ILLUMINA INC
Form PRE 14A
March 25, 2019
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under Rule 14a-12

Illumina, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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April , 2019

Notice of Annual Meeting and Proxy Statement

Date: May 29, 2019
Time: 10:00 a.m. (Pacific time)
This year s annual meeting will be a completely virtual meeting of stockholders.

To participate, vote, or submit questions 15 minutes before and during the annual meeting via live webcast, please visit: *www.virtualshareholdermeeting.com/ilmn2019*.

There will not be a physical location for the annual meeting.

The agenda for this year s annual meeting includes the following items:

1. **Elect the three nominees named in the proxy statement to our Board of Directors;**

2. **Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 29, 2019;**

3. **Hold an advisory vote to approve the compensation paid to the named executive officers as disclosed in the proxy statement;**

4. **Hold a vote to approve an amendment to our Amended and Restated Certificate of Incorporation to declassify our Board of Directors;**

5. **Hold an advisory vote on a stockholder proposal related to the disclosure of contributions to third parties that are related to elections, referenda, or other political activities; and**

6. **Transact such other business as may properly come before the meeting and any adjournment or postponement.**

Stockholders as of the record date of April 1, 2019, are entitled to notice of and to vote on the matters listed in the proxy statement.

By Order of the Board of Directors,

CHARLES E. DADSWELL

Senior Vice President, General Counsel and Secretary

You can vote in one of three ways prior to the meeting:

VIA THE INTERNET. You may vote at *www.proxyvote.com*, 24 hours a day, seven days a week, prior to 11:59 p.m. (Eastern time) on May 28, 2019.

BY TELEPHONE. You may vote using a touch-tone telephone by calling: 1-800-690-6903, 24 hours a day, seven days a week, prior to 11:59 p.m. (Eastern time) on May 28, 2019.

BY MAIL. If you received printed proxy materials, you may submit your vote by completing, signing, and dating each proxy card received and returning it in the prepaid envelope to be received no later than May 28, 2019.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 29, 2019: The proxy statement and annual report to Stockholders are available at *www.proxyvote.com*.

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Illumina: Our Story

Genomics Saves Lives

In 2003, an international effort completed the first mapping of a human genome. Countless genomic discoveries and clinical insights followed over the next 16 years. These have saved lives and begun to redefine how medicine is practiced:

Companion diagnostics with genetic biomarkers are helping match cancer patients with the best treatment for them.

Clinical whole genome sequencing is ending diagnostic odysseys for children with rare and undiagnosed diseases.

New, non-invasive technologies, such as NIPT and liquid biopsy, are redefining how diseases can be detected, treated, and monitored.

What Sets Illumina Apart

We at Illumina are leaders in this space.

Our technologies are industry-leading in terms of accuracy, scalability, and reliability.

In an era in which many medical costs are rising, we are making medical advances more available to everyone by reducing the cost of sequencing, first to $10,000 per genome with the introduction of the HiSeq 2000, then to $1,000 per genome with the HiSeq X, and now with a path to a $100 per genome on the NovaSeq sequencing system.

But what sets Illumina apart is *our people*. These aren t empty buzzwords at a Company at the intersection of biology and technology. Illumina s mission-driven and customer-centric

culture attracts unique talent and creates a culture that helps get the best out of each of them. Our human capital is critical to our ability to innovate. It is also critical to operate responsibly, sustainably and profitably.

Innovation is in our DNA

Our mission to improve human health by unlocking the power of the genome drives every decision we make. This means enabling our customers to be able to read, understand, and translate genetic variants into actionable insights. Whether its developing new custom arrays or launching a new instrument, we will continue to innovate by making our solutions increasingly simple, more accessible, and always reliable. We are fortunate that this places us in a space with fewer stewardship risks and more stewardship opportunities than many sectors.

At the Very Beginning

Today, less than 0.01% of species have been sequenced and less than 1% of variants in the human genome have been characterized. The need and demand for more next-generation sequencing technologies and solutions is only growing. Every answer leads to another set of unknowns, and our journey to unlock the power of the genome has only begun.

Together, with our customers and partners, we will turn today s impossible into possible.

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Proxy Statement Summary

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information you should consider. You should read the entire proxy statement carefully before voting.

GENERAL INFORMATION

Meeting: Annual Meeting of Stockholders

Date: Wednesday, May 29, 2019

Time: 10:00 a.m. (Pacific time)

Location: Internet webcast only at:

***www.virtualshareholdermeeting.com/ilmn2019*.**

There will not be a physical location for the annual meeting. See How may I attend the annual meeting? on page 63

Record Date: April 1, 2019

Stock Symbol: ILMN

Exchange: The Nasdaq Global Select Market

Common Stock Outstanding: 146,925,285 as of February 22, 2019

Registrar & Transfer Agent: Computershare

State of Incorporation: Delaware

Year of Incorporation: 1998 in California; reincorporated in Delaware in 2000

Public Company Since: 2000

CORPORATE GOVERNANCE

Director Nominees: 3

Frances Arnold, Ph.D. (independent)

Francis A. deSouza (employee)

Susan E. Siegel (independent)

Director Term: Three years or until a successor is elected

Director Election Standard: Majority voting standard for uncontested elections

Term Limits: 10 years for non-employee directors joining after December 31, 2015

Board Meetings in 2018: 10

All Directors Attended at Least 75% of Board and Committee Meetings: Yes

Standing Board Committees (meetings in 2018):

Audit (8)

Compensation (5)

Nominating/Corporate Governance (4)

Science and Technology (0) (established in Q4 2018)

Corporate Headquarters: 5200 Illumina Way, San Diego, California 92122

Corporate Website: ***www.illumina.com***

Investor Relations Website: ***investor.illumina.com***

EXECUTIVE COMPENSATION

CEO: Francis A. deSouza (age 48; CEO since 2016)

CEO 2018 Total Direct Compensation:

Salary: $937,692

Annual Performance Cash Incentive: $1,455,000

Long-Term Incentives: $8,500,092

All other compensation: $174,782

CEO Employment Agreement: No

Change-in-Control Agreement: Yes (double trigger)

Stock Ownership Guidelines: Yes

Hedging Policy: Yes

Stockholder Rights Plan: No

Proxy Access Right for Shareholders to Include Director Nominees in Proxy Statement: Yes

ITEMS TO BE VOTED ON

1. The election of the three nominees named in this proxy statement.

Board recommendation: **FOR** Each Nominee

2. Ratification of appointment of independent registered public accounting firm

Board recommendation: **FOR**

3. Advisory vote to approve compensation paid to the named executive officers as disclosed in this proxy statement

Board recommendation: **FOR**

4. Amendment to Amended and Restated Certificate of Incorporation to declassify our Board of Directors

Board recommendation: **FOR**

5. Stockholder-Proposed Election-Related Disclosures

Board recommendation: **AGAINST**

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Who We Are

Director Biographies

Jay T. Flatley

Director since: 1999

Executive Chairman since: 2016

Employee: Executive Chairman

Mr. Flatley has served as our Executive Chairman since July 2016 and as a director since October 1999. He served as our Chief Executive Officer from December 2013 through July 2016, and as our President and Chief Executive Officer from October 1999 through December 2013. Prior to joining Illumina, Mr. Flatley was co-founder, President, CEO, and a director of Molecular Dynamics, Inc., a Nasdaq-listed life sciences Company focused on genetic discovery and analysis, from 1994 until its sale to Amersham Pharmacia Biotech Inc. in 1998. He served in various other positions of increasing responsibility with Molecular Dynamics from 1987 to 1994. From 1985 to 1987, Mr. Flatley was Vice President of Engineering and Vice President of Strategic Planning at Plexus Computers, a UNIX computer Company. In addition to the public Company directorship noted below, Mr. Flatley serves as a director and chairman of Iridia, Inc., a privately held technology Company, and Helix Holdings I, LLC. Mr. Flatley holds a B.A. in economics from Claremont McKenna College and a B.S. and M.S. in industrial engineering from Stanford University.

