of this Award will be subject to any additional terms and conditions set forth in any Appendix to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset / Account Reporting Requirements; Exchange Controls. The Participant acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any sale proceeds or dividends paid on Shares acquired under the Plan). The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations and the Participant should consult his or her personal legal advisor for any details.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

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Acceptance. Failure by the Participant to accept and acknowledge this Agreement prior to the first vesting shall result in a delay of the issuance of the Shares until the Agreement has been accepted or **forfeiture** of the Award if the Agreement is not accepted prior to such date that allows the Company to issue the Shares by March 15th of the year following the year the Award vests).

Cadence Design Systems, Inc.

By:

Name:

Title:

Date:

Acknowledged and Agreed:

By: _____

Name:

Date: _____

APPENDIX

TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant works and/or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant transfers employment and/or residency to a different country after the Award is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Appendix also includes notifications regarding exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. These notifications are based on the securities, exchange control and other laws in effect in the respective countries as of **May 2024**. Such laws are often complex and change frequently. As a result, the Participant understands that he or she should not rely on the notifications contained in this Appendix as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out-of-date at the time the Participant vests in the Restricted Stock Units or sells any Shares obtained upon such vesting.

In addition, the notifications contained in this Appendix are general in nature, may not apply to the Participant's particular situation and relate to the Participant's personal obligations with respect to participation in the Plan and, as a result, the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's individual situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant relocates to a different country after the Award is granted, the notifications contained in this Appendix may not be applicable to the Participant in the same manner.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Participant understands and agrees that he or she should consult with his or her personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

AUSTRIA**Notifications**

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank. If the value of the Shares meets or exceeds a certain threshold, the Participant must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where the cash amounts held outside of Austria meets or exceeds a certain threshold, monthly reporting obligations apply as explained in the next paragraph.

If the Participant sells Shares, or receives any cash dividends, the Participant may have exchange control obligations if the Participant holds the cash proceeds outside of Austria. If the transaction volume of all the Participant's accounts abroad meets or exceeds a certain threshold, the Participant must report to the Austrian National Bank the movements and balances of all accounts on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

BELGIUM**NOTIFICATIONS**

Foreign Asset/Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts (including brokerage accounts) held outside Belgium on his or her annual tax return. The first time the Participant reports the foreign security and/or bank accounts, the Participant will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the caption *Kredietcentrales / Centrales des crédits*.

Stock Exchange Tax. A stock exchange tax applies to transactions executed by the Participant through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when Shares acquired under the Plan are sold. The Participant should consult his or her personal tax or financial advisor for additional details.

Annual Securities Accounts Tax Information. An "annual securities accounts tax" imposes a 0.15% annual tax on the value of the qualifying securities held in a Belgian or foreign securities account. The tax will not apply unless the total value of securities held in such account exceeds EUR 1 million on average on four reference dates within the relevant reporting period (i.e., December 31, March 31, June 30 and September 30). Different payment obligations apply depending on whether the securities account is held with a Belgian or foreign financial institution. The Participant understands the Participant should consult his or her personal tax advisor for more information regarding the Participant's annual securities accounts tax payment obligations.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the Award, the Participant agrees to comply with any applicable Brazilian laws and is responsible for paying and reporting any and all applicable Tax-

Related Items associated with the Participant's participation in the Plan and the sale of Shares obtained as a result of the Participant's participation in the Plan. The Participant agrees that, for all legal purposes, (i) any benefits provided to the Participant under the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Plan is not a part of the terms and conditions of the Participant's employment; and (iii) the income from the Shares acquired under the Plan, if any, is not part of the Participant's remuneration from employment.

Certain Conditions of the Award. This provision supplements the "Certain Conditions of the Award" section of this Agreement:

By accepting the Award, the Participant acknowledges and agrees that (i) the Participant is making an investment decision and (iii) the value of the underlying Shares is not fixed and may increase or decrease over the vesting period without compensation to the Participant.

NOTIFICATIONS

Exchange Control Information. The Participant is required to submit a declaration of assets and rights (including Shares acquired under the Plan) held outside of Brazil if the aggregate value of such assets exceeds a threshold amount that is established annually by the Central Bank. The Participant should consult with his or her personal legal advisor to determine whether he or she will be subject to this reporting requirement.

CANADA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

Termination of Employment. This provision replaces the "Termination of Continuous Status as an Employee" section of the Agreement:

For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant upon the earliest of: (i) the Employee receiving notice of termination of employment, (ii) the Employee providing notice of resignation from his or her employment, and (iii) the Employee ceasing to provide active services, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, common law, civil law, contract or otherwise. The Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's right to vest ceases, nor will the Participant be entitled to any compensation for lost vesting. In the event that the date when the Participant's Continuous Status as an Employee has terminated cannot be reasonably determined under the terms of the Agreement and/or the Plan, the Board will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award (including whether the Participant may still be considered to be providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of the Participant's minimum statutory notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's statutory notice period, nor will the Participant be entitled to any compensation for lost vesting.

The following provision will apply if the Participant is a resident of Quebec:

French Language Documents. A French translation of this Agreement and the Plan will be made available to the Participant concurrently with this Agreement. The Participant understands that, from time to time, additional information related to the Restricted Stock Units may be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and this Agreement will govern the Participant's participation in the Plan.

Data Privacy Notice and Consent. This provision supplements the applicable “Data Privacy Notice and Consent” section of this Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, the Employer, its Affiliates and the plan administrator to disclose and discuss the Plan with their respective advisors, including the Designated Broker. The Participant further authorizes the Employer, the Company and its Affiliates to record such information and to keep such information in the Participant's employee file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, the Participant also acknowledges that the Company, the Employer, its Affiliates and the Designated Broker may use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.

NOTIFICATIONS

Securities Law Information. Shares acquired through the Plan may be sold through the Designated Broker, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Global Select Market).

Foreign Asset/Account Reporting Information. Specified foreign property, including Shares acquired under the Plan and other rights to receive Shares (*e.g.*, Restricted Stock Units) of a non-Canadian company held by the Participant must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time during the year. Thus, such rights must be reported – generally at a nil cost – if the C\$100,000 cost threshold is exceeded because other specified foreign property the Participant holds. When Shares are acquired, their cost generally is the adjusted cost base (“**ACB**”) of the shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares.

CHINA**TERMS AND CONDITIONS**

Mandatory Sale Restriction. Due to exchange control considerations in the People's Republic of China ("**PRC**"), the Company reserves the right to require the sale of any Shares issued to the Participant upon vesting of the Restricted Stock Units, either (i) immediately upon vesting of the Restricted Stock Units, (ii) within ninety (90) days following the termination of the Participant's Continuous Status as an Employee, or (iii) within any other such time frame as may be required by the PRC State Administration of Foreign Exchange.

By accepting the Award, the Participant acknowledges that he or she understands and agrees that the Company is authorized to, and may in its sole discretion, instruct the Designated Broker to assist with the mandatory sale of Shares (on the Participant's behalf pursuant to this authorization) and the Participant expressly authorizes the Designated Broker to complete the sale of such Shares. The Participant acknowledges that the Designated Broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the proceeds, less any Tax-Related Items and brokerage fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

Exchange Control Restrictions. By accepting the Award, the Participant understands and agrees that, due to exchange control laws in China, the Participant is not permitted to transfer any Shares acquired under the Plan out of the Participant's account established with the Designated Broker, and that the Participant will be required to immediately repatriate all proceeds due to the Participants as a result of his or her participation in the Plan, including any proceeds from the sale of Shares acquired under the Plan to China.

The Participant further understands that such repatriation of the proceeds will need to be effected through a special exchange control account established by the Company, the Employer, or an Affiliate in China, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant in China. The proceeds may be paid in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she may be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, the Participant acknowledges that the Company is under no obligation to secure any particular currency conversion rate, and that it may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Participant acknowledges and agrees that he or she bears the risk of any currency conversion rate fluctuation between the date that the Shares are sold and the date of conversion of the proceeds to local currency. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

FINLAND

There are no country-specific provisions.

FRANCE**TERMS AND CONDITIONS**

Consent to Receive Information in English. By accepting the Award, the Participant confirms having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. French residents must report all foreign bank and brokerage accounts on an annual basis (including accounts opened, held, used and/or closed during the tax year) on a special form together with the income tax return. Failure to report triggers a significant penalty.

GERMANY**NOTIFICATIONS**

Exchange Control Information. Cross-border payments in excess of EUR 50,000 (as of January 1, 2025) must be reported to the German Federal Bank (Bundesbank). If the Participant acquires Shares with a value in excess of this amount, the Employer will report the acquisition of the Shares to Bundesbank. If the Participant otherwise makes or receives a payment in excess of this amount (e.g., if Shares are withheld to cover applicable Tax-Related Items or if the Participant sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover the Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("**Allgemeine Meldeportal Statistik**") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

Foreign Asset/Account Reporting Information. The Participant understands that if his or her acquisition of Shares under the Plan leads to a so-called "qualified participation" at any point during the calendar year, the Participant may need to report the acquisition when he or she files his or her tax return for the relevant year. A "qualified participation" is attained if (i) the value of the Shares acquired exceeds EUR 150,000 and the Participant holds Shares reaching or exceeding 1% of the Company's total Common Stock or (ii) in the unlikely event the Participant holds Shares exceeding 10% of the Company's total Common Stock.

GREECE

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If the Participant acquires Shares under the Plan, the Participant must report such foreign assets on the Participant's annual tax return.

HUNGARY

There are no country-specific provisions.

INDIA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

NOTIFICATIONS

Exchange Control Information. The Participant must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of Shares) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. The Participant should obtain a foreign inward remittance certificate ("**FIRC**") from the bank where the Participant deposits the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Employer requests proof of repatriation. The Participant may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Employer to enable them to comply with their filing requirements under exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant must declare the following items in his or her annual tax return: (i) any foreign assets held (including Shares acquired under the Plan), and (ii) any foreign bank accounts for which the Participant has signing authority. The Participant is responsible for complying with this reporting obligation and should consult his or her personal tax advisor in this regard.

IRELAND

There are no country-specific provisions.

ISRAEL

TERMS AND CONDITIONS

Nature of Award. By accepting the Award, the Participant understands and agrees that the Restricted Stock Units are offered subject to and in accordance with the Sub-Plan for Israeli Participants to the Plan (the "**Israeli Subplan**") and the Award is intended to be a Capital Gain Award pursuant to Section 102 of the Ordinance (as defined in the Israeli Subplan). Notwithstanding the foregoing, the Company does not undertake to maintain the qualified status of the Restricted Stock Units and the Participant acknowledges that he or she will not be entitled to damages of any nature

whatsoever if the Award becomes disqualified and no longer qualifies as a Capital Gain Award. In the event of any inconsistencies between the Israeli Subplan, the Agreement and/or the Plan, the terms of the Israeli Subplan will govern.

Further, to the extent requested by the Company or the Employer, the Participant agrees to execute any letter or other agreement in connection with the grant of the Restricted Stock Units or any future Restricted Stock Units granted under the Israeli Subplan. If the Participant fails to comply with such request, the Award may not qualify as a Capital Gain Award.

Trust Arrangement. The Participant acknowledges and agrees that the Award and any Shares issued upon vesting of the Restricted Stock Units will be held on the Participant's behalf, in trust, or controlled by the Company's designated trustee in Israel, Tamir Fishman or any such other trustee in Israel which may be designated by the Company in the future (the "**Trustee**") in accordance with the terms of the trust agreement between the Company and the Trustee. The Participant further agrees that such Shares will be subject to the Holding Period (as defined in the Israeli Subplan). The Company may, in its sole discretion, replace the trustee from time to time and instruct the transfer of all Restricted Stock Units and Shares held and/or administered by such trustee at such time to its successor and the provisions of the Agreement will apply to the new trustee.

