CEVA, INC.

CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the "Board") of CEVA, Inc. (the "Company") has adopted the following Corporate Governance Guidelines (the "Guidelines") to assist the Board in the exercise of its duties and responsibilities and to serve the best interests of the Company and its stockholders. The Guidelines should be applied in a manner consistent with all applicable laws and stock exchange rules and the Company's Certificate of Incorporation and bylaws, each as amended and in effect from time to time. The Guidelines provide a framework for the conduct of the Board's business. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with its duties and responsibilities to the Company and its stockholders.

A. Director Responsibilities

1. Oversee Management of the Company. The principal responsibility of the directors is to oversee the management of the Company and, in so doing, serve the best interests of the Company and its stockholders. This responsibility includes:

    - Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.

    - Evaluating the performance of the Company.

    - Selecting and evaluating the performance of senior executives and taking appropriate action, including removal, when warranted.

    - Evaluating the Company's compensation programs on a regular basis and, except as required by NASDAQ rules or other applicable rules and regulations, determining the compensation of its senior executives.

    - Formulating, approving and implementing senior executive succession plans.

    - Evaluating whether corporate resources are used only for appropriate business purposes.

    - Assessing major risks facing the Company, including industry and global economic risks, and reviewing options for their mitigation.

    - Establishing a corporate environment that promotes timely and effective disclosure (including robust disclosure controls, procedures and incentives), fiscal accountability, high ethical standards and compliance with all applicable laws and regulations.

    - Reviewing and approving material transactions and commitments not entered into in the ordinary course of business.

- Developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.

- Providing advice and assistance to the Company's senior executives.

- Evaluating the overall effectiveness of the Board and its committees.

2. Exercise Business Judgment. In discharging their fiduciary duties of care, loyalty and candor, directors are expected to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders.

3. Understand the Company and its Business. Directors have an obligation to become and remain informed about the Company and its business, including the following:

   - The principal operational and financial objectives, strategies and plans of the Company.

   - The results of operations and financial condition of the Company and of significant subsidiaries and business segments.

   - The relative standing of the business segments within the Company and vis-à-vis competitors.

   - The factors that determine the Company's success.

   - The risks and problems that affect the Company's business and prospects.

4. Establish Effective Systems. Directors are responsible for determining that effective systems are in place for the periodic and timely reporting to the Board on important matters concerning the Company, including the following:

   - Current business and financial performance, the degree of achievement of approved objectives and the need to address forward-planning issues.

   - Future business prospects and forecasts, including actions, facilities, personnel and financial resources required to achieve forecasted results.

   - Financial statements, with appropriate segment or divisional breakdowns.

   - Adoption, implementation and monitoring of effective compliance programs to assure the Company's compliance with law and corporate policies.

   - Material litigation and governmental and regulatory matters.

- Monitoring and, where appropriate, responding to communications from stockholders.

- Overseeing the processes for maintaining the integrity of the Company's financial statements and other public disclosures, and its compliance with law and ethics.

- Reviewing the integrity of the Company's internal control and management information systems.

5. Board, Stockholder and Committee Meetings. Directors are responsible for attending Board meetings, and meetings of committees on which they serve, and devoting the time needed, and meeting as frequently as necessary, to discharge their responsibilities properly. In furtherance of this policy, all directors are expected to attend at least 75% of all Board and committee meetings. The directors are expected to attend the annual meeting of stockholders.

6. Reliance on Management and Advisors; Indemnification. The directors are entitled to rely on the Company's senior executives and its outside advisors, auditors and legal counsel, except to the extent that any such person's integrity, honesty or competence is in doubt. The directors are also entitled to Company-provided indemnification, statutory exculpation and directors' and officers' liability insurance.

B. Director Qualification Standards

1. Independence. Except as may otherwise be permitted by NASDAQ rules or other applicable rules and regulations, a majority of the members of the Board shall be independent directors. To be considered independent: (1) a director must be independent as determined by NASDAQ rules and other applicable rules and regulations, and (2) in the Board's judgment, the director must not have a relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

2. Size of the Board. The Board believes that five to nine members is an appropriate size given the Company's present circumstances, and the Board may change the number of directors within the range set forth in the bylaws depending on circumstances and changes in the Company's business.

3. Other Directorships. A director shall limit the number of other public company boards on which he or she serves so that he or she is able to devote adequate time to his or her duties to the Company, including preparing for and attending meetings. Directors should advise the Chairman of the Board and the Chairman of the Nomination and Corporate Governance Committee (the "Nomination Committee") in advance of accepting an invitation to serve on another public company board. Service on boards and/or committees of other organizations shall comply with the Company's conflict of interest policies.