Other Public Company Board Service: Coherent, Inc. (since 2011); Denali Therapeutics, Inc. (since 2015)

Past Public Company Board Service (since 2014): None

In selecting Mr. Flatley as a past nominee for election to the Board of Directors, the Board considered, among other things, Mr. Flatley s experience in leading and managing our growth and development. The Board of Directors believes that Mr. Flatley, through his long experience with the Company and his prior executive and Board experience with Molecular Dynamics, Inc., contributes to the Board s understanding of the needs of our customers, the markets in which we compete, and the risks and opportunities associated with our product development and technological advances.

Francis A. deSouza **Director since: 2014** **Employee: President and CEO**	Mr. deSouza has served as President and Chief Executive Officer since July 2016 and as a director since January 2014. He served as President from December 2013 until his promotion in July 2016. Prior to joining Illumina, Mr. deSouza was President, Products and Services, of Symantec Corporation, a Nasdaq-listed software technology Company, from 2011 to 2013, and Mr. deSouza served as Symantec s Senior Vice President, Enterprise Security Group, from 2009 to 2011. Prior to joining Symantec, from 2001 to 2006, he was Founder and CEO of IMlogic, Inc., an enterprise instant messaging software Company that was acquired by Symantec in 2006, and Mr. deSouza served as Product Unit Manager, Real-time Collaboration Group, at Microsoft Corporation from 1998 to 2001. Prior to joining Microsoft, from 1997 to 1998, Mr. deSouza was co-founder and CEO of Flash Communications, an enterprise instant messaging Company that was acquired by Microsoft

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in 1998. Mr. deSouza received a B.S. in electrical engineering and computer science with a minor in economics and a M.S. from Massachusetts Institute of Technology.

Other Public Company Board Service: The Walt Disney Company (since 2018)

Past Public Company Board Service (since 2014): Citrix Systems, Inc. (2014 to 2016)

In selecting Mr. deSouza as a nominee for election to the Board of Directors, the Board considered, among other things, Mr. deSouza s extensive experience with entrepreneurial companies experiencing rapid growth and maturation. The Board of Directors believes that Mr. deSouza s experience directly managing a growing portfolio of products and services contributes to the Board s understanding of the risks and opportunities faced by a rapidly growing global business, such as Illumina, as it develops and introduces an increasing number of products and services. In addition, Mr. deSouza is the lead representative of management on the Board, whose views are critical to the Board s overall perspective.

Frances Arnold, Ph.D.

Director since: 2016

Independent

Dr. Arnold has been a director since 2016. Dr. Arnold manages a research group at the California Institute of Technology and is the Linus Pauling Professor of Chemical Engineering, Bioengineering and Biochemistry at the California Institute of Technology and Director of the Donna and Benjamin M. Rosen Bioengineering Center. She joined the California Institute of Technology in 1986 and has served as a Visiting Associate, Assistant Professor, Professor, and Director. Dr. Arnold s laboratory focuses on protein engineering by directed evolution, with applications in alternative energy, chemicals, and medicine. She is the recipient of numerous honors, including the Nobel Prize in Chemistry, the Millennium Technology Prize, induction into the National Inventors Hall of Fame, Fellow of the National Academy of Inventors, the ENI Prize in Renewable and Nonconventional Energy, the U.S. National Medal of Technology and Innovation, and the Charles Stark Draper Prize of the U.S. National Academy of Engineering. Dr. Arnold is an elected member of all three U.S. National Academies of Science, Medicine, and Engineering, as well as the American Academy of Arts and Sciences. Dr. Arnold serves as a director of Provivi, Inc., a

privately-held agriculture pest management Company. Dr. Arnold received a B.S. in mechanical and aerospace engineering from Princeton University and a Ph.D. in chemical engineering from the University of California, Berkeley.

Other Public Company Board Service: None

Past Public Company Board Service (since 2014): None

In selecting Dr. Arnold as nominee for election to the Board of Directors, the Board considered, among other things, Dr. Arnold s scientific and technical expertise in biological engineering. Our continued growth is dependent on scientific and technical advances, and the Board believes that Dr. Arnold offers both strategic and technical insight into the risks and opportunities associated with our business. In addition, Dr. Arnold s academic and research experience provides the Board of Directors with valuable insight into the needs of our customers, many of which are scientific research institutions, and the opportunities associated with serving the research market.

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Caroline D. Dorsa

Director since: 2017

Independent

Ms. Dorsa has been a director since January 2017. Ms. Dorsa served as Executive Vice President and Chief Financial Officer of Public Service Enterprise Group Incorporated, a NYSE-listed diversified energy Company, from April 2009 until her retirement in October 2015, and served on its Board of Directors from 2003 to April 2009. From February 2008 to April 2009, she served as Senior Vice President, Global Human Health, Strategy and Integration at Merck & Co., Inc., a NYSE-listed pharmaceutical Company. From November 2007 to January 2008, Ms. Dorsa served as Senior Vice President and Chief Financial Officer of Gilead Sciences, Inc., a Nasdaq-listed life sciences Company. From February 2007 to November 2007, she served as Senior Vice President and Chief Financial Officer of Avaya, Inc., a NYSE-listed telecommunications Company. From 1987 to January 2007, Ms. Dorsa held various financial and operational positions at Merck & Co., Inc., including Vice President and Treasurer, Executive Director of U.S. Customer Marketing, and Executive Director of U.S. Pricing and Strategic Planning. Ms. Dorsa received her M.B.A. from Columbia University and a B.A. from Colgate University.

Other Public Company Board Service: Biogen, Inc. (since 2010); Intellia Therapeutics (since 2015); Goldman Sachs ETF Trust, the Goldman Sachs MLP and Energy Renaissance Fund and the Goldman Sachs MLP Income Opportunities Fund, investment funds within the Goldman Sachs fund complex (since 2016)

Past Public Company Board Service (since 2014): None

In selecting Ms. Dorsa as a past nominee for election to the Board of Directors, the Board considered, among other things, Ms. Dorsa s significant financial and accounting expertise and deep knowledge of clinical markets. As our technology and products are increasingly utilized in clinical settings, Ms. Dorsa s experience will contribute to the Board s understanding of these markets and the risks and opportunities associated with operating in markets regulated by the U.S. Food and Drug Administration. In addition, Ms. Dorsa is an audit committee financial expert under applicable SEC rules.

Karin Eastham, CPA

Ms. Eastham has been a director since July 2004. Ms. Eastham serves on the Boards of directors of several life science companies. From 2004 to 2008, she served as Executive Vice President and Chief Operating Officer,

Director since: 2004

Independent

and as a member of the Board of Trustees, of Burnham Institute for Medical Research, a non-profit corporation engaged in basic biomedical research. From 1999 to 2004, Ms. Eastham served as Senior Vice President, Finance, Chief Financial Officer and Secretary of Diversa Corporation, a Nasdaq-listed biotechnology Company. She previously held similar positions with CombiChem, Inc., a computational chemistry Company, and Cytel Corporation, a biopharmaceutical Company. Ms. Eastham also held several positions, including Vice President, Finance, at Boehringer Mannheim Corporation, a biopharmaceutical Company, from 1976 to 1988. Ms. Eastham received a B.S. and an M.B.A. from Indiana University and is a Certified Public Accountant.

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Other Public Company Board Service: Geron Corporation (since 2009); Veracyte, Inc. (since 2012); Nektar Therapeutics (since 2018)

Past Public Company Board Service (since 2014): MorphoSys AG (2012 to 2017, Frankfurt Stock Exchange-listed)

Ms. Eastham will retire from our Board of Directors immediately before this year s annual meeting.

Robert S. Epstein, M.D.

Director since: 2012

Independent

Dr. Epstein has been a director since November 2012. Dr. Epstein is an epidemiologist who worked in public health and academia before joining the private sector. From 2010 to 2012, Dr. Epstein was Chief R&D Officer and President of Medco-UBC, a 2,400 person global research organization focused on conducting personalized medicine, health economics, drug safety, outcomes, and comparative effectiveness research on behalf of the biopharmaceutical, medical device, and diagnostics industries. Prior to this role, Dr. Epstein was Medco s Chief Medical Officer for 13 years, where he led formulary development, clinical guideline development, drug information services, personalized medicine program development, and client analytics and reporting. Dr. Epstein is also the former President of the International Society of Pharmacoeconomics and Outcomes Research (ISPOR), and has served on the Boards of directors of the Drug Information Association (DIA) and the International Society of Quality of Life. In addition to the public Company directorships noted below, Dr. Epstein serves as a director of Proteus Digital Health, a privately held healthcare technology Company. Dr. Epstein has published more than 75 peer-reviewed medical articles and book chapters and serves as a reviewer for several influential medical journals, including the New England Journal of Medicine and JAMA (The Journal of the American Medical Association). Dr. Epstein received his M.D. and B.S. in biomedical science from the University of Michigan and an M.S. in preventative medicine from the University of Maryland.

