



**PDF SOLUTIONS, INC.
LEAD INDEPENDENT DIRECTOR CHARTER**

Background.

In the event that the Chairperson of the Board (the “Chairperson”) is not an independent director or no individual is appointed to such position, the Board of Directors (the “Board”) of PDF Solutions, Inc. (the “Company”) considers it to be useful and appropriate to designate a non-employee, independent Director (the “Lead Independent Director”), who among other duties, shall be responsible for chairing executive sessions of the Board and consulting with the Chairperson and/or Chief Executive Officer on Board agendas and other Board related topics.

Duties and Responsibilities.

The duties and responsibilities of the Lead Independent Director shall be as follows:

1. Liaison: Serving as a liaison between the Chairperson and/or Chief Executive Officer and independent directors and senior management and independent directors.
2. Leadership: Providing leadership to ensure that the Board works cohesively and independently of management, including creating a climate of constructive candor among directors that encourages all viewpoints to be expressed and considered.
3. Information: Advising the Chairperson and/or Chief Executive Officer as to the sufficiency, quality, quantity and timeliness of information provided to the Board.
4. Meetings of the Board:
 - (a) Approving meeting agendas for the Board together with the Chairperson.
 - (b) Ensuring that meeting schedules permit sufficient time for discussion of all agenda items.
 - (c) Presiding at meetings of the Board at which the Chairperson and Chief Executive Officer are not present or are to be appointed.
5. Executive Sessions: Calling meetings of the independent directors, presiding over such meetings and reporting to the Chairperson and/or Chief Executive Officer on all relevant matters arising from executive sessions of the independent directors.
6. Committees: In consultation with the Chairperson and/or Chief Executive Officer and Chairperson of the Nominating Committee, coordinating the assessment of Board committee structure, organization and charters and evaluating the need for any changes; and consulting with the Chairperson and/or Chief Executive Officer and Chairperson of the Nominating Committee concerning recommendations to the Board for committee membership, including chairpersons.
7. Board Candidates: Along with the Chairperson of the Nominating Committee, interviewing all Board candidates, and making recommendations to the Nominating Committee and the Board.

8. CEO Incapacitation: Serving as non-executive Chairperson until a permanent Chairperson is appointed in the event of the incapacitation of a Chief Executive Officer who is serving as Chairperson.
9. New Directors: Assisting in orienting and integrating new directors to the Board.
10. Best Practices: Working with the Chairperson and/or Chief Executive Officer and the Chairperson of the Audit and Corporate Governance Committee to ensure there is a process to implement best practices relating to the responsibilities of the Board.
11. Evaluation of Chairperson and Chief Executive Officer:
 - (a) In an executive session, each year, lead the discussion of independent in evaluating the performance of the Chairperson and Chief Executive Officer, including an evaluation of their interactions with the Board.
 - (b) Together with the Compensation Committee and such other directors as they deem appropriate, communicating the content and results of that evaluation to the Chairperson and Chief Executive Officer, as applicable.
12. Stockholder Communication: Being available for consultation and direct communication with major stockholders when appropriate, if requested by stockholders.
13. Outside Advisors and Consultants: Together with the Chairperson and/or Chief Executive Officer, recommend to the Board the retention of advisors and consultants who report directly to the Board.
14. Other Duties: Perform such other duties, and exercise such other powers, as the Board shall from time to time delegate.

Appointment and Removal.

The Lead Independent Director shall be elected by a majority of the non-employee, independent directors of the Board for renewable one year terms or until such earlier time as he or she ceases to be a director, resigns as Lead Independent Director or is replaced as Lead Independent Director by a majority of the non-employee, independent Directors, or the Board elects an independent Chair.

Qualifications.

The Lead Independent Director must qualify as a non-employee, independent Director under the Company's standards of independence, including within the meaning of the Nasdaq listing rules and applicable laws, including the Sarbanes-Oxley Act of 2002, as amended, in each case as generally applicable to members of an Audit Committee.

Absence of Lead Director.

If the Lead Independent Director is not present at any meeting of the Board, a majority of the non-employee, independent Directors present shall select a non-employee, independent director to act as Lead Independent Director for the purpose and duration of such meeting.

Disclosure of the Charter.

This Charter will be made available on the Company's website.

Approved by the Board of Directors of PDF
Solutions, Inc. January 28, 2019, effective
January 28, 2019