Restriction on Sale. The Participant acknowledges that, in order to maintain the Award's status as a Capital Gain Award, any Shares issued upon vesting of the Restricted Stock Units may not be disposed of prior to the expiration of the Holding Period. Accordingly, the Participant will not dispose of (or request the Trustee to dispose of) any such Shares prior to the expiration of the Holding Period, other than as permitted by applicable law. For purposes of this Appendix for Israel, "dispose" will mean any sale, transfer or other disposal of the Shares by the Participant or the Trustee, including a release of such Shares from the Trustee to the Participant.

Tax Obligations. This provision supplements the "Tax Obligations" section of the Agreement:

Upon disposal of the Shares, the fair market value of the Restricted Stock Units on the Date of Award (as computed in accordance with the provisions of the Ordinance relating to Capital Gain Awards) will be subject to taxation in Israel in accordance with ordinary income tax principles. Moreover, in the event that the Participant disposes of any Shares underlying the Restricted Stock Units prior to the expiration of the Holding Period, the Participant acknowledges and agrees that any additional gains from the sale of such Shares will not qualify for capital gains tax treatment applicable to Capital Gain Awards and will be subject to taxation in Israel in accordance with ordinary income tax principles. Further, the Participant acknowledges and agrees that he or she will be liable for the Employer's component of payments to the Israeli National Insurance Institute (to the extent such payments by the Employer are required).

The Participant further agrees that the Trustee may act on behalf of the Company or the Employer, as applicable, to satisfy any obligation to withhold Tax-Related Items applicable to the Participant in connection with the Restricted Stock Units granted under the Israeli Subplan.

Additional Conditions of the Award. By accepting the Award, the Participant (i) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Awards, and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, Section 102 may not apply, and (ii) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the Employer, which is available for the Participant's review, during normal working hours, at Company's offices, (iii) acknowledges that releasing the Awards and

Shares from the holding or control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions, (iv) authorizes the Company and/or the Employer to provide the Trustee with any information required for the purpose of administering the Plan including executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Awards, Shares, income tax rates, salary bank account, contact details and identification number.

NOTIFICATIONS

Securities Law Information. An exemption from filing a prospectus in relation to the Plan has been granted to the Company by the Israeli Securities Authority. Copies of the Plan and the Form S-8 registration statement for the Plan filed with the SEC are available at my local human resources department.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment. By accepting the grant of the Award, the Participant acknowledges that he or she has received a copy of the Plan and the Agreement, including this Appendix and has reviewed the Plan and the Agreement (including this Appendix) in their entirety and fully understands and accept all provisions of the Plan and the Agreement (including this Appendix).

The Participant further acknowledges that he or she has read and specifically and expressly approves the following sections of the Agreement: Vesting Schedule; Settlement; Status of Award; Termination of Continuous Status as an Employee; Certain Conditions of the Award; Data Privacy Notice and Consent; Tax Obligations; Language; Governing Law and Venue; Appendix; and Imposition of Other Requirements.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If, at any time during the fiscal year, the Participant holds foreign financial assets (including cash, rights and Shares) which may generate income taxable in Italy, the Participant is required to report these assets on his or her annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to the Participant if he or she is the beneficial owner of foreign financial assets under Italian money laundering provisions.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Participant acquires Shares valued at more than JPY 100 million in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days after the acquisition of the Shares. The Participant should consult his or her personal tax advisor to determine the applicable reporting obligations.

Foreign Asset/Account Reporting Information. The Participant is required to report details of any assets held outside of Japan as of December 31, including Shares acquired under the Plan, to the

extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report will be due by March 15th each year. The Participant is responsible for complying with this reporting obligation if applicable to the Participant and should consult his or her personal tax advisor in this regard.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation. These provisions supplement the "Certain Conditions of the Award " section of this Agreement:

Modification. By accepting the Restricted Stock Units, the Participant understands and agrees that any modification of the Plan or the Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The grant of Restricted Stock Units the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 2655 Seely Avenue, Building 5, San Jose, California 95134 U.S.A., is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis, nor does it establish any rights between the Participant and the Employer. Further, the Participant agrees that any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment or service contract, if applicable.

Plan Document Acknowledgment. By accepting the Restricted Stock Units, the Participant acknowledges that the Participant has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Participant further acknowledges that the Participant has read and specifically and expressly approved the terms and conditions in the "Certain Conditions of the Award " section of this Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Parent or Subsidiary or Affiliate are not responsible for any decrease in the value of the Shares underlying the Restricted Stock Units.

Finally, the Participant hereby declares that the Participant does not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of the Participant's participation in the Plan and therefore grants a full and broad release to the Employer, the Company and any Parent or Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

Spanish Translation

Sin derecho a compensación o reclamaciones por compensación. Estas disposiciones complementan la sección "Ciertas Condiciones de la Adjudicación" del presente Acuerdo:

Modificación. Al aceptar las Unidades de Acciones Restringidas, el Empleado entiende y acuerda que cualquier modificación al Plan o al Contrato o su terminación no constituirá un cambio o perjuicio a los términos y condiciones de empleo.

Declaración de Política. El otorgamiento de Unidades de Acciones Restringidas que la Compañía está haciendo de conformidad con el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin responsabilidad alguna.

La Compañía, con oficinas registradas ubicadas en 2655 Seely Avenue, Building 5, San Jose, California 95134, EE.UU. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, de forma alguna, establecer una relación de trabajo entre el Empleado y la Compañía, ya que el Empleado está participa en el Plan de una base totalmente comercial, y tampoco establece ningún derecho entre el Empleado y el Patrón. Asimismo, el Empleado acuerda que cualquier modificación al Plan o a su terminación no generarán un cambio o impedimento en los términos y condiciones derivados de su contrato de servicios.

Reconocimiento del Documento del Plan. Al aceptar el Otorgamiento de las Unidades de Acciones Restringidas, el Empleado reconoce que el Empleado ha recibido copias del Plan, ha revisado el Plan y el Contrato en su totalidad y entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Contrato.

Adicionalmente, mediante la firma del Contrato, el Empleado reconoce que el Empleado ha leído y específica y expresamente ha aprobado los términos y condiciones del sección "Ciertas Condiciones de la Adjudicación" de este Acuerdo, en el que claramente se ha descrito y establecido que: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el Plan es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones subyacentes a las Unidades de Acciones Restringidas.

Finalmente, el Empleado de acuerdo en que el Empleado no se reserva ninguna acción o derecho para interponer cualquier demanda o reclamación en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de su participación en el Plan y, por lo tanto, otorga finiquito al Patrón, la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada con respecto a cualquier demanda o reclamación que pudiera surgir en virtud del Plan.

NOTIFICATIONS

Securities Law Information. Any Restricted Stock Units offered under the Plan and the Shares underlying the Restricted Stock Units have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and any other document relating to any Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and its

Subsidiaries and Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees or contractors of the Company or one of its Subsidiaries and Affiliates, made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

POLAND

NOTIFICATIONS

Exchange Control Information. Information regarding bank or brokerage accounts holding cash and securities (including Shares) outside of Poland must be reported on a quarterly basis to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds a certain threshold. Any transfer of funds in excess of a certain threshold into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions should be retained for a period of five (5) years as measured from the end of the year in which such transaction occurred.

SINGAPORE

NOTIFICATIONS

Securities Law Information. The Award under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“**SFA**”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Award granted under the Plan is subject to section 257 of the SFA and the Participant understands that he or she should not sell or offer to sell, any Shares directly to any person or entity in Singapore unless such sale or offer is made (i) six months or more after the date of grant, (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Director Notification Information. Any director, associate director or shadow director of a Singapore Affiliate or Related Entity is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Affiliate or Related Entity in Singapore in writing when receiving or disposing of an interest (e.g., rights or Shares) in the Company or in any Affiliate or Related Entity. Such notifications must be made within two days of acquiring or disposing of an interest in the Company or any Affiliate or Related Company, or within two days of becoming a director if such an interest is held at that time.

SOUTH KOREA

NOTIFICATIONS

Exchange Control Information. If the Participant sells Shares acquired under the Plan or receives cash dividends, the Participant may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. The Participant is responsible for complying with any applicable exchange control reporting obligations in Korea and the Participant should consult his or her personal legal advisor to determine his or her personal reporting obligations.

Foreign Asset/Account Reporting Information. The Participant must declare all foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds the applicable threshold on any month-end date during a calendar year. The Participant should consult his or her personal tax advisor to determine his or her personal reporting obligations.

SWEDEN

TERMS AND CONDITIONS

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limiting the Company’s and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the “Tax Obligations” section of this Agreement, by accepting the Award, the Participant authorizes the Company and/or the Employer by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award or withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant’s behalf pursuant to this authorization) to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

SWITZERLAND

NOTIFICATIONS

Securities Law Information. Neither this document nor any other materials relating to the offer of participation in the Plan (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“**FinSA**”); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (**FINMA**).

TAIWAN

NOTIFICATIONS

Securities Law Information. The offer of participation in the Plan is available only for eligible Employees. The offer of participation in Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including proceeds from the sale of Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD 500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

UNITED KINGDOM

TERMS AND CONDITIONS

Tax Withholding. This provision supplements the “Tax Obligations” section of this Agreement:

Without limitation to the “Tax Obligations” section of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant’s behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provisions will not apply. The Participant understands that, in the event he or she is an executive officer or director and the income tax is not collected by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions (“**NICs**”) may be payable. The Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable for the value of any NICs due on this additional benefit.

UNITED STATES OF AMERICA

There are no country-specific provisions.

EXHIBIT A

PERFORMANCE-BASED VESTING CONDITIONS

CADENCE DESIGN SYSTEMS, INC.

**Restricted Stock Unit Agreement
Omnibus Equity Incentive Plan
(the “Plan”) (rTSR)**

Cadence Design Systems, Inc. (the “**Company**”) grants the participant named below (the “**Participant**”) Restricted Stock Units pursuant to the Plan as set forth below (the “**Award**”). Each Restricted Stock Unit represents the right to receive up to two Shares (as adjusted from time to time pursuant to the Plan), subject to vesting and other conditions set forth in this Agreement (as defined below).

This Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the performance-based vesting conditions contained in Exhibit A attached hereto, the list of companies included in either the S&P MidCap 400 Information Technology Index or the S&P 500 IT Index as of the Date of Award as set forth on Exhibit B attached hereto, and additional terms and conditions contained in the appendix attached hereto (the “**Appendix**”) (collectively, this “**Agreement**”), and in the Plan located at the Company’s Employee Stock Services’ intranet webpage (located at <https://cadence.sharepoint.com/sites/legal/sitepages/employeeestockservices.aspx>); provided, however, if there is a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement will govern.

Moreover, in the event of a conflict between the terms of this Agreement (read together with the Plan) and the terms of a written employment agreement, the transition and release agreement attached to the Participant’s employment agreement (the “**Transition Agreement**”), severance plan or other similar agreement between the Participant and the Company that has been approved by the Board (as defined below) (collectively, the “**Written Agreements**”), the terms of the Written Agreement(s) shall prevail, except that (i) the vesting and acceleration of vesting terms herein shall, with respect to this Award, supersede such corresponding terms in the Written Agreements, and (ii) in connection with a Change in Control, Section 5 of Exhibit A hereto (including the definition of “Change in Control” as incorporated by reference to the Plan) shall, with respect to this Award, supersede any corresponding change in control sections in the Written Agreements.

Capitalized terms that are not defined herein will have the meanings set forth in the Plan.

Participant: [●]

ID Number: [●]

Restricted Stock Unit Number: [●]

Date of Award: [●]

Maximum Number of Shares Subject to the Restricted Stock Units (the “Shares”): [2x the number of RSUs]

Vesting Commencement Date: [●]

Vesting Schedule:

Except as otherwise provided in this Agreement, if the Participant maintains Continuous Status as an Employee from the Date of Award through the applicable Vesting Date (as defined in Exhibit A), 33% of the Restricted Stock Units will vest on March 15, 2026, 33% of the Restricted Stock Units will vest on March 15, 2027,

and 34% of the Restricted Stock Units will vest on March 15, 2028. The number of Shares (as defined in Exhibit A) issuable in respect of any vested Restricted Stock Units (if any) shall be the number of Earned Shares (as defined in Exhibit A) determined in accordance with the performance-based vesting conditions set forth on Exhibit A (the “**Performance Goals**”).