Other Public Company Board Service: Fate Therapeutics, Inc. (since 2014); Veracyte, Inc. (since 2015)

Past Public Company Board Service (since 2014): AVEO Pharmaceuticals, Inc. (2012 to 2014)

In selecting Dr. Epstein as a past nominee for election to the Board of Directors, the Board considered, among other things, Dr. Epstein s in-depth experience and practical knowledge of how molecular diagnostic tests are reimbursed and the issues raised by payors and other evidentiary authorities. As our technology and products are increasingly utilized in clinical settings, Dr. Epstein s experience contributes to the Board s understanding of these markets, our products diagnostic uses, and the risks and opportunities associated with operating in markets regulated by the U.S. Food and Drug Administration.

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Gary S. Guthart, Ph.D.

Director since: 2017

Independent

Dr. Guthart has been a director since December 2017. Dr. Guthart serves as CEO of Intuitive Surgical, Inc., a Nasdaq-listed developer, manufacturer, and marketer of robotic-assisted, minimally invasive surgical systems. Dr. Guthart joined Intuitive Surgical in 1996, became President in 2007, and was appointed CEO in 2010. Prior to joining Intuitive Surgical, Dr. Guthart was part of the core team developing foundation technology for computer-enhanced surgery at SRI International (formerly Stanford Research Institute). He received a B.S. in engineering from the University of California, Berkeley and an M.S. and a Ph.D. in engineering science from the California Institute of Technology.

Other Public Company Board Service: Intuitive Surgical, Inc. (since 2009)

Past Public Company Board Service (since 2014): Affymetrix, Inc. (2009 to 2016)

In selecting Dr. Guthart as a past nominee for election to the Board of Directors, the Board considered, among other things, his deep business, operating, financial, and scientific experience as an executive and CEO of a public life sciences Company. The Board of Directors believes that Dr. Guthart s leadership experience as the CEO of a public life sciences and technology Company in complex, high growth markets will provide valuable perspective to the Board and the Company s strategic planning and business development efforts.

Philip W. Schiller

Director since: 2016

Independent

Mr. Schiller has been a director since July 2016. Mr. Schiller rejoined Apple Inc. in April 1997 and assumed his current position as Senior Vice President, Worldwide Marketing in February 2002 and is a member of Apple s executive team responsible for the Company s product marketing, developer relations, business marketing, education marketing, international marketing, and App Store programs. He has helped Apple create and market some of the best-selling products in the world including the Mac, iPod, iTunes, iPhone, the App Store, Apple TV, and the Apple Watch. Prior to rejoining Apple, Mr. Schiller was Vice President of Product Marketing at Macromedia, Inc. from 1995 to 1997 and Director of Product Marketing at FirePower Systems, Inc. from 1993 to 1995. Prior to that, Mr. Schiller spent six years at Apple in various marketing positions. Mr. Schiller received a B.S. in biology from Boston College.

Other Public Company Board Service: None

Past Public Company Board Service (since 2014): None

In selecting Mr. Schiller as a past nominee for election to the Board of Directors, the Board considered, among other things, his track record and global experience in bringing world-class products to market. The Board of Directors believes that Mr. Schiller s marketing expertise will provide the Company and the Board with important insights into communicating the benefits of the Company s products and technology to customers and other stakeholders. Mr. Schiller s extensive senior management experience in one of the world s leading consumer technology companies, particularly in key marketing positions, provide the appropriate skills to serve on our Board of Directors.

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Susan E. Siegel

Director since: 2019

Independent

Ms. Siegel has been a director since February 2019. In October 2017, she was appointed Chief Innovation Officer at General Electric (GE) and Chief Executive Officer of GE Business Innovations, GE s growth and innovation business. Since 2012, she has been Chief Executive Officer of GE Ventures, now subsumed into her current role. Prior to joining GE, from 2006 to 2012, she was a General Partner at Mohr Davidow Ventures, where she led healthcare and life science investments. From 2006 to 2012, Ms. Siegel served as a member of the board of directors of Pacific Biosciences of California, Inc. From 1999 to 2006, Ms. Siegel served as President, and from 2001 to 2006 as a member of the board of directors, of Affymetrix, Inc. Ms. Siegel holds a B.S. in Biology from the University of Puerto Rico and a M.S. in Biochemistry and Molecular Biology from Boston University Medical School.

Other Public Company Board Service: Align Technology (since 2017)

Past Public Company Service (since 2014): None

In selecting Ms. Siegel as a nominee for election to the Board of Directors, the Board considered, among other things, Ms. Siegel s extensive experience leading and growing biotechnology companies and driving innovation as well as her knowledge of genomics markets and technology greatly contributes to the Board s understanding of our customers, technology roadmap, and the needs of our business.

John W. Thompson

Director since: 2017

Independent

Mr. Thompson has been a director since May 2017. He serves as Chairman of Microsoft Corporation and served as Chief Executive Officer of Virtual Instruments, a privately-held Company that provides infrastructure performance analytics for virtualized and private cloud computing environments from 2010 until it merged with Load DynamiX in March 2016. Since 2009, Mr. Thompson has been an active investor in early-stage technology companies in Silicon Valley. Mr. Thompson served as Chairman and Chief Executive Officer of Symantec Corp. beginning in 1999, helping transform Symantec into a leader in security, storage, and systems management solutions. Mr. Thompson stepped down as Chief Executive Officer of Symantec in 2009, and left Symantec s Board of directors in 2011. Previously, Mr. Thompson held leadership positions in sales, marketing, and software development at IBM, including general manager of IBM Americas. He was a member of IBM s Worldwide

Management Council. Mr. Thompson received a B.S. in business administration from Florida A&M University and a Masters in Management Science from MIT Sloan School of Management.

Other Public Company Board Service: Microsoft Corporation (since 2012)

Past Public Company Board Service (since 2014): None

In selecting Mr. Thompson as a past nominee for election to the Board of Directors, the Board considered, among other things, Mr. Thompson extensive technology leadership experience, including as a CEO at Symantec and Virtual Instruments and Chairman of the Board at Microsoft. The Board believes his depth and breadth of knowledge in technology, other private sector industries, and the public sector greatly contribute to the Board s strategic leadership of the Company. In addition, Mr. Thompson is an audit committee financial expert under applicable SEC rules.

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Information about the Board

The following table sets forth the names, ages, standing committee assignments, and positions of our directors as of April , 2019.

Name	Age	Position with the Company	Audit Committee	Compensation Committee	Nominating/ Corporate Governance Committee	Science and Technology Committee	Other Public Company Boards
Jay T. Flatley	66	Executive Chairman					2
John W. Thompson	69	Lead Independent Director					1
Francis A. deSouza	48	President & CEO					1
Frances Arnold, Ph.D.	62	Director					0
Caroline D. Dorsa	59	Director					3
Karin Eastham, CPA(1)	69	Director					3
Robert S. Epstein, M.D.	63	Director					2
Gary S. Guthart, Ph.D.	53	Director					1
Philip W. Schiller	58	Director					0

Susan E. Siegel	58	Director					1
Number of Meetings in 2018			8	5	4	0	

Chair Member Audit Committee Financial Expert (for purposes of Section 407 of Sarbanes-Oxley Act)

(1) Ms. Eastham will retire from the Board of Directors effective immediately before this year s annual meeting.