4. Tenure. The Board does not believe it should establish term limits. Term limits could result in the loss of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and an institutional memory that benefit the entire membership of the Board as well as management. As an alternative to term limits, the Nomination Committee shall review each director's continuation on the Board periodically.

5. Lead Director. In the event that the Chairman of the Board is not an independent director, the Nomination Committee may nominate an independent director to serve as "Lead Director," who shall be approved by a majority of the independent directors.

   The Lead Director, if one is appointed, shall:

   - Chair any meeting of the independent directors in executive session;
   - Meet with any director who is not adequately performing his or her duties as a member of the Board or any committee;
   - Facilitate communications between other members of the Board and the Chairman of the Board and/or the Chief Executive Officer; however, each director is free to communicate directly with the Chairman of the Board and with the Chief Executive Officer;
   - Work with the Chairman of the Board in the preparation of the agenda for each Board meeting and in determining the need for special meetings of the Board; and
   - Otherwise consult with the Chairman of the Board and/or the Chief Executive Officer on matters relating to corporate governance and Board performance.

   Unless the Board determines that there are special circumstances, an individual will serve as Lead Director for no more than 15 consecutive years.

6. Separation of the Offices of Chairman and Chief Executive Officer. Unless the Board determines otherwise, the offices of Chairman of the Board and Chief Executive Officer shall be separate.

7. Selection of New Director Candidates. Except where the Company is legally required by contract, bylaw or otherwise to provide third parties with the ability to nominate directors, the Nomination Committee shall be responsible for (i) identifying individuals qualified to become Board members and (ii) recommending to the Board the persons to be nominated by the Board for election as directors at the annual meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board. Director nominees shall be considered for recommendation by the Nomination Committee in accordance

with these Guidelines, the policies and principles in its charter and the criteria determined by the Nomination Committee in consultation with the Board. It is expected that the Nomination Committee will have direct input from the Chairman of the Board, the Chief Executive Officer and, if one is appointed, the Lead Director. The Nomination Committee shall be responsible for reviewing with the Board, on a periodic basis, the requisite skills and criteria for new Board members as well as the composition of the Board as a whole. This review shall include consideration of diversity, age, skills and experience in the context of the needs of the Board.

8. Extending the Invitation to a New Director Candidate to Join the Board. The invitation to join the Board should be extended by the Chairman of the Board, on behalf of the Board, and the Chairman of the Nomination Committee, on behalf of such Committee. Unauthorized approaches to prospective directors can be premature, embarrassing and harmful.

9. Former Chief Executive Officer's Board Membership. The Board believes that the continuation of a former Chief Executive Officer of the Company on the Board is a matter to be decided in each individual instance by the Board, upon recommendation of the Nomination Committee. Accordingly, when the Chief Executive Officer ceases to serve in that position, he or she will be expected to resign from the Board if so requested by the Board, upon recommendation of the Nomination Committee.

10. Resignation Policy. In accordance with the bylaws, unless the Secretary of the Company determines that the number of director nominees exceeds the number of open positions for directorship as of the record date for such meeting, a nominee must receive more votes cast for than against his or her election or re-election (with abstentions not counted as a vote cast either for or against that nominee's election) in order to be elected or re-elected to the Board.

    In the event one or more directors fails to receive the required vote for election or re-election (each, a "Subject Director"), the Subject Director shall promptly tender his or her resignation from the Board, to be contingent upon acceptance by the Board. The Nomination Committee will promptly consider and recommend to the Board whether to accept the Subject Director's resignation. The Board shall act with respect to each such Subject Director taking into account the recommendation of the Nomination Committee, and publicly disclose its decision within 90 days from the date of the certification of the stockholder vote. Notwithstanding the foregoing, if the result of accepting all tendered resignations then pending would be that the Company would have fewer than three directors who were in office before the election of directors, the Board may determine to extend such 90-day period by an additional 90 days if it determines that such an extension is in the best interests of the Company and its stockholders.

    The Nomination Committee in making its recommendation, and the Board in making its decision, may each consider all factors it considers relevant. Subject

Directors shall not participate in the deliberation or recommendations of the Nomination Committee or in the deliberation or decisions of the Board.

C. Board Meetings

1. Selection of Agenda Items. The Chairman of the Board shall establish the agenda for each Board meeting. At the beginning of the year, the Chairman of the Board shall establish a schedule of subjects to be discussed during the year (to the extent practicable). Each Board member is free to suggest the inclusion of agenda items and is free to raise at any Board meeting subjects that are not on the agenda for that meeting. During at least one meeting each year, the Board shall review the Company's long-term strategic plans and the principal issues that the Company expects to confront in the future.

2. Frequency and Length of Meetings. The Chairman of the Board, in consultation with the members of the Board, shall determine the frequency and length of the Board meetings. Unless the Board determines otherwise, a schedule of the regular Board meetings for each calendar year will be set at the first Board meeting of such calendar year. Special meetings may be called from time to time as determined by the needs of the business.