Settlement. Except as otherwise provided for herein and subject to the fulfillment of the vesting and other conditions set forth in this Agreement and Section 3 of Exhibit A hereto, settlement of the vested Restricted Stock Units, if any, shall be effected in the form of issuance of whole Shares, on or as soon as possible (and in no event more than sixty (60) days thereafter) following the applicable Vesting Date (each as defined in Exhibit A) that relates to such vested Restricted Stock Units. Each vested Restricted Stock Unit will be settled by the delivery of up to two Shares as determined in accordance with Exhibit A hereto (subject to adjustment under the Plan) to the Participant or, in the event of the Participant’s death, to the Participant’s estate or heirs, provided that the Participant has remained in Continuous Status as an Employee through the applicable Vesting Date, has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with the Award, and that the Participant has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of the Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares underlying the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant will be recorded as a stockholder of the Company with respect to such Shares and will have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee. Except as otherwise provided in this Agreement in the sections below entitled “Termination Without Cause or due to Constructive Termination,” and “Death or Permanent Disability of Participant,” or under Section 5 of Exhibit A hereto, in the event of the termination of the Participant’s Continuous Status as an Employee for any reason (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s Written Agreements), the Participant’s Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant on the effective date of termination of his or her Continuous Status as an Employee.

The Participant’s Continuous Status as an Employee will terminate effective as of the date the Participant is no longer providing services as an Employee (such date, the “**Termination Date**”), with such Termination Date being as of the end of any notice period mandated under the employment laws in the jurisdiction where the Participant is employed or providing services or provided for in the Participant’s Written Agreements (if applicable); provided, however, that the commencement of the “Transition Period” provided in the Participant’s Transition Agreement shall be deemed to immediately terminate Participant’s Continuous Status as an Employee. Subject to Section 409A of the Code, the Board (as defined below) will have the exclusive discretion to determine when the Participant’s Continuous Status as an Employee has terminated for purposes of the Award.

Upon termination of the Participant’s Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Termination without Cause or due to Constructive Termination (outside of a Change in Control). In the event the Participant's Continuous Status as an Employee is terminated by the Company without Cause (as defined in the Participant's Written Agreements) or the Participant terminates his or her Continuous Status as an Employee due to Constructive Termination (as defined in the Participant's Written Agreements), in each case, prior to the end of the 3-Year Performance Period (as defined in Exhibit A) and before a Change in Control, the Participant shall remain entitled to continued vesting of the Award as if employment had not terminated, based on the actual achievement of the Performance Goals as determined pursuant to Exhibit A through the [12][18] month period following the Termination Date (the "**Tail Period**"); provided, however, that no Shares shall vest pursuant to a Performance Period that has not concluded by the end of the Tail Period. Any portion of the Award that remains unvested following the Tail Period shall be cancelled without payment of any consideration to the Participant.

Any vesting of the Award that occurs after the Termination Date shall be conditioned upon (i) the Participant's timely execution and non-revocation of the Transition Agreement (or in the absence of a Transition Agreement, a release of claims in a form and manner satisfactory to the Company) and (ii) if applicable, the Participant's continued compliance with the terms of the Transition Agreement. The Restricted Stock Units that vest under this section shall be settled in whole Shares, on or as soon as possible following the applicable Vesting Date (and in no event more than sixty (60) days thereafter). Upon termination of the Participant's Continuous Status as an Employee, any Restricted Stock Units forfeited by the Participant shall be cancelled without payment of any consideration to the Participant.

Death or Permanent Disability of Participant. In the event the Participant's Continuous Status as an Employee terminates due to death or Permanent Disability (as defined in the Participant's Written Agreements), in each case, prior to the end of the 3-Year Performance Period and before a Change in Control, then the balance of the Award that is unvested as of the Termination Date shall vest on the Termination Date based on the deemed achievement of the "target" performance level set forth on Exhibit A for any Performance Periods that have not ended as of the Termination Date. The Award shall vest based on actual achievement of the Performance Goals for any Performance Period that ended prior to the Termination Date.

Any vesting of the Award following the Termination Date shall be conditioned upon the Participant's, timely execution and non-revocation of the Transition Agreement (or in the absence of a Transition Agreement, a release of claims in a form and manner satisfactory to the Company) or in the event of the Participant's death, the Participant's estate's or heirs' timely execution and non-revocation of a release of claims in a form and manner satisfactory to the Company. The Restricted Stock Units that vest under this section shall be settled in whole Shares as soon as possible following the vesting date (and in no event more than sixty (60) days thereafter).

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement will be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision will be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement will be strictly prohibited and void.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under this Award, including without limitation (i) restrictions under the Company's Securities Trading Policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or non-U.S. law) covering the Award and/or the Shares underlying the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading / Market Abuse Laws. By participating in the Plan, the Participant agrees to comply with the Company's Securities Trading Policy. Further, the Participant acknowledges that, depending on the Participant's country, the Participant may be subject to insider trading restrictions and/or market-abuse laws, which may affect his or her ability to sell the Shares during such times as he or she is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions or the Participant's country). Any restrictions under these laws or regulations are in addition to any restrictions that may be imposed under the Company's Securities Trading Policy. The Participant understands and agrees that he or she should consult his or her personal legal advisor for details regarding any insider trading restrictions and/or market-abuse laws in his or her country and that the Participant is solely responsible for complying with such laws or regulations.

Certain Conditions of the Award. By accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) The grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant's participation in the Plan will not create a right to further Continuous Status as an Employee and will not interfere with any applicable ability of the Company (or any Affiliate) to terminate the Participant's Continuous Status as an Employee at any time;
- (e) The Award and the Participant's participation in the Plan will not be interpreted to form or amend an employment contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income from and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income from and value of the same, are not part of normal or expected compensation for any purpose, including but not

limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;

- (i) The future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;
- (k) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
- (l) None of the Company, any Affiliate nor the Company or the Affiliate employing or engaging the Participant (the “**Employer**”) will be liable for any foreign exchange rate fluctuation between the Participant’s local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement;
- (m) No claim or entitlement to compensation or damages will arise from (i) forfeiture of the Award resulting from termination of the Participant’s Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant’s employment or service agreement, if any) and/or (ii) forfeiture of the Award or recoupment of any Shares, cash or other benefits acquired pursuant to the Restricted Stock Units resulting from the application of any recoupment or clawback policy of the Company, as it may be amended from time to time (whether such policy is adopted on or after the date of this Agreement) or any recoupment otherwise required by applicable laws, regulations or stock exchange listing standards; and
- (n) Unless otherwise agreed with the Company, the Award and the Shares subject to the Award, and the income and value of the same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of an Affiliate of the Company.

Data Privacy Notice and Consent. This section applies if the Participant resides outside of the United States:

- (a) The Participant understands information about the Company’s data processing practices in connection with the Participant’s participation in the Plan is available in the Company’s Employee and Staff Privacy Policy provided [here](#).
- (b) The Participant understands that the Company will collect the Participant’s personal data for purposes of allocating the Shares and implementing, administering and managing the Plan. The Company will also transfer the Participant’s personal data to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co.

and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the “**Designated Broker**”) so that the Designated Broker can assist the Company with the implementation, administration and management of the Plan. Without limiting any other rights the Company may have, the Participant declares his or her consent to the use of his or her personal data in connection with the Plan.

- (c) The Participant’s participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does not consent, or the Participant withdraws his or her consent, the Participant cannot participate in the Plan. This would not affect the Participant’s salary as an Employee of the Employer, or the Participant’s service with the Employer. Instead, the Company would not be able to grant the Participant the Restricted Stock Units or other awards, or administer or maintain such awards. The Participant understands that refusing or withdrawing his or consent may affect his or her ability to participate in the Plan.

Tax Obligations

- (a) Responsibility for Taxes. The Participant acknowledges that, regardless of any action the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant’s participation in the Plan and legally applicable or deemed applicable to the Participant (the “**Tax-Related Items**”), the ultimate liability for all Tax-Related Items is and remains the responsibility of the Participant and may exceed the amount actually withheld by the Company or the Employer, if any.

The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of rights or any aspect of the Participant’s participation in the Plan to reduce or eliminate the Participant’s liability for Tax-Related Items or achieve any particular tax result.

Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company will require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value on the applicable vesting date (or other applicable date on which the Tax-Related Items arise) not in excess of the amount of such Tax-Related Items, subject to subsection (d) below and provided that if the applicable date falls on a non-trading day, the Fair Market Value will be determined based on the closing price of the Common Stock on the next available trading day. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back

solely for the purpose of satisfying the Company's (or the Employer's) withholding obligation with respect to the Tax-Related Items.

- (c) Alternative Withholding Methods. If the Company determines in its discretion that withholding in Shares is not permissible or advisable under applicable local law, the Company may satisfy its obligations for Tax-Related Items by one or a combination of the following:
- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or
 - (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization); or
 - (iii) requiring the Participant to pay an amount equal to the Tax-Related Items to the Company or the Employer.
- (d) Withholding Rate. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including up to the maximum statutory tax rate for the applicable tax jurisdiction(s), to the extent consistent with the Plan and applicable laws. If the Company determines the withholding amount using maximum applicable rates, the Participant may be entitled to a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded by the Company or the Employer, the Participant may seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or non-U.S. postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, including the Appendix, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

- (b) **Consent to Electronic Delivery.** The Participant acknowledges that the Participant has read the “Delivery of Documents and Notices” section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section.

The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails.

The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Recoupment. As an additional condition of receiving the Award, the Participant agrees that the Restricted Stock Units whether vested or unvested, and/or the Shares, cash or other benefits acquired pursuant to the Restricted Stock Units (and any proceeds therefrom) may be subject to recoupment to the extent required (i) under the Company’s clawback policies in effect as of the date of this Agreement, or to the extent adopted following the date of this Agreement any similar policy applicable to circumstances where the Participant engages in misconduct, fraud, a violation of law or other similar circumstances, and, in each case, as they may be amended from time to time, or (ii) under applicable laws, regulations or stock exchange listing standards (collectively, the “**Recoupment Policy**”). In order to satisfy any recoupment obligation arising under the Recoupment Policy, among other things, the Participant expressly and explicitly authorize the Company to issue instructions, on the Participant’s behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold any Shares or other amounts acquired pursuant to the Restricted Stock Units to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company’s enforcement of the Recoupment Policy. No recovery of compensation as described in this section will be an event giving rise to your right to resign for “good reason” or “constructive termination” (or similar term) under any plan of, or agreement with, the Company, any Subsidiary, Affiliate and/or the Employer.

Language. By accepting the Award, the Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English to allow the Participant to understand the terms and conditions of this Agreement and Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions will nevertheless be binding and enforceable.

Governing Law; Venue. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of

litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Appendix. Notwithstanding any provisions in this Agreement, the grant of this Award will be subject to any additional terms and conditions set forth in any Appendix to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset / Account Reporting Requirements; Exchange Controls. The Participant acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any sale proceeds or dividends paid on Shares acquired under the Plan). The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations and the Participant should consult his or her personal legal advisor for any details.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

[Remainder of Page Left Intentionally Blank]

Acceptance. Failure by the Participant to accept and acknowledge this Agreement prior to the first vesting shall result in a delay of the issuance of the Shares until the Agreement has been accepted or forfeiture of the Award if the Agreement is not accepted prior to such date that allows the Company to issue the Shares by March 15th of the year following the year the Award vests).

Cadence Design Systems, Inc.