The following figures reflect the current independence status and tenure of our Board:

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Board Leadership Structure

Our Board leadership structure consists of an Executive Chairman, a Lead Independent Director, and three independent committee chairs. Our CEO also serves as a member of the Board. This structure allows our Executive Chairman, our previous CEO (1999 2016), to lead our Board, while also providing for effective independent leadership through our Lead Independent Director. Under the leadership and guidance of the Nominating/Corporate Governance Committee, we routinely assess the Board evaluation process. To support effective corporate governance, the Board delegates important responsibilities and risk oversight functions to its committees, who report on their activities to the Board. For additional information please see Committees of the Board of Directors and The Board s Role in Risk Oversight below.

How We Are Selected and Evaluated

Criteria for Board Membership

The Board of Directors has delegated to the Nominating/Corporate Governance Committee the responsibility for reviewing and recommending to the Board nominees for Board membership. In accordance with our Corporate Governance Guidelines, the Nominating/Corporate Governance Committee, in evaluating Board candidates, considers factors such as depth and breadth of experience, wisdom, integrity, ability to make independent analytical inquiries, understanding of our business environment, and willingness to devote adequate time to Board duties, all in the context of an assessment of the needs of the Board at the time. The Nominating/Corporate Governance Committee seeks to ensure that at least a majority of directors are independent under Nasdaq listing standards, that members of our Audit Committee meet the financial literacy and sophistication requirements under Nasdaq listing standards, and at least one of them qualifies as an audit committee financial expert under the rules of the SEC.

The Nominating/Corporate Governance Committee s objective is to maintain a Board comprised of individuals of the highest personal character, integrity, and ethical standards, and that reflects a range of professional backgrounds and skills relevant to our business. For each of the nominees to the Board, the biographies shown above highlight the experiences and qualifications that the Nominating/Corporate Governance Committee viewed as being among the most important in concluding that the nominee should serve as a director. The Nominating/Corporate Governance Committee considers diversity as one of many factors in identifying nominees for director, including personal characteristics such as race and gender, as well as diversity in the experience and skills that contribute to the Board s performance of its responsibilities in the oversight of a complex and highly-competitive, science and clinically focused, global business. The Nominating/Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees or dispositive in any specific instance.

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Process for Identifying and Evaluating Nominees

The Nominating/Corporate Governance Committee believes we are well served by our current directors. In the ordinary course, but subject to the term limits described below, absent special circumstances or a material change in the criteria for Board membership, the Nominating/Corporate Governance Committee will re-nominate incumbent directors who continue to be qualified for Board service and are willing to continue as directors. If an incumbent director is not standing for re-election, or if a vacancy on the Board occurs between annual stockholder meetings, the Nominating/Corporate Governance Committee will seek out potential candidates for Board appointment who meet the criteria for selection as a nominee and have the specific qualities or skills being sought. In addition, from time to time the Board may seek to expand its ranks to bring in new Board members with special skills or experience relevant and useful to us at our particular stage of development. Director candidates will be selected based on input from members of our Board of Directors, our senior management, and, if the Nominating/Corporate Governance Committee deems appropriate, a third-party search firm. The Nominating/Corporate Governance Committee will evaluate each candidate s qualifications and check relevant references; in addition, such candidates will be interviewed by members of the Nominating/Corporate Governance Committee. Candidates meriting serious consideration will meet with each member of the Board of Directors. Based on this input, the Nominating/Corporate Governance Committee will evaluate which of the prospective candidates is qualified to serve as a director and whether the committee should recommend to the Board that this candidate be appointed to fill a current vacancy on the Board or presented for the approval of the stockholders, as appropriate.

Stockholder Nominees

The Nominating/Corporate Governance Committee will consider written proposals from stockholders for nominees for director under the same criteria described above but, based on those criteria, may not necessarily recommend those nominees to the Board of Directors. Any such nominations should be submitted to the Nominating/Corporate Governance Committee, via the attention of our Corporate Secretary, and should include the following information:

- all information relating to such nominee that is required to be disclosed pursuant to the Securities Exchange Act of 1934 (the Exchange Act) (including such person s written consent to a background check, to being named in the proxy statement as a nominee, and to serving as a director, if elected);
- the names and addresses of the stockholder(s) making the nomination and the number of shares of our common stock that are owned beneficially and of record by such stockholder(s); and
- appropriate biographical information and a statement as to the qualification of the nominee, including the specific experience, qualifications, attributes, or skills of the nominee, demonstrating the relevance and usefulness to our Company of such experience, qualifications, attributes, or skills at our particular stage of development.

Nominations should be submitted in the timeframe described in our bylaws and under the caption Stockholder Proposals for our 2020 Annual Meeting on page 72.

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Proxy Access

Our bylaws permit a stockholder, or a group of up to 20 stockholders, owning 3% or more of the Company s outstanding capital stock continuously for at least three years, to nominate and include in the Company s proxy materials the greater of two directors or 20% of the number of directors currently serving on the Board, provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the bylaws.

How We Are Organized

Board of Directors

Our business is managed under the direction of the Board of Directors. Our Amended and Restated Certificate of Incorporation, which we refer to as our certificate of Incorporation, and bylaws provide for a classified Board of Directors consisting of three classes of directors with staggered three-year terms. However, as discussed in Proposal 4, below, we are seeking stockholder approval of an amendment to our Certificate of Incorporation to declassify the Board and, if such proposal is adopted, the Board will adopt bylaw amendments to this effect. The Board has determined that a majority of the members of the Board, specifically Dr. Arnold, Ms. Dorsa, Ms. Eastham, Dr. Epstein, Dr. Guthart, Mr. Schiller, Ms. Siegel, and Mr. Thompson, are independent directors under the rules of Nasdaq.

The Board intends to hold executive sessions of the non-employee directors following each regularly scheduled in-person meeting of the Board of Directors. At its meetings during the fiscal year ended December 30, 2018 (fiscal 2018), the Board of Directors regularly met in executive sessions of non-employee directors.

The Board of Directors has adopted Corporate Governance Guidelines, which outline the Company s significant corporate governance policies and procedures. These guidelines can be viewed on our website at ***investor.illumina.com*** under Corporate Governance. The Board of Directors meets regularly to review significant developments affecting the Company and to act on matters requiring the Board of Directors approval. The Board of Directors held 10 meetings during fiscal 2018. Board members are requested to make attendance at Board and Board committee meetings a priority, to come to meetings prepared, having read any materials provided to the Board of Directors prior to the meeting, and to participate actively in the meetings.

Corporate Governance

The Board of Directors and our management believe that good corporate governance is an important component in enhancing investor confidence in the Company and increasing stockholder value. The imperative to continue to develop and implement best practices throughout our corporate governance structure is fundamental to our strategy to enhance performance by creating an environment that increases operational efficiency and ensures long-term productivity and growth.

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Sound corporate governance practices also ensure alignment with stockholder interests by promoting fairness, transparency, and accountability in business activities among employees, management, and the Board of Directors.

We maintain a corporate governance page on our website that includes key information about our corporate governance initiatives, including our Corporate Governance Guidelines, Code of Conduct, and charters for each of the committees of the Board of Directors, including the Audit Committee, the Compensation Committee, the Nominating/Corporate Governance Committee, and the Science and Technology Committee. The corporate governance page can be found on our website at ***investor.illumina.com*** under Corporate Governance.

Term Limits

Absent special circumstances agreed to by a majority of the Board (excluding the affected member(s)), no non-employee Board member joining the Board after December 31, 2015, may serve for more than a total of 10 years, and no non-employee Board member serving as of December 31, 2015, may stand for reelection after serving for more than a total of 10 years as a non-employee director.

Committees of the Board of Directors

The Board of Directors has four standing committees to facilitate and assist the Board in the execution of its responsibilities. These committees are currently the Audit Committee, the Compensation Committee, the Nominating/Corporate Governance Committee, and the Science and Technology Committee. Other than the Science and Technology Committee, all of the committees are composed solely of non-employee, independent directors. Charters for each committee are available on our website at ***www.illumina.com/company/about-us/board-of-directors.html*** under Committee Composition.