3. Advance Distribution of Materials. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting. The Board acknowledges that certain items to be discussed at a Board or committee meeting may be of an extremely confidential or time-sensitive nature and that the distribution of materials on these matters prior to meetings may not be appropriate or practicable. Presentations made at Board meetings should do more than summarize previously distributed Board meeting materials.

4. Executive Sessions. The "independent directors," as defined by the NASDAQ rules, shall meet in executive session at least twice a year to discuss, among other matters, the performance of the Chief Executive Officer. The independent directors will meet in executive session at other times at the request of any independent director. Absent unusual circumstances, these sessions shall be held in conjunction with regular Board meetings. The director who presides at these meetings shall be the Lead Director if there is one, and if not, shall be chosen by the independent directors, and his or her name shall be disclosed in the annual meeting proxy statement.

5. Attendance of Non-Directors at Board Meetings. The Board welcomes regular attendance at each Board meeting of senior executives of the Company. Furthermore, the Board encourages the senior executives of the Company to, from time to time, bring Company personnel into Board meetings who (i) can provide additional insight into the items being discussed because of personal involvement

in these areas or (ii) appear to be persons with future potential who should be given exposure to the Board.

6. Confidentiality. Members of the Board shall at all times treat all information and documentation obtained in their capacity as members of the Board with due discretion and, in the case of confidential information or documentation, with utmost confidentiality.

D. Board Committees

1. Key Committees. The Board shall have at all times an Audit Committee, a Compensation Committee and a Nomination Committee. Each such committee shall have a charter that has been approved by the Board. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

2. Assignment and Rotation of Committee Members. The Nomination Committee shall be responsible for recommending to the Board the directors to be appointed to each committee of the Board. Except as otherwise permitted by the applicable NASDAQ rules, each member of the Audit Committee, the Compensation Committee and the Nomination Committee shall be "independent" as defined by such rules and other applicable rules and regulations.

3. Committee Charters. In accordance with the applicable NASDAQ rules and other applicable rules and regulations, the charters of the Audit Committee, the Compensation Committee and the Nomination Committee shall set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The Board shall review and reassess the adequacy of each charter annually and make appropriate changes.

4. Selection of Agenda Items. The chairman of each committee, in consultation with the committee members, shall develop the committee's agenda. At the beginning of the year each committee shall establish a schedule of subjects to be discussed during the year (to the extent practicable). The schedule for each committee meeting shall be furnished to all directors.

5. Frequency and Length of Committee Meetings. The chairman of each committee, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. Special meetings may be called from time to time as determined by the needs of the business and the responsibilities of the committees.

6. Delegation. In fulfilling its responsibilities, each committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the committee, to

the extent consistent with the Company's Certificate of Incorporation, applicable law and the NASDAQ rules.

E. Director Access to Management and Independent Advisors

1. Management Duty to Provide Information. Management shall timely provide the Board with all information on all facts and developments concerning the Company which the Board may need to function as required and to properly carry out its duties as set out in the law, the Certificate of Incorporation, the bylaws and these Guidelines. The information provided shall include information regarding long-term plans, the main features of the strategic policy, the general and financial risks, the management and control systems of the Company and the material compliance with all relevant laws and regulations.

2. Access to Officers and Employees. Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and shall, to the extent appropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.

3. Access to Independent Advisors. The Board and each committee have the power to hire and consult with independent legal, financial or other advisors for the benefit of the Board or such committee, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. Such independent advisors may be the regular advisors to the Company. The Board or any such committee is empowered, without further action by the Company, to cause the Company to pay the compensation of such advisors as established by the Board or any such committee.

F. Director Compensation

1. Role of Board and Compensation Committee. The form and amount of director compensation shall be determined by the Board in accordance with the policies and principles set forth below. The Compensation Committee shall conduct a periodic review of the compensation of the Company's directors. The Compensation Committee shall consider that questions as to directors' independence may be raised if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated or if the Company enters into consulting contracts or business arrangements with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

2. Form of Compensation. The Board believes that directors should be incentivized to focus on long-term stockholder value. Including equity as part of director

compensation helps align the interests of directors with those of the Company's stockholders.

3. Amount of Compensation. The Company seeks to attract exceptional talent to its Board. Therefore, the Company's policy is to compensate directors at least competitively relative to comparable companies. The Company's management shall, from time to time, present a comparison report to the Board, comparing the Company's director compensation with that of comparable companies. The Board believes that it is appropriate for the Chairman of the Board and the chairmen and members of the committees to receive additional compensation for their services in those positions.

4. Director Stock Ownership. The Board has a separate stock ownership policy for its directors.

5. Employee Directors. Directors who are also employees of the Company shall receive no additional compensation for Board or committee service.