By:

Name:

Title:

Date:

Acknowledged and Agreed:

By: _____

Name:

Date: _____

APPENDIX

TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant works and/or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant transfers employment and/or residency to a different country after the Award is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Appendix also includes notifications regarding exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. These notifications are based on the securities, exchange control and other laws in effect in the respective countries as of **May 2024**. Such laws are often complex and change frequently. As a result, the Participant understands that he or she should not rely on the notifications contained in this Appendix as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out-of-date at the time the Participant vests in the Restricted Stock Units or sells any Shares obtained upon such vesting.

In addition, the notifications contained in this Appendix are general in nature, may not apply to the Participant's particular situation and relate to the Participant's personal obligations with respect to participation in the Plan and, as a result, the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's individual situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant relocates to a different country after the Award is granted, the notifications contained in this Appendix may not be applicable to the Participant in the same manner.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Participant understands and agrees that he or she should consult with his or her personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

AUSTRIA

Notifications

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank. If the value of the Shares meets or exceeds a certain threshold, the Participant must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where the cash amounts held outside of Austria meets or exceeds a certain threshold, monthly reporting obligations apply as explained in the next paragraph.

If the Participant sells Shares, or receives any cash dividends, the Participant may have exchange control obligations if the Participant holds the cash proceeds outside of Austria. If the transaction volume of all the Participant's accounts abroad meets or exceeds a certain threshold, the Participant must report to the Austrian National Bank the movements and balances of all accounts on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

BELGIUM

NOTIFICATIONS

Foreign Asset/Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts (including brokerage accounts) held outside Belgium on his or her annual tax return. The first time the Participant reports the foreign security and/or bank accounts, the Participant will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the caption *Kredietcentrales / Centrales des crédits*.

Stock Exchange Tax. A stock exchange tax applies to transactions executed by the Participant through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when Shares acquired under the Plan are sold. The Participant should consult his or her personal tax or financial advisor for additional details.

Annual Securities Accounts Tax Information. An "annual securities accounts tax" imposes a 0.15% annual tax on the value of the qualifying securities held in a Belgian or foreign securities account. The tax will not apply unless the total value of securities held in such account exceeds EUR 1 million on average on four reference dates within the relevant reporting period (i.e., December 31, March 31, June 30 and September 30). Different payment obligations apply depending on whether the securities account is held with a Belgian or foreign financial institution. The Participant understands the Participant should consult his or her personal tax advisor for more information regarding the Participant's annual securities accounts tax payment obligations.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the Award, the Participant agrees to comply with any applicable Brazilian laws and is responsible for paying and reporting any and all applicable Tax-Related Items associated with the Participant's participation in the Plan and the sale of Shares obtained as a result of the Participant's participation in the Plan. The Participant agrees that, for all legal purposes, (i) any benefits provided to the Participant under the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Plan is not a part of the terms and conditions of the Participant's employment; and (iii) the income from the Shares acquired under the Plan, if any, is not part of the Participant's remuneration from employment.

Certain Conditions of the Award. This provision supplements the "Certain Conditions of the Award" section of this Agreement:

By accepting the Award, the Participant acknowledges and agrees that (i) the Participant is making an investment decision and (iii) the value of the underlying Shares is not fixed and may increase or decrease over the vesting period without compensation to the Participant.

NOTIFICATIONS

Exchange Control Information. The Participant is required to submit a declaration of assets and rights (including Shares acquired under the Plan) held outside of Brazil if the aggregate value of such assets exceeds a threshold amount that is established annually by the Central Bank. The Participant should consult with his or her personal legal advisor to determine whether he or she will be subject to this reporting requirement.

CANADA**TERMS AND CONDITIONS**

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

Termination of Employment. This provision replaces the "Termination of Continuous Status as an Employee" section of the Agreement:

For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant upon the earliest of: (i) the Employee receiving notice of termination of employment, (ii) the Employee providing notice of resignation from his or her employment, and (iii) the Employee ceasing to provide active services, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, common law, civil law, contract or otherwise. The Participant will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which the Participant's right to vest ceases, nor will the Participant be entitled to any compensation for lost

vesting. In the event that the date when the Participant's Continuous Status as an Employee has terminated cannot be reasonably determined under the terms of the Agreement and/or the Plan, the Board will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award (including whether the Participant may still be considered to be providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of the Participant's minimum statutory notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's statutory notice period, nor will the Participant be entitled to any compensation for lost vesting.

The following provision will apply if the Participant is a resident of Quebec:

French Language Documents. A French translation of this Agreement and the Plan will be made available to the Participant concurrently with this Agreement. The Participant understands that, from time to time, additional information related to the Restricted Stock Units may be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and this Agreement will govern the Participant's participation in the Plan.

Data Privacy Notice and Consent. This provision supplements the applicable "Data Privacy Notice and Consent" section of this Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, the Employer, its Affiliates and the plan administrator to disclose and discuss the Plan with their respective advisors, including the Designated Broker. The Participant further authorizes the Employer, the Company and its Affiliates to record such information and to keep such information in the Participant's employee file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, the Participant also acknowledges that the Company, the Employer, its Affiliates and the Designated Broker may use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.

NOTIFICATIONS

Securities Law Information. Shares acquired through the Plan may be sold through the Designated Broker, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Global Select Market).

Foreign Asset/Account Reporting Information. Specified foreign property, including Shares acquired under the Plan and other rights to receive Shares (*e.g.*, Restricted Stock Units) of a non-Canadian company held by the Participant must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time during the year. Thus, such rights must be reported – generally at a nil cost – if the C\$100,000 cost threshold is exceeded because of other specified foreign property the Participant

holds. When Shares are acquired, their cost generally is the adjusted cost base (“**ACB**”) of the shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares.

CHINA

TERMS AND CONDITIONS

Mandatory Sale Restriction. Due to exchange control considerations in the People’s Republic of China (“**PRC**”), the Company reserves the right to require the sale of any Shares issued to the Participant upon vesting of the Restricted Stock Units, either (i) immediately upon vesting of the Restricted Stock Units, (ii) within ninety (90) days following the termination of the Participant’s Continuous Status as an Employee, or (iii) within any other such time frame as may be required by the PRC State Administration of Foreign Exchange.

By accepting the Award, the Participant acknowledges that he or she understands and agrees that the Company is authorized to, and may in its sole discretion, instruct the Designated Broker to assist with the mandatory sale of Shares (on the Participant’s behalf pursuant to this authorization) and the Participant expressly authorizes the Designated Broker to complete the sale of such Shares. The Participant acknowledges that the Designated Broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the proceeds, less any Tax-Related Items and brokerage fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

Exchange Control Restrictions. By accepting the Award, the Participant understands and agrees that, due to exchange control laws in China, the Participant is not permitted to transfer any Shares acquired under the Plan out of the Participant’s account established with the Designated Broker, and that the Participant will be required to immediately repatriate all proceeds due to the Participants as a result of his or her participation in the Plan, including any proceeds from the sale of Shares acquired under the Plan to China.

The Participant further understands that such repatriation of the proceeds will need to be effected through a special exchange control account established by the Company, the Employer, or an Affiliate in China, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant in China. The proceeds may be paid in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she may be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, the Participant acknowledges that the Company is under no obligation to secure any particular currency conversion rate, and that it may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Participant acknowledges and agrees that he or she bears the risk of any currency conversion rate fluctuation between the date that the Shares are sold and the date of conversion of the proceeds to local currency. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

FINLAND

There are no country-specific provisions.

FRANCE**TERMS AND CONDITIONS**

Consent to Receive Information in English. By accepting the Award, the Participant confirms having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. French residents must report all foreign bank and brokerage accounts on an annual basis (including accounts opened, held, used and/or closed during the tax year) on a special form together with the income tax return. Failure to report triggers a significant penalty.

GERMANY**NOTIFICATIONS**

Exchange Control Information. Cross-border payments in excess of EUR 50,000 (as of January 1, 2025) must be reported to the German Federal Bank (Bundesbank). If the Participant acquires Shares with a value in excess of this amount, the Employer will report the acquisition of the Shares to Bundesbank. If the Participant otherwise makes or receives a payment in excess of this amount (e.g., if Shares are withheld to cover applicable Tax-Related Items or if the Participant sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover the Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("**Allgemeine Meldeportal Statistik**") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

Foreign Asset/Account Reporting Information. The Participant understands that if his or her acquisition of Shares under the Plan leads to a so-called "qualified participation" at any point during the calendar year, the Participant may need to report the acquisition when he or she files his or her tax return for the relevant year. A "qualified participation" is attained if (i) the value of the Shares acquired exceeds EUR 150,000 and the Participant holds Shares reaching or exceeding 1% of the Company's total Common Stock or (ii) in the unlikely event the Participant holds Shares exceeding 10% of the Company's total Common Stock.

GREECE

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If the Participant acquires Shares under the Plan, the Participant must report such foreign assets on the Participant's annual tax return.

HUNGARY

There are no country-specific provisions.

INDIA

TERMS AND CONDITIONS

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

NOTIFICATIONS

Exchange Control Information. The Participant must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of Shares) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. The Participant should obtain a foreign inward remittance certificate ("**FIRC**") from the bank where the Participant deposits the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Employer requests proof of repatriation. The Participant may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Employer to enable them to comply with their filing requirements under exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant must declare the following items in his or her annual tax return: (i) any foreign assets held (including Shares acquired under the Plan), and (ii) any foreign bank accounts for which the Participant has signing authority. The Participant is responsible for complying with this reporting obligation and should consult his or her personal tax advisor in this regard.

IRELAND

There are no country-specific provisions.

ISRAEL

TERMS AND CONDITIONS

Nature of Award. By accepting the Award, the Participant understands and agrees that the Restricted Stock Units are offered subject to and in accordance with the Sub-Plan for Israeli Participants to the Plan (the "**Israeli Subplan**") and the Award is intended to be a Capital Gain Award pursuant to Section 102 of the Ordinance (as defined in the Israeli Subplan). Notwithstanding the foregoing, the Company does not undertake to maintain the qualified status of the Restricted Stock Units and the Participant acknowledges that he or she will not be entitled to damages of any nature

whatsoever if the Award becomes disqualified and no longer qualifies as a Capital Gain Award. In the event of any inconsistencies between the Israeli Subplan, the Agreement and/or the Plan, the terms of the Israeli Subplan will govern.

Further, to the extent requested by the Company or the Employer, the Participant agrees to execute any letter or other agreement in connection with the grant of the Restricted Stock Units or any future Restricted Stock Units granted under the Israeli Subplan. If the Participant fails to comply with such request, the Award may not qualify as a Capital Gain Award.

Trust Arrangement. The Participant acknowledges and agrees that the Award and any Shares issued upon vesting of the Restricted Stock Units will be held on the Participant's behalf, in trust, or controlled by the Company's designated trustee in Israel, Tamir Fishman or any such other trustee in Israel which may be designated by the Company in the future (the "**Trustee**") in accordance with the terms of the trust agreement between the Company and the Trustee. The Participant further agrees that such Shares will be subject to the Holding Period (as defined in the Israeli Subplan). The Company may, in its sole discretion, replace the trustee from time to time and instruct the transfer of all Restricted Stock Units and Shares held and/or administered by such trustee at such time to its successor and the provisions of the Agreement will apply to the new trustee.

Restriction on Sale. The Participant acknowledges that, in order to maintain the Award's status as a Capital Gain Award, any Shares issued upon vesting of the Restricted Stock Units may not be disposed of prior to the expiration of the Holding Period. Accordingly, the Participant will not dispose of (or request the Trustee to dispose of) any such Shares prior to the expiration of the Holding Period, other than as permitted by applicable law. For purposes of this Appendix for Israel, "dispose" will mean any sale, transfer or other disposal of the Shares by the Participant or the Trustee, including a release of such Shares from the Trustee to the Participant.