Audit Committee

Purpose	Oversee the Company s accounting and financial reporting processes, including audits of its financial statements
Responsibilities	Ensure the integrity of the Company s financial statements and disclosures
	Review and confirm the independent auditor s qualifications and independence
	Monitor the performance of the Company s internal audit function and independent registered public accounting firm
	Evaluate the adequacy and effectiveness of the Company s internal controls

Oversee the Company s compliance with legal and regulatory requirements

Supervise the processes utilized by management for identifying, evaluating, and mitigating strategic, financial, operational, regulatory, and external risks inherent in the Company s business

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The Board of Directors has unanimously determined that all Audit Committee members satisfy the additional independence requirements that apply to Audit Committee members under Nasdaq listing standards, are financially literate under Nasdaq listing standards, and at least one member has financial sophistication under Nasdaq listing standards. In addition, the Board of Directors has unanimously determined that each Audit Committee member qualifies as an audit committee financial expert under SEC rules and regulations. Designation as an audit committee financial expert is an SEC disclosure requirement and does not impose any additional duties, obligations, or liability on any person so designated.

Compensation Committee

Purpose	Discharge the Board s duties and responsibilities relating to compensation of our directors and executive officers
	Oversee the design and management of our equity and other compensation plans
Responsibilities	Report annually to our stockholders on executive compensation matters
	Administer our equity and other compensation plans
	Recommend to the Board the amount and form of CEO compensation, taking into account the Board s annual performance evaluation of the CEO
	Review and approve the amount and form of compensation to be paid to our other executive officers and senior, non-executive employees
	Oversee our compensation practices for all other non-executive employees
	Motivate executives to perform to their highest level and reward outstanding achievement
	Maintain appropriate levels of risk and reward, assessed on a relative basis at all levels within the Company in proportion to individual contribution and performance and tied to

achievement of financial, organizational, and management performance goals

Encourage executives to manage from the perspective of owners with an equity stake in the Company

Review and make initial (in the case of new hires) and periodic (in the case of then-current Company employees) determinations with respect to who is (i) an executive officer of the Company with reference to Rule 3b-7 of the Exchange Act and (ii) a Section 16 officer of the Company with reference to Rule 16a-1(f) of the Exchange Act

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The Board of Directors has unanimously determined that all Compensation Committee members satisfy the additional independence requirements that apply to Compensation Committee members under Nasdaq listing standards, qualify as non-employee directors for the purposes of Section 16 of the Exchange Act, and qualify as outside directors for the purposes of Section 162(m) of the Internal Revenue Code of 1986.

The CEO may not participate in or be present during any deliberations or determinations of the Compensation Committee regarding his compensation.

The CEO has been delegated limited authority to grant equity incentive awards to any employee who has a title of or below the rank of Vice President, who is not designated as a Section 16 Officer, and who does not report directly to him. The CEO may exercise this authority without any further action required by the Compensation Committee; however, the Compensation Committee approves grant ranges based on employee job levels to guide the CEO in the exercise of his authority and sets maximum individual award values that may be granted under this authority. The purpose of this delegation of authority is to enhance the flexibility of equity administration and to facilitate the timely grant of equity awards to non-management employees, particularly new employees, within the specified limits approved by the Compensation Committee. At least annually, the Compensation Committee reviews this authority and grant guidelines to ensure alignment with market and good governance practices. The CEO reports at least annually to the Compensation Committee on his exercise of this delegated authority. In addition, the Compensation Committee reviews our equity award usage forecast on a quarterly basis as part of its administration duties within our stockholder-approved 2015 Stock and Incentive Plan.

Nominating/Corporate Governance Committee

Purpose	Oversee matters of corporate governance, including the evaluation of the performance, composition, and practices of the Board of Directors
Responsibilities	Identify individuals qualified to serve as members of the Board of the Company
	Select nominees for election as directors of the Company
	Evaluate the performance of the Board and its Committees
	Develop and recommend corporate governance guidelines to the Board
	Provide oversight with respect to corporate governance and ethical conduct

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Science and Technology Committee

Purpose	Oversee the Company s scientific and technological strategies and research and development plans and goals
Responsibilities	Review and evaluate the Company s scientific and technological strategies and research and development plans, and goals
	Review and evaluate the Company s performance relating to its research and development plans and goals
	Identify and discuss significant emerging science and technology issues and trends, including their potential impact on the Company s scientific and technological strategies and research and development plans and goals
	Conduct a periodic review of the Company s intellectual property portfolio and strategy

Compensation Committee Interlocks and Insider Participation

The following directors served on Illumina s Compensation Committee during 2018: Karin Eastham, CPA, Robert S. Epstein, M.D., and Gary S. Guthart, Ph.D. No member of the Compensation Committee is, or ever has been, an officer or employee of the Company. Furthermore, during fiscal 2018, none of our current executive officers served as a member of a Board of directors or compensation committee (or other Board committee performing equivalent functions) of another entity where an executive officer of such entity served as a member of our Board of Directors or Compensation Committee.

Code of Conduct

We have adopted a Code of Conduct that applies to all of our directors, officers, and employees, including our principal executive officer and principal financial officer. Our Code of Conduct is reviewed by the Nominating/Corporate Governance Committee on an annual basis and modified as deemed necessary. Our Code of Conduct is available for download at ***https://www.illumina.com/company/investor-information/corporate-governance.html***. A copy of the Code of Conduct may also be obtained free of charge from us upon a request directed to Illumina, Inc., 5200 Illumina Way, San Diego, California 92122, Attention: Corporate Secretary. We will disclose within four business days any substantive changes in or waivers of the Code of Conduct granted to our principal executive officer, principal financial officer, principal accounting officer, or controller, or persons performing similar functions, by posting such information on our website as set forth above rather than by filing a Form 8-K with the SEC.

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How We Operate

Attendance at Meetings

During fiscal 2018, each director attended, in person or by telephone, at least 75% of the aggregate number of meetings of the Board of Directors and Board committees on which such director served during the period. Board members are invited to attend our annual meetings of stockholders. We reimburse the travel expenses of any director who travels to attend the annual meetings. We do not have a policy under which directors are expected to attend the annual meeting of stockholders. Six members of the Board of Directors attended our 2018 annual meeting of stockholders.

The Board s Role in Risk Oversight

Risk Oversight Generally

The Board of Directors is responsible for overseeing our risk management. To assist its oversight function, the Board has delegated many risk oversight functions to the Audit Committee. Under its charter, the Audit Committee is responsible for providing advice to the Board with respect to our risk evaluation and mitigation processes, including, in particular, the processes utilized by management for identifying, evaluating, and mitigating strategic, financial, operational, litigation, compliance, physical and information security, regulatory, and external risks inherent in our business. The Audit Committee also oversees our internal audit function. In addition to the Audit Committee s work in overseeing risk management, our full Board regularly engages in discussions of the most significant risks that we face and how these risks are being managed, and the Board receives reports on risk management from our senior officers and outside consultants engaged to provide an enterprise-level review of the risks facing the Company.

Each of the Board s committees oversees the management of Company risks that fall within that committee s areas of responsibility. In performing this function, each committee is led by an independent director and has full access to management and may engage advisors. For example, the Nominating/Corporate Governance Committee is responsible for overseeing governance risks facing the Company; the Compensation Committee oversees the Company s executive compensation program and considers the impact of the program and of the incentives created by the compensation awards on the Company s risk profile; and the Science and Technology Committee oversees the Company s scientific and technology strategies and research and development plans and goals, as well as reviewing our intellectual property positions.

As part of its overall oversight of risk management, the Board provides oversight of management s efforts to address information security risk by receiving periodic reports at meetings of the Audit Committee. Members of the Board also are invited to participate in the Company s management-led information security working group, which is charged with the protection of confidential and sensitive business data and intellectual property from hostile or malicious attack; the protection of sensitive personal data from unauthorized access; product security; and enterprise technology risk review.

Our senior executives provide the Board of Directors and its committees with regular updates about Company strategies and objectives and associated risks at Board and committee meetings and in regular reports. Board and committee meetings also provide a venue for directors to discuss issues of

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concern with management. The Board of Directors and committees call special meetings when necessary to address specific issues or matters that should be addressed before the next regularly scheduled meeting. In addition, our directors have access to our management at all levels to discuss any matters of interest, including those related to risk. Those members of management most knowledgeable about the applicable issues attend Board meetings to provide additional insight into items being discussed, including exposures and mitigation strategies with respect to various risks. The Board of Directors believes that the work undertaken by the Audit Committee, together with the work of the full Board and the CEO, enables the Board to effectively oversee our risk management function.