G. Director Orientation and Continuing Education

1. Director Orientation. The Board and the Company's management shall conduct a mandatory orientation program for new directors. The orientation program shall include presentations by management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, its internal and independent auditors and its outside legal advisors. In addition, the orientation program shall include a review of the Company's expectations of its directors in terms of time and effort, a review of the directors' fiduciary duties and visits to Company headquarters and, to the extent practical, certain of the Company's significant facilities. All other directors are also invited to attend the orientation program.

2. Continuing Education. In accordance with NASDAQ rules, each director is expected to be involved in continuing director education on an ongoing basis to enable him or her to better perform his or her duties and to recognize and deal appropriately with issues that arise. The Company shall pay all reasonable expenses related to continuing director education.

H. Management Evaluation and Succession

1. Selection of Chief Executive Officer. The Board selects the Company's Chief Executive Officer in the manner that it determines to be in the best interests of the Company's stockholders.

2. Evaluation of Senior Executives. The Compensation Committee shall be responsible for overseeing the evaluation of the Company's senior executives. In conjunction with the Audit Committee, in the case of the evaluation of the senior financial executives, the Compensation Committee shall determine the nature and

frequency of the evaluation and the persons subject to the evaluation, supervise the conduct of the evaluation and prepare assessments of the performance of the Company's senior executives, to be discussed with the Board periodically. The Board shall review the assessments to ensure that the senior executives are providing the best leadership for the Company over both the long- and short-term.

3. Succession of Senior Executives. The Nomination Committee shall periodically review succession planning with the Board, which shall include transitional Board leadership in the event of an unplanned vacancy. The entire Board shall assist the Nomination Committee in finding and evaluating potential successors to the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and other executive officers. The Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and other executive officers should at all times make available their recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals. The Nomination Committee shall identify, and periodically review and reassess, the qualities and characteristics necessary for an effective Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and other executive officers. With these principles in mind, the Nomination Committee should periodically monitor and review the development and progression of potential internal candidates against these standards.

I. Annual Performance Evaluation of the Board

The Nomination Committee shall oversee an annual self-evaluation of the Board to determine whether it and its committees are functioning effectively. The Nomination Committee shall determine the nature of the evaluation, supervise the conduct of the evaluation and prepare an assessment of the Board's performance, to be discussed with the Board.

J. Board Interaction with Stockholders, Institutional Investors, the Press, Customers, Etc.

The Board believes that the Chief Executive Officer and his or her designees speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. It is, however, expected that Board members would do so with the knowledge of the Company's senior executives.

The Board will give appropriate attention to written communications on important substantive issues that are submitted by stockholders, and will respond if and as appropriate. Absent unusual circumstances or as contemplated by the committee charters, the Chairman of the Board (if an independent director), or the Lead Director (if one is appointed), or otherwise the Chairman of the Nomination Committee (1) shall be primarily responsible for monitoring communications from stockholders as necessary or appropriate, in reviewing, analyzing and advising with regard to such communications,

and (2) shall provide copies or summaries of such communications to the other directors as he or she considers appropriate.

K. Periodic Review of the Corporate Governance Guidelines

The Nomination Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval.

L. Complaints, Irregularities

The Board shall ensure that employees have the opportunity, without jeopardizing their legal position, to report alleged irregularities within the Company of a general, operational or financial nature to the Chief Executive Officer or to an officer designated by him/her for this purpose. Alleged irregularities that relate to the senior executives shall be reported to the Chairman of the Board, or in the event that the Chairman of the Board is not an independent director, the Lead Director. The arrangements for whistleblowers shall be placed on the Company's website.

M. Ethics and Conflicts of Interest

The Board expects the Company's directors, officers and employees to act ethically at all times and to acknowledge their adherence to the policies comprising the Company's Code of Business Conduct and Ethics and these Guidelines. In the absence of exceptional circumstances, the Board will not permit any waiver of any ethics policy for any director or executive officer. If a director or executive officer becomes aware that he or she has a conflict of interest with the Company (or that a significant potential exists that he or she will have a conflict of interest with the Company in the foreseeable future), the director or executive officer shall promptly disclose the relevant transaction or relationship to the Board. The Board will be responsible for determining whether any such transaction or relationship constitutes a conflict of interest and may grant prior approval as set forth under the Code of Business Conduct and Ethics with respect to the Chief Executive Officer, the Chief Financial Officer and non-employee directors. If a significant ongoing long-term conflict exists and cannot be resolved, the director should offer to resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests. The Chief Financial Officer will be the Company's Compliance Officer and will be responsible for resolving or addressing any conflict of interest issue involving employees of the Company other than executive officers, whose conflicts of interest question shall be addressed by the Board as provided above.