Tax Obligations. This provision supplements the "Tax Obligations" section of the Agreement:

Upon disposal of the Shares, the fair market value of the Restricted Stock Units on the Date of Award (as computed in accordance with the provisions of the Ordinance relating to Capital Gain Awards) will be subject to taxation in Israel in accordance with ordinary income tax principles. Moreover, in the event that the Participant disposes of any Shares underlying the Restricted Stock Units prior to the expiration of the Holding Period, the Participant acknowledges and agrees that any additional gains from the sale of such Shares will not qualify for capital gains tax treatment applicable to Capital Gain Awards and will be subject to taxation in Israel in accordance with ordinary income tax principles. Further, the Participant acknowledges and agrees that he or she will be liable for the Employer's component of payments to the Israeli National Insurance Institute (to the extent such payments by the Employer are required).

The Participant further agrees that the Trustee may act on behalf of the Company or the Employer, as applicable, to satisfy any obligation to withhold Tax-Related Items applicable to the Participant in connection with the Restricted Stock Units granted under the Israeli Subplan.

Additional Conditions of the Award. By accepting the Award, the Participant (i) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Awards, and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, Section 102 may not apply, and (ii) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the Employer, which is available for the Participant's review, during normal working hours, at Company's offices, (iii) acknowledges that releasing the Awards and

Shares from the holding or control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions, (iv) authorizes the Company and/or the Employer to provide the Trustee with any information required for the purpose of administering the Plan including executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Awards, Shares, income tax rates, salary bank account, contact details and identification number.

NOTIFICATIONS

Securities Law Information. An exemption from filing a prospectus in relation to the Plan has been granted to the Company by the Israeli Securities Authority. Copies of the Plan and the Form S-8 registration statement for the Plan filed with the SEC are available at my local human resources department.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment. By accepting the grant of the Award, the Participant acknowledges that he or she has received a copy of the Plan and the Agreement, including this Appendix and has reviewed the Plan and the Agreement (including this Appendix) in their entirety and fully understands and accept all provisions of the Plan and the Agreement (including this Appendix).

The Participant further acknowledges that he or she has read and specifically and expressly approves the following sections of the Agreement: Vesting Schedule; Settlement; Status of Award; Termination of Continuous Status as an Employee; Certain Conditions of the Award; Data Privacy Notice and Consent; Tax Obligations; Language; Governing Law and Venue; Appendix; and Imposition of Other Requirements.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If, at any time during the fiscal year, the Participant holds foreign financial assets (including cash, rights and Shares) which may generate income taxable in Italy, the Participant is required to report these assets on his or her annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to the Participant if he or she is the beneficial owner of foreign financial assets under Italian money laundering provisions.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Participant acquires Shares valued at more than JPY 100 million in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days after the acquisition of the Shares. The Participant should consult his or her personal tax advisor to determine the applicable reporting obligations.

Foreign Asset/Account Reporting Information. The Participant is required to report details of any assets held outside of Japan as of December 31, including Shares acquired under the Plan, to the

extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report will be due by March 15th each year. The Participant is responsible for complying with this reporting obligation if applicable to the Participant and should consult his or her personal tax advisor in this regard.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation. These provisions supplement the "Certain Conditions of the Award " section of this Agreement:

Modification. By accepting the Restricted Stock Units, the Participant understands and agrees that any modification of the Plan or the Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The grant of Restricted Stock Units the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 2655 Seely Avenue, Building 5, San Jose, California 95134 U.S.A., is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis, nor does it establish any rights between the Participant and the Employer. Further, the Participant agrees that any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment or service contract, if applicable.

Plan Document Acknowledgment. By accepting the Restricted Stock Units, the Participant acknowledges that the Participant has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Participant further acknowledges that the Participant has read and specifically and expressly approved the terms and conditions in the "Certain Conditions of the Award " section of this Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Parent or Subsidiary or Affiliate are not responsible for any decrease in the value of the Shares underlying the Restricted Stock Units.

Finally, the Participant hereby declares that the Participant does not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of the Participant's participation in the Plan and therefore grants a full and broad release to the Employer, the Company and any Parent or Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

Spanish Translation

Sin derecho a compensación o reclamaciones por compensación. Estas disposiciones complementan la sección "Ciertas Condiciones de la Adjudicación" del presente Acuerdo:

Modificación. Al aceptar las Unidades de Acciones Restringidas, el Empleado entiende y acuerda que cualquier modificación al Plan o al Contrato o su terminación no constituirá un cambio o perjuicio a los términos y condiciones de empleo.

Declaración de Política. El otorgamiento de Unidades de Acciones Restringidas que la Compañía está haciendo de conformidad con el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin responsabilidad alguna.

La Compañía, con oficinas registradas ubicadas en 2655 Seely Avenue, Building 5, San Jose, California 95134, EE.UU. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, de forma alguna, establecer una relación de trabajo entre el Empleado y la Compañía, ya que el Empleado está participa en el Plan de una base totalmente comercial, y tampoco establece ningún derecho entre el Empleado y el Patrón. Asimismo, el Empleado acuerda que cualquier modificación al Plan o a su terminación no generarán un cambio o impedimento en los términos y condiciones derivados de su contrato de servicios.

Reconocimiento del Documento del Plan. Al aceptar el Otorgamiento de las Unidades de Acciones Restringidas, el Empleado reconoce que el Empleado ha recibido copias del Plan, ha revisado el Plan y el Contrato en su totalidad y entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Contrato.

Adicionalmente, mediante la firma del Contrato, el Empleado reconoce que el Empleado ha leído y especifica y expresamente ha aprobado los términos y condiciones del sección "Ciertas Condiciones de la Adjudicación" de este Acuerdo, en el que claramente se ha descrito y establecido que: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el Plan es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones subyacentes a las Unidades de Acciones Restringidas.

Finalmente, el Empleado de acuerdo en que el Empleado no se reserva ninguna acción o derecho para interponer cualquier demanda o reclamación en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de su participación en el Plan y, por lo tanto, otorga finiquito al Patrón, la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada con respecto a cualquier demanda o reclamación que pudiera surgir en virtud del Plan.

NOTIFICATIONS

Securities Law Information. Any Restricted Stock Units offered under the Plan and the Shares underlying the Restricted Stock Units have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and any other document relating to any Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and its

Subsidiaries and Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees or contractors of the Company or one of its Subsidiaries and Affiliates, made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

POLAND

NOTIFICATIONS

Exchange Control Information. Information regarding bank or brokerage accounts holding cash and securities (including Shares) outside of Poland must be reported on a quarterly basis to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds a certain threshold. Any transfer of funds in excess of a certain threshold into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions should be retained for a period of five (5) years as measured from the end of the year in which such transaction occurred.

SINGAPORE

NOTIFICATIONS

Securities Law Information. The Award under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“**SFA**”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Award granted under the Plan is subject to section 257 of the SFA and the Participant understands that he or she should not sell or offer to sell, any Shares directly to any person or entity in Singapore unless such sale or offer is made (i) six months or more after the date of grant, (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Director Notification Information. Any director, associate director or shadow director of a Singapore Affiliate or Related Entity is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Affiliate or Related Entity in Singapore in writing when receiving or disposing of an interest (e.g., rights or Shares) in the Company or in any Affiliate or Related Entity. Such notifications must be made within two days of acquiring or disposing of an interest in the Company or any Affiliate or Related Company, or within two days of becoming a director if such an interest is held at that time.

SOUTH KOREA**NOTIFICATIONS**

Exchange Control Information. If the Participant sells Shares acquired under the Plan or receives cash dividends, the Participant may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. The Participant is responsible for complying with any applicable exchange control reporting obligations in Korea and the Participant should consult his or her personal legal advisor to determine his or her personal reporting obligations.

Foreign Asset/Account Reporting Information. The Participant must declare all foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds the applicable threshold on any month-end date during a calendar year. The Participant should consult his or her personal tax advisor to determine his or her personal reporting obligations.

SWEDEN**TERMS AND CONDITIONS**

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limiting the Company’s and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the “Tax Obligations” section of this Agreement, by accepting the Award, the Participant authorizes the Company and/or the Employer by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award or withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant’s behalf pursuant to this authorization) to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

SWITZERLAND**NOTIFICATIONS**

Securities Law Information. Neither this document nor any other materials relating to the offer of participation in the Plan (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“**FinSA**”); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (**FINMA**).

TAIWAN**NOTIFICATIONS**

Securities Law Information. The offer of participation in the Plan is available only for eligible Employees. The offer of participation in Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including proceeds from the sale of Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD 500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

UNITED KINGDOM**TERMS AND CONDITIONS**

Tax Withholding. This provision supplements the “Tax Obligations” section of this Agreement:

Without limitation to the “Tax Obligations” section of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant’s behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provisions will not apply. The Participant understands that, in the event he or she is an executive officer or director and the income tax is not collected by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions (“**NICs**”) may be payable. The Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable for the value of any NICs due on this additional benefit.

UNITED STATES OF AMERICA

There are no country-specific provisions.

EXHIBIT A

PERFORMANCE-BASED VESTING CONDITIONS

EXHIBIT B

LIST OF COMPANIES INCLUDED IN THE S&P MIDCAP 400 INFORMATION TECHNOLOGY INDEX AND THE S&P 500 IT INDEX AS OF THE DATE OF AWARD

(attached)

CADENCE DESIGN SYSTEMS, INC.

**Restricted Stock Unit Agreement
Omnibus Equity Incentive Plan
(the “Plan”)**

Cadence Design Systems, Inc. (the “**Company**”) grants the participant named below (the “**Participant**”) Restricted Stock Units pursuant to the Plan as set forth below (the “**Award**”). Each Restricted Stock Unit represents the right to receive one Share (as adjusted from time to time pursuant to the Plan), subject to vesting and other conditions set forth in this Agreement (as defined below).

This Award is subject to the terms and conditions set forth in this Restricted Stock Unit Agreement, including the additional terms and conditions contained in the appendix attached hereto (the “**Appendix**”) (collectively, this “**Agreement**”), and in the Plan located at the Company’s Employee Stock Services’ intranet webpage; provided, however, if there is a conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement will govern. Capitalized terms that are not defined herein will have the meanings set forth in the Plan.

Participant: [●]

ID Number: [●]

Restricted Stock Unit Number: [●]

Date of Award: [●]

Number of Shares Subject to the Restricted Stock Units (the “Shares”): [●]

Vesting Commencement Date: [●]

Vesting Schedule: [●]

Settlement. Each vested Restricted Stock Unit will be settled by the delivery of one Share (subject to adjustment under the Plan) to the Participant or, in the event of the Participant’s death, to the Participant’s estate or heirs, on or as soon as practicable following the applicable vesting date (but in no event more than 30 days thereafter), provided that the Participant has remained in Continuous Status as an Employee through such vesting date, has satisfied all obligations with regard to the Tax-Related Items (as defined below) in connection with the Award, and that the Participant has completed, signed and returned any documents and taken any additional action that the Company deems appropriate to enable it to accomplish the delivery of the Shares. No fractional shares will be issued under this Agreement.

Status of Award. Until the Restricted Stock Units vest and the Shares underlying the Restricted Stock Units are issued to the Participant pursuant to the terms of this Agreement, the Participant will have no rights as a stockholder of the Company with respect to the Shares subject to the Award (including, without limitation, any voting or dividend rights with respect to such Shares). Following the issuance of such Shares to the Participant hereunder, the Participant will be recorded as a stockholder of the Company with respect to such Shares and will have all voting rights and rights to dividends and other distributions with respect to such Shares.

Termination of Continuous Status as an Employee. For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant on the effective date of termination of his or her Continuous Status as an Employee. The Participant's Continuous Status as an Employee will terminate effective as of the date the Participant is no longer providing services as an Employee, with such date being as of the end of any notice period mandated under the employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement (if applicable). The Board (as defined below) will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award.

Death of Participant. In the event of the Participant's death before all the Restricted Stock Units subject to this Award have vested, if the Participant will have been in Continuous Status since the Date of Award, the number of Restricted Stock Units scheduled to vest one year after the Participant's date of death will be deemed to have vested immediately prior to the Participant's death. All other Restricted Stock Units will cease vesting and any rights to the underlying Shares will be forfeited without compensation to the Participant.