Compensation Programs

The Compensation Committee, together with senior management and external compensation consultants, reviews compensation programs and benefits plans affecting employees generally (in addition to those applicable to our executive officers), and we have concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. We also believe that our incentive compensation arrangements provide incentives that do not encourage risk-taking beyond our ability to effectively identify and manage significant risks; are compatible with effective internal controls and our risk management practices; and are supported by the oversight and administration of the Compensation Committee with regard to executive compensation programs.

Certain Relationships and Related Party Transactions

All transactions between us and our officers, directors, principal stockholders, and affiliates are subject to approval by a majority of the independent and disinterested members of our Board of Directors, and will be on terms determined by such members of the Board of Directors to be no less favorable to us than could be obtained from unaffiliated third parties. No such transactions occurred in fiscal 2018.

How to Communicate with Us

All interested parties who wish to communicate with the Board of Directors or any of the non-employee directors may do so by sending a letter to the Corporate Secretary, Illumina, Inc., 5200 Illumina Way, San Diego, California 92122, and should specify the intended recipient or recipients. All such communications will be forwarded to the appropriate director or directors for review, except for spam, junk mail, mass mailings, product complaints or inquiries, job inquiries, surveys, business solicitations or advertisements, or patently offensive or otherwise inappropriate material.

In addition, you may send, in an envelope marked Confidential, a written communication to the Chair of the Audit Committee, via the attention of our Corporate Secretary, at Illumina, Inc., 5200 Illumina Way, San Diego, California 92122. All such envelopes will be delivered unopened to the Chair of the Audit Committee.

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How We Are Paid

Director and Officer Stock Ownership Policy

The Board of Directors, acting on the recommendation of the Compensation Committee, has adopted stock ownership guidelines that are applicable to each of our non-employee directors, each of our officers who is subject to Section 16 of the Exchange Act, and each of our officers having a title of Senior Vice President or above. Each individual subject to the guidelines is expected to own and hold shares of our common stock having an aggregate value at least equal to:

Title	Multiple
Non-Employee Director	5x annual retainer
Chief Executive Officer	5x base salary
Executive Chairman	5x base salary
Senior Vice President	1x base salary
Section 16 officer, if not covered above	1x base salary

Under the ownership guidelines, each individual subject to the guidelines is required to achieve compliance with the applicable ownership levels set forth above within three years from the date such individual director or officer first became subject to the guidelines, either as a result of a new hire or promotion. As of the end of fiscal 2018, each individual subject to the guidelines was in compliance with applicable ownership levels. Unvested performance stock units (PSUs) and unvested stock options do not count towards satisfaction of the ownership guidelines.

During such time as a covered officer or director is not in compliance with his or her applicable ownership guidelines, such officer or director:

- is required to retain an amount equal to 100% of the net shares of common stock received as a result of the vesting of restricted stock or restricted stock units (net shares are those shares that remain after shares are sold or netted to pay withholding taxes); and

- may not establish a qualified trading plan (i.e., a Rule 10b5-1 trading program) or modify an existing qualified trading plan to increase the number of shares of our common stock to be sold under such plan (under our Insider Trading Policy our directors, executive officers, and each of our officers having a title of Senior Vice President or above may only sell shares of our common stock pursuant to a qualified trading plan).

Director Compensation Overview

Our directors play a critical role in guiding our strategic direction and overseeing management of the Company. Ongoing developments in corporate governance and financial reporting have resulted in an increased demand for highly qualified and productive public Company directors. The many responsibilities and risks, and the substantial time commitment of being a director of a public Company require that we provide fair compensation for our directors

performance. Our non-employee directors are compensated based upon their respective levels of Board participation

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and responsibilities, including service on Board committees. Directors who are members of our management team, such as Mr. Flatley and Mr. deSouza, receive no separate compensation for their services as directors.

Our director compensation is overseen by the Compensation Committee of our Board of Directors, which makes recommendations to the Board of Directors on the appropriate amount and structure of our programs in light of various factors, including, but not limited, to relative contributions, time commitments, risks, and regularly evaluated competitive practices by peer companies.

2018 Compensation Review

For fiscal 2018, the Compensation Committee retained an independent compensation consultant from Radford, a part of Aon plc, as the Compensation Committee s advisor to provide guidance and recommendations on the Board s non-employee director compensation program and input on policy changes. Radford conducted a comprehensive formal review and analysis of our non-employee director compensation and incentive programs relative to certain competitive benchmarks. This review included a benchmarking analysis of our non-employee director compensation philosophy and practices against prevailing market practices of identified peer group companies and broader industry trends. The analysis included review of the total direct compensation (including cash retainers and stock-based compensation) of our non-employee directors as compared with these market benchmarks. The assessment included an analysis of market trends using available public information in addition to proprietary data provided by Radford.

For purposes of this benchmarking analysis, the Compensation Committee, in consultation with Radford, identified a list of 20 peer group companies from the Pharmaceutical, Biotech and Tools; Healthcare Equipment and Supplies; Technology Hardware and Equipment; Semiconductor and Semiconductor Equipment; and Software and Software Services sectors to capture companies in a similar sector as well as the broader technical market. The criteria used in developing this list of peer companies included revenue growth, actual revenue (0.5x to 4x Illumina), market capitalization (0.5x to 4x Illumina), research and development expenses as a percent of revenue, and total shareholder return. The Compensation Committee also considered criteria applied by corporate governance groups. In 2017, when the Compensation Committee reviewed peer benchmarking data in preparation for the adoption of a compensation peer group for fiscal 2018, Illumina was positioned at the 34th percentile for revenue and the 62nd percentile for market capitalization.

Our director compensation peer group, set forth below, remains unchanged for fiscal 2018 except for the addition of Agilent Technologies, Inc.:

Agilent Technologies, Inc.	IDEXX Laboratories, Inc.	salesforce.com, inc.
Alexion Pharmaceuticals, Inc.	Intuitive Surgical, Inc.	Thermo Fisher Scientific Inc.
Biogen Inc.	Jazz Pharmaceuticals plc	Varian Medical Systems, Inc.
C. R. Bard, Inc.	Juniper Networks, Inc.	VMware, Inc.
Celgene Corporation	QIAGEN N.V.	Waters Corporation
The Cooper Companies, Inc.	Regeneron Pharmaceuticals, Inc.	Workday, Inc.
Edwards Lifesciences Corporation	ResMed Inc.	

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Use of Benchmarking Data

The Compensation Committee reviews director compensation practices and program design at peer group companies to inform its decision-making process in setting total compensation levels. However, the Compensation Committee believes that market data is only one factor in setting compensation. Director compensation determinations are the result of many factors, including the Compensation Committee s business judgment, which is informed by the experiences of the members of the Compensation Committee, as well as input from, and peer group data provided by, the Compensation Committee s independent compensation consultant. No one factor is intended to be dispositive in setting compensation.

The consultant to the Compensation Committee gathers market data from the approved peer group and examines a range of pay at the 25th, 50th, and 75th percentiles, and reviews with the Compensation Committee on an annual basis the total direct compensation and each pay element comprising total direct compensation. This provides the Compensation Committee an understanding of the distribution of compensation in the market for directors of peer group companies. The Compensation Committee does not set percentile targets with respect to its total direct pay or any individual pay element. The Compensation Committee also reviews the total cost of governance in addition to the individual elements of director compensation.

The largest component of total direct compensation, approximately 85%, is delivered through equity-based awards. This represents a larger percentage of total direct compensation than that of our peer group and serves to align their interests with those of our stockholders. Our equity ownership guidelines also serve to align the compensation of our directors with an emphasis on long-term decision making and Company performance.

Cash Compensation

Annual Retainer

During fiscal 2018, each of our non-employee directors was eligible to receive an annual cash retainer of $55,000.

Committee Fees

In addition, during fiscal 2018 each of our non-employee directors serving on one or more Board committees was eligible to receive the applicable fees set forth below.