Board Authority. Any question concerning the interpretation of this Agreement or the Plan, any adjustments required to be made under the Plan, and any controversy that may arise under the Plan or this Agreement will be determined by the Company's Board of Directors or a committee of directors designated by the Board pursuant to Section 4(a) of the Plan (including any subcommittee or other person(s) to whom the committee has delegated its authority) in its sole and absolute discretion (collectively, the "**Board**"). Such decision will be final and binding.

Transfer Restrictions. Any sale, transfer, assignment, encumbrance, pledge, hypothecation, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disposition of any kind, whether voluntary or by operation of law, directly or indirectly, of Restricted Stock Units or Shares subject thereto prior to the date such Shares are issued to the Participant pursuant to this Agreement will be strictly prohibited and void.

Securities Law Compliance. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales or other subsequent transfers of any Shares issued as a result of or under this Award, including without limitation (i) restrictions under the Company's Securities Trading Policy, (ii) restrictions that may be necessary in the absence of an effective registration statement under the Securities Act or any other similar applicable law (whether U.S. or non-U.S. law) covering the Award and/or the Shares underlying the Award, and (iii) restrictions as to the use of a specified brokerage firm or other agent for such resales or other transfers. Any sale of the Shares must also comply with other applicable laws and regulations governing the sale of such Shares.

Insider Trading / Market Abuse Laws. By participating in the Plan, the Participant agrees to comply with the Company's Securities Trading Policy. Further, the Participant acknowledges that, depending on the Participant's country, the Participant may be subject to insider trading restrictions and/or market-abuse laws, which may affect his or her ability to sell the Shares during such times

as he or she is considered to have “inside information” regarding the Company (as defined by the laws in the applicable jurisdictions or the Participant’s country). Any restrictions under these laws or regulations are in addition to any restrictions that may be imposed under the Company’s Securities Trading Policy. The Participant understands and agrees that he or she should consult his or her personal legal advisor for details regarding any insider trading restrictions and/or market-abuse laws in his or her country and that the Participant is solely responsible for complying with such laws or regulations.

Certain Conditions of the Award. By accepting the Award, the Participant acknowledges and agrees that:

- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) The grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted in the past;
- (c) All decisions with respect to future award grants, if any, will be at the sole discretion of the Company;
- (d) The Participant’s participation in the Plan will not create a right to further Continuous Status as an Employee and will not interfere with any applicable ability of the Company (or any Affiliate) to terminate the Participant’s Continuous Status as an Employee at any time;
- (e) The Award and the Participant’s participation in the Plan will not be interpreted to form or amend an employment contract or service contract or relationship with the Company or any Affiliate;
- (f) The Participant is voluntarily participating in the Plan;
- (g) The Award and the Shares subject to the Award, and the income from and value of the same, are not intended to replace any pension rights or compensation;
- (h) The Award and the Shares subject to the Award, and the income from and value of the same, are not part of normal or expected compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension or retirement benefits or payments or welfare benefits or similar mandatory payments;
- (i) The future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (j) Unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares;

- (k) The Award and the Shares subject to the Award, and the income and value of the same, are not part of normal or expected compensation for any purpose;
- (l) None of the Company, any Affiliate nor the Company or the Affiliate employing or engaging the Participant (the “**Employer**”) will be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Participant pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement;
- (m) No claim or entitlement to compensation or damages will arise from (i) forfeiture of the Award resulting from termination of the Participant's Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) and/or (ii) forfeiture of the Award or recoupment of any Shares, cash or other benefits acquired pursuant to the Restricted Stock Units resulting from the application of any recoupment or clawback policy of the Company, as it may be amended from time to time (whether such policy is adopted on or after the date of this Agreement) or any recoupment otherwise required by applicable laws, regulations or stock exchange listing standards; and
- (n) Unless otherwise agreed with the Company, the Award and the Shares subject to the Award, and the income and value of the same, are not granted as consideration for, or in connection with, the service the Participant may provide as a director of an Affiliate of the Company.

Data Privacy Notice and Consent. This section applies if the Participant resides outside of the United States:

- (a) The Participant understands information about the Company's data processing practices in connection with the Participant's participation in the Plan is available in the Company's Employee and Staff Privacy Policy provided [here](#).
- (b) The Participant understands that the Company will collect the Participant's personal data for purposes of allocating the Shares and implementing, administering and managing the Plan. The Company will also transfer the Participant's personal data to E*TRADE Corporate Financial Services, Inc. and its affiliated companies, Charles Schwab & Co. and its affiliated companies, or such other equity plan service provider as may be selected by the Company presently or in the future (the “**Designated Broker**”) so that the Designated Broker can assist the Company with the implementation, administration and management of the Plan. Without limiting any other rights the Company may have, the Participant declares his or her consent to the use of his or her personal data in connection with the Plan.
- (c) The Participant's participation in the Plan and grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does not consent, or the Participant withdraws his or her consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary as an Employee of the Employer, or the Participant's service with the Employer. Instead, the Company

would not be able to grant the Participant the Restricted Stock Units or other awards, or administer or maintain such awards. The Participant understands that refusing or withdrawing his or consent may affect his or her ability to participate in the Plan.

Tax Obligations

- (a) Responsibility for Taxes. The Participant acknowledges that, regardless of any action the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable or deemed applicable to the Participant (the "**Tax-Related Items**"), the ultimate liability for all Tax-Related Items is and remains the responsibility of the Participant and may exceed the amount actually withheld by the Company or the Employer, if any.

The Participant further acknowledges that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of rights or any aspect of the Participant's participation in the Plan to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result.

Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

- (b) Withholding in Shares. Subject to applicable local law and to the extent that the Company or the Employer is required to withhold Tax-Related Items with respect to the Award, the Company will require the Participant to satisfy his or her obligation for Tax-Related Items by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a Fair Market Value on the applicable vesting date (or other applicable date on which the Tax-Related Items arise) not in excess of the amount of such Tax-Related Items, subject to subsection (d) below and provided that if the applicable date falls on a non-trading day, the Fair Market Value will be determined based on the closing price of the Common Stock on the next available trading day. For tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of satisfying the Company's (or the Employer's) withholding obligation with respect to the Tax-Related Items.
- (c) Alternative Withholding Methods. If the Company determines in its discretion that withholding in Shares is not permissible or advisable under applicable local law, the Company may satisfy its obligations for Tax-Related Items by one or a combination of the following:
- (i) withholding from the Participant's wages or other cash compensation paid to the Participant by the Company and/or the Employer; or

- (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization); or
 - (iii) requiring the Participant to pay an amount equal to the Tax-Related Items to the Company or the Employer.
- (d) Withholding Rate. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including up to the maximum statutory tax rate for the applicable tax jurisdiction(s), to the extent consistent with the Plan and applicable laws. If the Company determines the withholding amount using maximum applicable rates, the Participant may be entitled to a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded by the Company or the Employer, the Participant may seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Delivery of Documents and Notices. Any document relating to participation in the Plan or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company or an Affiliate, or upon deposit in the U.S. Post Office or non-U.S. postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address shown below that party's signature to this Agreement or at such other address as such party may designate in writing from time to time to the other party.

- (a) Description of Electronic Delivery. The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, including the Appendix, the Plan Prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.
- (b) Consent to Electronic Delivery. The Participant acknowledges that the Participant has read the "Delivery of Documents and Notices" section of this Agreement and consents to the electronic delivery of the Plan documents and Agreement, as described in this section.

The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant

understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails.

The Participant may revoke his or her consent to the electronic delivery of documents described in this section or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant understands that he or she is not required to consent to electronic delivery of documents as described in this section.

Recoupment. As an additional condition of receiving the Award, the Participant agrees that the Restricted Stock Units whether vested or unvested, and/or the Shares, cash or other benefits acquired pursuant to the Restricted Stock Units (and any proceeds therefrom) may be subject to recoupment to the extent required (i) under the Company's clawback policies in effect as of the date of this Agreement, or to the extent adopted following the date of this Agreement any similar policy applicable to circumstances where the Participant engages in misconduct, fraud, a violation of law or other similar circumstances, and, in each case, as they may be amended from time to time, or (ii) under applicable laws, regulations or stock exchange listing standards (collectively, the "**Recoupment Policy**"). In order to satisfy any recoupment obligation arising under the Recoupment Policy, among other things, the Participant expressly and explicitly authorize the Company to issue instructions, on the Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold any Shares or other amounts acquired pursuant to the Restricted Stock Units to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy. No recovery of compensation as described in this section will be an event giving rise to your right to resign for "good reason" or "constructive termination" (or similar term) under any plan of, or agreement with, the Company, any Subsidiary, Affiliate and/or the Employer.

Language. By accepting the Award, the Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English to allow the Participant to understand the terms and conditions of this Agreement and Plan. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions will nevertheless be binding and enforceable.

Governing Law; Venue. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to its conflict of laws rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

Appendix. Notwithstanding any provisions in this Agreement, the grant of this Award will be subject to any additional terms and conditions set forth in any Appendix to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the additional terms and conditions for such country will apply to the Participant to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Foreign Asset / Account Reporting Requirements; Exchange Controls. The Participant acknowledges that his or her country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect Participant's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any sale proceeds or dividends paid on Shares acquired under the Plan). The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations and the Participant should consult his or her personal legal advisor for any details.

Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

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Acceptance. Failure by the Participant to accept and acknowledge this Agreement prior to the first vesting shall result in a delay of the issuance of the Shares until the Agreement has been accepted or *forfeiture* of the Award if the Agreement is not accepted prior to such date that allows the Company to issue the Shares by March 15th of the year following the year the Award vests).

Cadence Design Systems, Inc.

By: _____

Name: John Wall

Title: Sr. Vice President Chief Financial Officer

Date: [●], 2025

Acknowledged and Agreed:

By: _____

Name:

Date: _____

APPENDIX

TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant works and/or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant transfers employment and/or residency to a different country after the Award is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Appendix also includes notifications regarding exchange controls, securities laws and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. These notifications are based on the securities, exchange control and other laws in effect in the respective countries as of **May 2024**. Such laws are often complex and change frequently. As a result, the Participant understands that he or she should not rely on the notifications contained in this Appendix as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out-of-date at the time the Participant vests in the Restricted Stock Units or sells any Shares obtained upon such vesting.

In addition, the notifications contained in this Appendix are general in nature, may not apply to the Participant's particular situation and relate to the Participant's personal obligations with respect to participation in the Plan and, as a result, the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's individual situation.

If the Participant is a citizen or resident of a country other than the one in which the Participant is currently working and/or residing (or is considered as such for local law purposes), or if the Participant relocates to a different country after the Award is granted, the notifications contained in this Appendix may not be applicable to the Participant in the same manner.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Participant understands and agrees that he or she should consult with his or her personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

AUSTRIA***Notifications***

Exchange Control Information. If the Participant holds securities (including Shares acquired under the Plan) or cash (including proceeds from the sale of Shares) outside of Austria, the Participant may be subject to reporting obligations to the Austrian National Bank. If the value of the Shares meets or exceeds a certain threshold, the Participant must report the securities held on a quarterly basis to the Austrian National Bank as of the last day of the quarter, on or before the 15th day of the month following the end of the calendar quarter. Where the cash amounts held outside of Austria meets or exceeds a certain threshold, monthly reporting obligations apply as explained in the next paragraph.

If the Participant sells Shares, or receives any cash dividends, the Participant may have exchange control obligations if the Participant holds the cash proceeds outside of Austria. If the transaction volume of all the Participant's accounts abroad meets or exceeds a certain threshold, the Participant must report to the Austrian National Bank the movements and balances of all accounts on a monthly basis, as of the last day of the month, on or before the 15th day of the following month, on the prescribed forms.

BELGIUM***NOTIFICATIONS***

Foreign Asset/Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts (including brokerage accounts) held outside Belgium on his or her annual tax return. The first time the Participant reports the foreign security and/or bank accounts, the Participant will have to provide the National Bank of Belgium Central Contact Point with the account number, the name of the bank and the country in which the account was opened in a separate form. The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium, www.nbb.be, under the caption *Kredietcentrales / Centrales des crédits*.

Stock Exchange Tax. A stock exchange tax applies to transactions executed by the Participant through a non-Belgian financial intermediary, such as a U.S. broker. The stock exchange tax likely will apply when Shares acquired under the Plan are sold. The Participant should consult his or her personal tax or financial advisor for additional details.

Annual Securities Accounts Tax Information. An "annual securities accounts tax" imposes a 0.15% annual tax on the value of the qualifying securities held in a Belgian or foreign securities account. The tax will not apply unless the total value of securities held in such account exceeds EUR 1 million on average on four reference dates within the relevant reporting period (i.e., December 31, March 31, June 30 and September 30). Different payment obligations apply depending on whether the securities account is held with a Belgian or foreign financial institution. The Participant understands the Participant should consult his or her personal tax advisor for more information regarding the Participant's annual securities accounts tax payment obligations.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the Award, the Participant agrees to comply with any applicable Brazilian laws and is responsible for paying and reporting any and all applicable Tax-Related Items associated with the Participant's participation in the Plan and the sale of Shares obtained as a result of the Participant's participation in the Plan. The Participant agrees that, for all legal purposes, (i) any benefits provided to the Participant under the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Plan is not a part of the terms and conditions of the Participant's employment; and (iii) the income from the Shares acquired under the Plan, if any, is not part of the Participant's remuneration from employment.

Certain Conditions of the Award. This provision supplements the "Certain Conditions of the Award" section of this Agreement:

By accepting the Award, the Participant acknowledges and agrees that (i) the Participant is making an investment decision and (iii) the value of the underlying Shares is not fixed and may increase or decrease over the vesting period without compensation to the Participant.

NOTIFICATIONS

Exchange Control Information. The Participant is required to submit a declaration of assets and rights (including Shares acquired under the Plan) held outside of Brazil if the aggregate value of such assets exceeds a threshold amount that is established annually by the Central Bank. The Participant should consult with his or her personal legal advisor to determine whether he or she will be subject to this reporting requirement.

CANADA**TERMS AND CONDITIONS**

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

Termination of Employment. This provision replaces the "Termination of Continuous Status as an Employee" section of the Agreement:

For purposes of the Participant's participation in the Plan, in the event of termination of the Participant's Continuous Status as an Employee (regardless of the reason for such termination and whether or not later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where the Participant is employed or providing services, or the terms of the Participant's employment or service agreement, if any) for any reason, other than his or her death, the Participant's Restricted Stock Units will immediately cease to vest and any rights to the underlying Shares will be forfeited without consideration to the Participant upon the earliest of: (i) the Employee receiving notice of termination of employment, (ii) the Employee providing notice of resignation from his or her employment, and (iii) the Employee or Consultant ceasing to provide active services, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, common law, civil law, contract or otherwise. The Participant will not earn or be entitled to any pro-rated vesting for

that portion of time before the date on which the Participant's right to vest ceases, nor will the Participant be entitled to any compensation for lost vesting. In the event that the date when the Participant's Continuous Status as an Employee has terminated cannot be reasonably determined under the terms of the Agreement and/or the Plan, the Board will have the exclusive discretion to determine when the Participant's Continuous Status as an Employee has terminated for purposes of the Award (including whether the Participant may still be considered to be providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, the Participant's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of the Participant's minimum statutory notice period, but the Participant will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of the Participant's statutory notice period, nor will the Participant be entitled to any compensation for lost vesting.

The following provision will apply if the Participant is a resident of Quebec:

French Language Documents. A French translation of this Agreement and the Plan will be made available to the Participant concurrently with this Agreement. The Participant understands that, from time to time, additional information related to the Restricted Stock Units may be provided in English and such information may not be immediately available in French. Notwithstanding anything to the contrary in the Agreement, and unless the Participant indicates otherwise, the French translation of the Plan and this Agreement will govern the Participant's participation in the Plan.

Data Privacy Notice and Consent. This provision supplements the applicable "Data Privacy Notice and Consent" section of this Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, the Employer, its Affiliates and the plan administrator to disclose and discuss the Plan with their respective advisors, including the Designated Broker. The Participant further authorizes the Employer, the Company and its Affiliates to record such information and to keep such information in the Participant's employee file. The Participant acknowledges and agrees that the Participant's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, the Participant also acknowledges that the Company, the Employer, its Affiliates and the Designated Broker may use technology for profiling purposes and to make automated decisions that may have an impact on the Participant or the administration of the Plan.

NOTIFICATIONS

Securities Law Information. Shares acquired through the Plan may be sold through the Designated Broker, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, the Nasdaq Global Select Market).

Foreign Asset/Account Reporting Information. Specified foreign property, including Shares acquired under the Plan and other rights to receive Shares (*e.g.*, Restricted Stock Units) of a non-Canadian company held by the Participant must generally be reported annually on a Form T1135

(Foreign Income Verification Statement) if the total cost of the foreign property exceeds C\$100,000 at any time during the year. Thus, such rights must be reported – generally at a nil cost – if the C\$100,000 cost threshold is exceeded because other specified foreign property the Participant holds. When Shares are acquired, their cost generally is the adjusted cost base (“**ACB**”) of the shares. The ACB would ordinarily equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares.

CHINA

TERMS AND CONDITIONS

Mandatory Sale Restriction. Due to exchange control considerations in the People’s Republic of China (“**PRC**”), the Company reserves the right to require the sale of any Shares issued to the Participant upon vesting of the Restricted Stock Units, either (i) immediately upon vesting of the Restricted Stock Units, (ii) within ninety (90) days following the termination of the Participant’s Continuous Status as an Employee, or (iii) within any other such time frame as may be required by the PRC State Administration of Foreign Exchange.

By accepting the Award, the Participant acknowledges that he or she understands and agrees that the Company is authorized to, and may in its sole discretion, instruct the Designated Broker to assist with the mandatory sale of Shares (on the Participant’s behalf pursuant to this authorization) and the Participant expressly authorizes the Designated Broker to complete the sale of such Shares. The Participant acknowledges that the Designated Broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the proceeds, less any Tax-Related Items and brokerage fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

Exchange Control Restrictions. By accepting the Award, the Participant understands and agrees that, due to exchange control laws in China, the Participant is not permitted to transfer any Shares acquired under the Plan out of the Participant’s account established with the Designated Broker, and that the Participant will be required to immediately repatriate all proceeds due to the Participants as a result of his or her participation in the Plan, including any proceeds from the sale of Shares acquired under the Plan to China.

The Participant further understands that such repatriation of the proceeds will need to be effected through a special exchange control account established by the Company, the Employer, or an Affiliate in China, and the Participant hereby consents and agrees that the proceeds may be transferred to such special account prior to being delivered to the Participant in China. The proceeds may be paid in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she may be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, the Participant acknowledges that the Company is under no obligation to secure any particular currency conversion rate, and that it may face delays in converting the proceeds to local currency due to exchange control restrictions in China. The Participant acknowledges and agrees that he or she bears the risk of any currency conversion rate fluctuation between the date that the Shares are sold and the date of conversion of the proceeds to local currency. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

FINLAND

There are no country-specific provisions.

FRANCE**TERMS AND CONDITIONS**

Consent to Receive Information in English. By accepting the Award, the Participant confirms having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. French residents must report all foreign bank and brokerage accounts on an annual basis (including accounts opened, held, used and/or closed during the tax year) on a special form together with the income tax return. Failure to report triggers a significant penalty.

GERMANY**NOTIFICATIONS**

Exchange Control Information. Cross-border payments in excess of EUR 50,000 (as of January 1, 2025) must be reported to the German Federal Bank (Bundesbank). If the Participant acquires Shares with a value in excess of this amount, the Employer will report the acquisition of the Shares to Bundesbank. If the Participant otherwise makes or receives a payment in excess of this amount (e.g., if Shares are withheld to cover applicable Tax-Related Items or if the Participant sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells Shares with a value in excess of this amount to cover the Tax-Related Items, the Participant must report the payment and/or the value of the Shares withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("**Allgemeine Meldeportal Statistik**") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

Foreign Asset/Account Reporting Information. The Participant understands that if his or her acquisition of Shares under the Plan leads to a so-called "qualified participation" at any point during the calendar year, the Participant may need to report the acquisition when he or she files his or her tax return for the relevant year. A "qualified participation" is attained if (i) the value of the Shares acquired exceeds EUR 150,000 and the Participant holds Shares reaching or exceeding 1% of the Company's total Common Stock or (ii) in the unlikely event the Participant holds Shares exceeding 10% of the Company's total Common Stock.

GREECE**NOTIFICATIONS**

Foreign Asset/Account Reporting Information. If the Participant acquires Shares under the Plan, the Participant must report such foreign assets on the Participant's annual tax return.

HUNGARY

There are no country-specific provisions.

INDIA**TERMS AND CONDITIONS**

Form of Settlement. Notwithstanding any discretion contained in the Plan, the Award will be settled in Shares only.

NOTIFICATIONS

Exchange Control Information. The Participant must repatriate any funds received from participation in the Plan (e.g., proceeds from the sale of Shares) within such time as prescribed under applicable Indian exchange control laws, which may be amended from time to time. The Participant should obtain a foreign inward remittance certificate ("**FIRC**") from the bank where the Participant deposits the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Company or the Employer requests proof of repatriation. The Participant may be required to provide information regarding funds received from participation in the Plan to the Company and/or the Employer to enable them to comply with their filing requirements under exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant must declare the following items in his or her annual tax return: (i) any foreign assets held (including Shares acquired under the Plan), and (ii) any foreign bank accounts for which the Participant has signing authority. The Participant is responsible for complying with this reporting obligation and should consult his or her personal tax advisor in this regard.

IRELAND

There are no country-specific provisions.

ISRAEL**TERMS AND CONDITIONS**

Nature of Award. By accepting the Award, the Participant understands and agrees that the Restricted Stock Units are offered subject to and in accordance with the Sub-Plan for Israeli Participants to the Plan (the "**Israeli Subplan**") and the Award is intended to be a Capital Gain Award pursuant to Section 102 of the Ordinance (as defined in the Israeli Subplan). Notwithstanding the foregoing, the Company does not undertake to maintain the qualified status of the Restricted Stock Units and the Participant acknowledges that he or she will not be entitled to

damages of any nature whatsoever if the Award becomes disqualified and no longer qualifies as a Capital Gain Award. In the event of any inconsistencies between the Israeli Subplan, the Agreement and/or the Plan, the terms of the Israeli Subplan will govern.

Further, to the extent requested by the Company or the Employer, the Participant agrees to execute any letter or other agreement in connection with the grant of the Restricted Stock Units or any future Restricted Stock Units granted under the Israeli Subplan. If the Participant fails to comply with such request, the Award may not qualify as a Capital Gain Award.

Trust Arrangement. The Participant acknowledges and agrees that the Award and any Shares issued upon vesting of the Restricted Stock Units will be held on the Participant's behalf, in trust, or controlled by the Company's designated trustee in Israel, Tamir Fishman or any such other trustee in Israel which may be designated by the Company in the future (the "**Trustee**") in accordance with the terms of the trust agreement between the Company and the Trustee. The Participant further agrees that such Shares will be subject to the Holding Period (as defined in the Israeli Subplan). The Company may, in its sole discretion, replace the trustee from time to time and instruct the transfer of all Restricted Stock Units and Shares held and/or administered by such trustee at such time to its successor and the provisions of the Agreement will apply to the new trustee.

Restriction on Sale. The Participant acknowledges that, in order to maintain the Award's status as a Capital Gain Award, any Shares issued upon vesting of the Restricted Stock Units may not be disposed of prior to the expiration of the Holding Period. Accordingly, the Participant will not dispose of (or request the Trustee to dispose of) any such Shares prior to the expiration of the Holding Period, other than as permitted by applicable law. For purposes of this Appendix for Israel, "dispose" will mean any sale, transfer or other disposal of the Shares by the Participant or the Trustee, including a release of such Shares from the Trustee to the Participant.