	Fiscal 2018 Board Committee Annual Fees ($)			
	Audit Committee	**Compensation Committee**	**Nominating/Corporate Governance Committee**	**Science and Technology Committee**
Chair	25,000	25,000	15,000	15,000
Member	15,000	15,000	10,000	10,000

Lead Independent Director Fee

In fiscal 2018, our Lead Independent Director received an additional annual fee of $27,500.

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Stock in Lieu of Cash Compensation

Non-employee directors may elect to receive shares of our common stock in lieu of all, but not less than all, cash retainers and Board committee fees otherwise payable by the Company to such director in a given calendar year. Shares issued to an eligible director electing to receive cash compensation in the form of shares will not be subject to vesting or forfeiture restrictions and will be issued on a quarterly basis. The number of shares issued to an eligible director electing to receive shares in lieu of cash will equal the amount of cash compensation otherwise payable by the Company to such director for the immediately preceding calendar quarter, divided by the weighted average closing price of our common stock during the immediately preceding calendar quarter (calculated by reference to each trading day during such quarter). No fractional shares will be issued, and in lieu of fractional shares, the Company will pay to such electing director an amount of cash equal to any such fractional share multiplied by the weighted average closing price of our common stock during the immediately preceding calendar quarter (calculated by reference to each trading day during such quarter).

Equity Compensation

Annual Awards

In connection with our annual meeting of stockholders, each of our non-employee directors is eligible to receive a restricted stock unit (RSU) award having an award value of $400,000 (as determined based on the fair market value of the Company s common stock on the date of grant), which award is to be made automatically on the date of such annual meeting of stockholders. If $400,000 is not wholly divisible by the fair market value of the Company s common stock on the date of grant, then each non- employee director will receive the smallest whole number of shares with a total value above $400,000 as of such date (and no fractional shares will be issued in connection with such RSU award). Such annual RSU awards will vest on the earlier of the first anniversary of the grant date or the day prior to the annual meeting of stockholders immediately following the annual meeting at which the award is granted, in both cases subject to continued service as a Board member through the vesting date.

Accordingly, in connection with our 2018 annual meeting of stockholders, on May 23, 2018, each of our non-employee directors who were serving at the time of the 2018 annual meeting received an award of 1,473 RSUs (having an award value of $400,258.29 based on the closing price of our common stock on May 23, 2018, of $271.73). The RSUs will vest on the earlier of (i) the one year anniversary of the grant date of the award and (ii) the date immediately preceding the date of the 2019 annual meeting of stockholders.

Awards Upon First Joining the Board of Directors

During fiscal 2018, each non-employee director, upon first joining the Board, whether through election by our stockholders or appointment by our Board to fill a vacancy, was eligible to receive a one-time RSU award having a value of two times the annual RSU award (currently $800,000 based on an annual award value of $400,000), as determined based on the fair market value of the Company s common stock on the date of grant. If $800,000 is not wholly divisible by the fair market value of the Company s common stock on the date of grant, then each non-employee director will receive the

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smallest whole number of shares with a total value above $800,000 as of such date (and no fractional shares will be issued in connection with such RSU award). Initial RSU awards vest over a four-year period, with 25% of the RSU vesting on each of the first four anniversaries of the grant. An employee director who ceases to be an employee but remains a director will not receive this initial RSU award.

Additional Benefits

Directors who receive RSUs are given the opportunity, at the time they execute award agreements providing for the RSU grant, to elect to receive, at the time the RSU vests, a portion of the award in cash rather than in shares.

In addition to the cash and equity compensation described above, we reimburse our non-employee directors for their expenses incurred in connection with attending Board and committee meetings.

Director Compensation

The following table summarizes the total compensation paid by the Company to our non-employee directors for fiscal 2018.

Name(1)	Fees Earned or Paid in Cash ($)	Stock Awards ($)(2)(3)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Jay T. Flatley(4)							
John W. Thompson	86,772	400,258					487,030
Frances Arnold	71,676	400,258					471,934
A. Blaine Bowman(5)	44,196						44,196
Caroline D. Dorsa	76,099	400,258					476,357
Karin Eastham(6)	88,901	400,258					489,159
Robert S. Epstein	89,162	400,258					489,420
Gary S. Guthart	67,500	400,258					467,758
Philip W. Schiller	66,676	400,258					466,934
Susan E. Siegel(7)							

(1) Mr. deSouza, our President and Chief Executive Officer, is not included in this table because he is an employee and receives no additional compensation for his service as a director. The compensation received by Mr. deSouza as a named executive officer is shown in the Summary Compensation Table on page 52.

(2) This reflects the grant date fair value of awards granted during fiscal 2018 and is computed in accordance with FASB ASC Topic 718, based on the closing stock price on the grant date.

(3) Each of the then-serving directors received an award of 1,473 RSUs on May 23, 2018 (the date of our 2018 annual meeting of stockholders), with a per share value of $271.73 (the closing price of our

common stock on Nasdaq on May 23, 2018).

(4) Mr. Flatley, our Executive Chairman, did not receive compensation for his service as a director. As an employee of the Company, during fiscal 2018, Mr. Flatley received a salary of $500,000, stock awards valued at $2,000,041, non-equity incentive plan compensation of $750,000, and other compensation valued at $14,815.

(5) Mr. Bowman retired from the Board effective as of May 23, 2018.

(6) Ms. Eastham will retire from the Board effective immediately before this year s annual meeting.

(7) Ms. Siegel was appointed as a director in February 2019.

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The following table shows the total number of unvested RSUs and total stock options held by each of our directors, other than Mr. deSouza, as of December 30, 2018:

Name	Unvested RSUs Outstanding	Vested Stock Options Outstanding	Unvested Stock Options Outstanding
Jay T. Flatley	8,489		
John W. Thompson	4,669		
Frances Arnold	4,479		
A. Blaine Bowman(1)		6,400	
Caroline D. Dorsa	5,220		
Karin Eastham(2)	1,473	5,600	
Robert S. Epstein	1,473	16,600	
Gary S. Guthart	4,137		
Philip W. Schiller	3,939		
Susan E. Siegel(3)			

(1) Mr. Bowman retired from the Board effective as of May 23, 2018.
(2) Ms. Eastham will retire from the Board effective immediately before this year s annual meeting.
(3) Ms. Siegel was appointed as a director in February 2019.

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Vote for Us

Proposal 1: Election of Directors

General

Our certificate of Incorporation and bylaws currently provide for a classified Board of Directors consisting of three classes of directors with staggered three-year terms. The Board of Directors currently consists of 10 directors, having terms expiring at the respective annual meetings of stockholders noted below:

2019 Annual Meeting	2020 Annual Meeting	2021 Annual Meeting
Frances Arnold, Ph.D.	Caroline Dorsa	Jay T. Flatley
Francis A. deSouza	Robert S. Epstein, M.D.	Gary S. Guthart, Ph.D.
Karin Eastham, CPA*	Philip W. Schiller	John W. Thompson
Susan E. Siegel		

* Ms. Eastham will retire from the Board of Directors effective immediately before this year s annual meeting.

Election of Three Directors to Hold Office for Three Years until the 2022 Annual Meeting of Stockholders

Upon the recommendation of the Nominating/Corporate Governance Committee of the Board, the Board of Directors has nominated for election at the annual meeting the following slate of three nominees to hold office for three years until the annual meeting of stockholders in the year 2022 and until their successors are duly elected and qualified:

Name	Age	Director Since	Principal Occupation
Frances Arnold, Ph.D.	62	2016	Linus Pauling Professor of Chemical Engineering, Bioengineering and Biochemistry at the California Institute of Technology and Director of the Donna and Benjamin M. Rosen Bioengineering Center
Francis A. deSouza	48	2014	President and CEO of Illumina, Inc.
Susan E. Siegel	58	2019	Chief Innovation Officer at General Electric and Chief Executive Officer of GE Business Innovations

Ms. Siegel was appointed to the Board of Directors in February 2019 to fill a newly created position. In accordance with our Corporate Governance Guidelines, any new director appointed to fill a newly created position on the Board

of Directors will stand for election at the first annual meeting of stockholders following such appointment. In accordance with our certificate of Incorporation and bylaws, each director is to be elected for a term expiring at the third succeeding annual meeting of stockholders after such election or until his or her successor is elected.