Tax Obligations. This provision supplements the "Tax Obligations" section of the Agreement:

Upon disposal of the Shares, the fair market value of the Restricted Stock Units on the Date of Award (as computed in accordance with the provisions of the Ordinance relating to Capital Gain Awards) will be subject to taxation in Israel in accordance with ordinary income tax principles. Moreover, in the event that the Participant disposes of any Shares underlying the Restricted Stock Units prior to the expiration of the Holding Period, the Participant acknowledges and agrees that any additional gains from the sale of such Shares will not qualify for capital gains tax treatment applicable to Capital Gain Awards and will be subject to taxation in Israel in accordance with ordinary income tax principles. Further, the Participant acknowledges and agrees that he or she will be liable for the Employer's component of payments to the Israeli National Insurance Institute (to the extent such payments by the Employer are required).

The Participant further agrees that the Trustee may act on behalf of the Company or the Employer, as applicable, to satisfy any obligation to withhold Tax-Related Items applicable to the Participant in connection with the Restricted Stock Units granted under the Israeli Subplan.

Additional Conditions of the Award. By accepting the Award, the Participant (i) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the tax route applicable to the Awards, and agrees to comply with such provisions, as amended from time to time, provided that if such terms are not met, Section 102 may not apply, and (ii) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the Employer, which is available for the Participant's review, during normal working hours, at Company's offices, (iii) acknowledges that releasing the

Awards and Shares from the holding or control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions, (iv) authorizes the Company and/or the Employer to provide the Trustee with any information required for the purpose of administering the Plan including executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Awards, Shares, income tax rates, salary bank account, contact details and identification number.

NOTIFICATIONS

Securities Law Information. An exemption from filing a prospectus in relation to the Plan has been granted to the Company by the Israeli Securities Authority. Copies of the Plan and the Form S-8 registration statement for the Plan filed with the SEC are available at my local human resources department.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment. By accepting the grant of the Award, the Participant acknowledges that he or she has received a copy of the Plan and the Agreement, including this Appendix and has reviewed the Plan and the Agreement (including this Appendix) in their entirety and fully understands and accept all provisions of the Plan and the Agreement (including this Appendix).

The Participant further acknowledges that he or she has read and specifically and expressly approves the following sections of the Agreement: Vesting Schedule; Settlement; Status of Award; Termination of Continuous Status as an Employee; Certain Conditions of the Award; Data Privacy Notice and Consent; Tax Obligations; Language; Governing Law and Venue; Appendix; and Imposition of Other Requirements.

NOTIFICATIONS

Foreign Asset/Account Reporting Information. If, at any time during the fiscal year, the Participant holds foreign financial assets (including cash, rights and Shares) which may generate income taxable in Italy, the Participant is required to report these assets on his or her annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to the Participant if he or she is the beneficial owner of foreign financial assets under Italian money laundering provisions.

JAPAN

NOTIFICATIONS

Exchange Control Information. If the Participant acquires Shares valued at more than JPY 100 million in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days after the acquisition of the Shares. The Participant should consult his or her personal tax advisor to determine the applicable reporting obligations.

Foreign Asset/Account Reporting Information. The Participant is required to report details of any assets held outside of Japan as of December 31, including Shares acquired under the Plan, to the extent such assets have a total net fair market value exceeding JPY 50,000,000. Such report will be due by March 15th each year. The Participant is responsible for complying with this reporting obligation if applicable to the Participant and should consult his or her personal tax advisor in this regard.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation. These provisions supplement the "Certain Conditions of the Award " section of this Agreement:

Modification. By accepting the Restricted Stock Units, the Participant understands and agrees that any modification of the Plan or the Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Policy Statement. The grant of Restricted Stock Units the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with registered offices at 2655 Seely Avenue, Building 5, San Jose, California 95134 U.S.A., is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between the Participant and the Company since the Participant is participating in the Plan on a wholly commercial basis, nor does it establish any rights between the Participant and the Employer. Further, the Participant agrees that any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment or service contract, if applicable.

Plan Document Acknowledgment. By accepting the Restricted Stock Units, the Participant acknowledges that the Participant has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement.

In addition, by accepting the Agreement, the Participant further acknowledges that the Participant has read and specifically and expressly approved the terms and conditions in the "Certain Conditions of the Award " section of this Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Parent or Subsidiary or Affiliate are not responsible for any decrease in the value of the Shares underlying the Restricted Stock Units.

Finally, the Participant hereby declares that the Participant does not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of the Participant's participation in the Plan and therefore grants a full and broad release to the Employer, the Company and any Parent or Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

Spanish Translation

Sin derecho a compensación o reclamaciones por compensación. Estas disposiciones complementan la sección "Ciertas Condiciones de la Adjudicación" del presente Acuerdo:

Modificación. Al aceptar las Unidades de Acciones Restringidas, el Empleado entiende y acuerda que cualquier modificación al Plan o al Contrato o su terminación no constituirá un cambio o perjuicio a los términos y condiciones de empleo.

Declaración de Política. El otorgamiento de Unidades de Acciones Restringidas que la Compañía está haciendo de conformidad con el Plan es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificar y discontinuar el mismo en cualquier momento, sin responsabilidad alguna.

La Compañía, con oficinas registradas ubicadas en 2655 Seely Avenue, Building 5, San Jose, California 95134, EE.UU. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, de forma alguna, establecer una relación de trabajo entre el Empleado y la Compañía, ya que el Empleado está participa en el Plan de una base totalmente comercial, y tampoco establece ningún derecho entre el Empleado y el Patrón. Asimismo, el Empleado acuerda que cualquier modificación al Plan o a su terminación no generarán un cambio o impedimento en los términos y condiciones derivados de su contrato de servicios.

Reconocimiento del Documento del Plan. Al aceptar el Otorgamiento de las Unidades de Acciones Restringidas, el Empleado reconoce que el Empleado ha recibido copias del Plan, ha revisado el Plan y el Contrato en su totalidad y entiende y acepta completamente todas las disposiciones contenidas en el Plan y en el Contrato.

Adicionalmente, mediante la firma del Contrato, el Empleado reconoce que el Empleado ha leído y especifica y expresamente ha aprobado los términos y condiciones del sección "Ciertas Condiciones de la Adjudicación" de este Acuerdo, en el que claramente se ha descrito y establecido que: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan y la participación en el Plan es ofrecida por la Compañía de forma enteramente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones subyacentes a las Unidades de Acciones Restringidas.

Finalmente, el Empleado de acuerdo en que el Empleado no se reserva ninguna acción o derecho para interponer cualquier demanda o reclamación en contra de la Compañía por compensación, daño o perjuicio alguno como resultado de su participación en el Plan y, por lo tanto, otorga finiquito al Patrón, la Compañía y cualquier empresa Matriz, Subsidiaria o Afiliada con respecto a cualquier demanda o reclamación que pudiera surgir en virtud del Plan.

NOTIFICATIONS

Securities Law Information. Any Restricted Stock Units offered under the Plan and the Shares underlying the Restricted Stock Units have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan and any other document relating to any Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to the Participant only because of the Participant's existing relationship with the Company and its

Subsidiaries and Affiliates and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees or contractors of the Company or one of its Subsidiaries and Affiliates, made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country-specific provisions.

POLAND

NOTIFICATIONS

Exchange Control Information. Information regarding bank or brokerage accounts holding cash and securities (including Shares) outside of Poland must be reported on a quarterly basis to the National Bank of Poland on transactions and balances in such accounts if the value of such cash and securities exceeds a certain threshold. Any transfer of funds in excess of a certain threshold into or out of Poland must be effected through a bank account in Poland. All documents connected with any foreign exchange transactions should be retained for a period of five (5) years as measured from the end of the year in which such transaction occurred.

SINGAPORE

NOTIFICATIONS

Securities Law Information. The Award under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“**SFA**”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Hence, statutory liability under the SFA in relation to the content of prospectuses will not apply. The Award granted under the Plan is subject to section 257 of the SFA and the Participant understands that he or she should not sell or offer to sell, any Shares directly to any person or entity in Singapore unless such sale or offer is made (i) six months or more after the date of grant, (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Director Notification Information. Any director, associate director or shadow director of a Singapore Affiliate or Related Entity is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Affiliate or Related Entity in Singapore in writing when receiving or disposing of an interest (e.g., rights or Shares) in the Company or in any Affiliate or Related Entity. Such notifications must be made within two days of acquiring or disposing of an interest in the Company or any Affiliate or Related Company, or within two days of becoming a director if such an interest is held at that time.

SOUTH KOREA**NOTIFICATIONS**

Exchange Control Information. If the Participant sells Shares acquired under the Plan or receives cash dividends, the Participant may have to file a report with a Korean foreign exchange bank, provided the proceeds are in excess of USD 5,000 (per transaction) and deposited into a non-Korean bank account. A report may not be required if proceeds are deposited into a non-Korean brokerage account. The Participant is responsible for complying with any applicable exchange control reporting obligations in Korea and the Participant should consult his or her personal legal advisor to determine his or her personal reporting obligations.

Foreign Asset/Account Reporting Information. The Participant must declare all foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds the applicable threshold on any month-end date during a calendar year. The Participant should consult his or her personal tax advisor to determine his or her personal reporting obligations.

SWEDEN**TERMS AND CONDITIONS**

Tax Obligations. This provision supplements the “Tax Obligations” section of this Agreement:

Without limiting the Company’s and the Employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the “Tax Obligations” section of this Agreement, by accepting the Award, the Participant authorizes the Company and/or the Employer by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award or withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Award either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant’s behalf pursuant to this authorization) to satisfy Tax-Related Items, regardless of whether the Company and/or the Employer have an obligation to withhold such Tax-Related Items.

SWITZERLAND**NOTIFICATIONS**

Securities Law Information. Neither this document nor any other materials relating to the offer of participation in the Plan (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“**FinSA**”); (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company; or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (**FINMA**).

TAIWAN***NOTIFICATIONS***

Securities Law Information. The offer of participation in the Plan is available only for eligible Employees. The offer of participation in Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. The Participant may acquire and remit foreign currency (including proceeds from the sale of Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD 500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

UNITED KINGDOM***TERMS AND CONDITIONS***

Tax Withholding. This provision supplements the “Tax Obligations” section of this Agreement:

Without limitation to the “Tax Obligations” section of the Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items as and when requested by the Company or the Employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). The Participant also agrees to indemnify and keep indemnified the Company and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on the Participant’s behalf.

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provisions will not apply. The Participant understands that, in the event he or she is an executive officer or director and the income tax is not collected by the Participant within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance contributions (“**NICs**”) may be payable. The Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable for the value of any NICs due on this additional benefit.

UNITED STATES OF AMERICA

There are no country-specific provisions.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Anirudh Devgan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cadence Design Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Anirudh Devgan

Anirudh Devgan
President and Chief Executive Officer
(Principal Executive Officer)

Date: April 29, 2025

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, John M. Wall, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cadence Design Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ John M. Wall
John M. Wall
Senior Vice President and Chief Financial Officer
(Principal Accounting and Financial Officer)

Date: April 29, 2025

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2025 of Cadence Design Systems, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anirudh Devgan, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Anirudh Devgan

Anirudh Devgan

President and Chief Executive Officer
(Principal Executive Officer)

Date: April 29, 2025

A signed original of this written statement required by Section 906 has been provided to Cadence Design Systems, Inc. and will be retained by Cadence and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2025 of Cadence Design Systems, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John M. Wall, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John M. Wall

John M. Wall

Senior Vice President and Chief Financial Officer

(Principal Accounting and Financial Officer)

Date: April 29, 2025

A signed original of this written statement required by Section 906 has been provided to Cadence Design Systems, Inc. and will be retained by Cadence and furnished to the Securities and Exchange Commission or its staff upon request.