The term of the directors elected at the 2019 annual meeting will not be affected if stockholders approve an amendment to our amended and restated certificate of Incorporation to declassify the Board of Directors.

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Any new director appointed to fill a newly created position on the Board of Directors is assigned to the class of directors that will stand for election at the first annual meeting of stockholders following such appointment.

Additional Information

For more information about each nominee and each of the other directors serving on our Board of Directors, please see Information about Directors in this proxy statement. Each of the director nominees is currently serving as a director. These nominees have agreed to serve if elected, and management has no reason to believe that such nominees will be unable to serve. The persons designated as proxies on the form of proxy card attached to this proxy statement intend to vote such proxy FOR the election of each of the three nominees named above, unless the stockholder validly indicates otherwise on the proxy.

Vote Required for Approval

Our bylaws require that a director nominee be elected only if he or she receives a majority of the votes cast with respect to his or her election in an uncontested election (that is, the number of shares voted FOR that nominee exceeds the number of votes cast AGAINST that nominee). Each of our director nominees currently serves on the Board of Directors. If a nominee who currently serves as a director is not re-elected, Delaware law provides that the director would continue to serve on the Board as a holdover director. Under our Corporate Governance Guidelines, each director submits an advance, contingent, irrevocable resignation that the Board may accept if stockholders do not re-elect that director. In that situation, our Nominating/Corporate Governance Committee would make a recommendation to the Board about whether to accept or reject the resignation, or whether to take other action.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS

THAT YOU VOTE FOR THE ELECTION OF EACH OF THE

DIRECTOR NOMINEES SET FORTH ABOVE

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Our Leadership

Executive Officers

The following table sets forth the names, ages, positions, and business experience during the past five years of our executive officers as of April , 2019:

Name	Age	Position	Year Joined Illumina	Recent Business Experience
Francis A. deSouza	48	President and CEO	2013	2016 present: present position 2013 2016: President 2011 2013: Group President, Enterprise Products and Services for Symantec Corporation
Charles E. Dadswell	60	Senior Vice President, General Counsel & Secretary	2013	2013 present: present position 2011 2013: Vice President, General Counsel for North and Latin America, and corporate director of global intellectual property at bioMerieux
Garret Hampton, Ph.D.	53	Senior Vice President, Clinical Genomics	2017	2017 present: present position 2014 2016: VP and Global Head, Oncology Biomarker Development and Companion Diagnostics at Genentech 2009 2014: Senior Director, Oncology Biomarker Development and Companion Diagnostics at Genentech
Aimee Hoyt	47	Senior Vice President & Chief People Officer	2018	2018 present: present position 2015 2017: Executive Vice President, Chief Human Resources Officer, Rackspace 2010 2015: Executive Vice President, Human Resources, IGT
Omead Ostadan	47	Senior Vice President, Marketing, Products &	2007	2017 present: present position 2015 2017: Senior Vice President, Operations, Products and Strategy

		Strategic Planning		2015 2015: Senior Vice President, Operations and Development 2011 2015: Senior Vice President, Product Development
Robert Ragusa	59	Senior Vice President, Global Quality and Operations	2013	2013 present: present position 2010 2013: Executive Vice President, Engineering and Global Operations at Accuray 2007 2010: Head of Worldwide Operations at Bloom Energy 2005 2007: Senior Vice President, Global Operations at Affymetrix
Mostafa Ronaghi, Ph.D.	50	Senior Vice President & Chief Technology Officer	2008	2008 present: present position
Sam A. Samad	49	Senior Vice President & Chief Financial Officer	2017	2017 present: present position 2012 2016: Senior Vice President & Corporate Treasurer at Cardinal Health 2009 2012: Senior Vice President & CFO, Pharmaceutical Segment at Cardinal Health
Mark Van Oene	46	Senior Vice President & Chief Commercial Officer	2006	2017 present: present position 2016 2017: Senior Vice President and General Manager, Americas Commercial Operations 2014 2016: Vice President and General Manager, Americas Commercial Operations 2012 2014: Vice President, Global Sales

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Our Auditors

Proposal 2: Ratification of the Appointment of Our Independent Registered Public Accounting Firm

The Audit Committee of the Board is directly responsible for the appointment, compensation (including advance approval of the audit fee), retention, and oversight of the independent registered public accounting firm that audits our financial statements and our internal control over financial reporting. The Audit Committee annually reviews Ernst & Young s independence and performance in deciding whether to retain Ernst & Young or engage a different independent auditor. At the annual meeting, our stockholders are being asked to ratify the appointment of Ernst & Young LLP as Illumina s independent registered public accounting firm for the fiscal year ending December 29, 2019.

A representative of Ernst & Young LLP is expected to be present at the annual meeting, will have an opportunity to make a statement if he or she desires to do so, and is expected to be available to respond to appropriate questions.

Fees Paid to Ernst & Young LLP

During the fiscal years ended December 30, 2018, and December 31, 2017, the aggregate fees billed or accrued by Ernst & Young LLP for professional services were as follows:

	Year Ended	
	December 30, 2018 ($)	**December 31, 2017 ($)**
Audit Fees	3,620,392	3,383,373
Audit-Related Fees	11,065	7,565
Tax Fees	41,203	9,656
Total	3,672,660	3,400,594

Audit fees consist of amounts for professional services rendered in connection with the integrated audit of our consolidated financial statements and internal control over financial reporting, review of the interim condensed consolidated financial statements included in quarterly reports, and statutory audits required internationally. For the fiscal years ended December 30, 2018, and December 31, 2017, audit-related fees were primarily incurred for accounting consultations. Tax fees for the fiscal years ended December 30, 2018, and December 31, 2017, related to services rendered for the preparation of foreign tax filings. For the fiscal years ended December 30, 2018, and December 31, 2017, Ernst & Young LLP did not perform any professional services other than as stated under the captions Audit Fees, Audit-Related Fees, and Tax Fees.

Pre-Approval Policies and Procedures

The Audit Committee, as required by the Exchange Act, requires advance approval of all audit services and permitted non-audit services to be provided by our independent registered public accounting firm. The Audit Committee must approve the permitted service before the independent registered

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public accounting firm is engaged to perform it. The services listed as Audit Fees, Audit-Related Fees, and Tax Fees in the table above were pre-approved by our Audit Committee in accordance with this policy.

Vote Required for Approval

Although ratification is not required by our bylaws or otherwise, the Board of Directors is submitting this proposal as a matter of good corporate governance practices. If stockholders do not ratify the appointment of Ernst & Young LLP, the Audit Committee and the Board of Directors would consider such a negative vote in their consideration of what, if any, action to take. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent audit firm at any time during the fiscal year if it is determined that such a change would be in the best interests of Illumina and its stockholders. Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm requires the affirmative FOR vote of a majority of the shares present in person or represented by proxy and entitled to vote on the proposal.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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Audit Committee Report

The following report of the Audit Committee, the report of the Compensation Committee under Compensation Committee Report, along with statements in this proxy statement regarding the Audit Committee s charter, are not considered soliciting material and are not considered to be filed with the SEC as part of this proxy statement. Any current or future cross-references to this proxy statement in filings with the SEC under either the Securities Act of 1933 or the Exchange Act will not include such reports or statements, except to the extent that we specifically incorporate it by reference in such filing.

The Audit Committee oversees our financial reporting process on behalf of the Board of Directors and provides advice with respect to our risk evaluation and mitigation processes. In fulfilling its oversight role, the Audit Committee monitors and advises the Board of Directors on:

- the integrity of our consolidated financial statements and disclosures;
- the independent registered public accounting firm s qualifications and independence;
- the performance of our internal and independent audit functions;
- the adequacy of our internal controls;
- our compliance with legal and regulatory requirements; and
- the processes utilized by management for identifying, evaluating, and mitigating strategic, financial, operational, regulatory, and external risks inherent in our business.

The Audit Committee meets with the independent registered public accounting firm, internal auditor, and our outside counsel, with and without our management present, to discuss the results of their examinations, their evaluations of our internal controls, and the overall quality of our financial reporting.

The Audit Committee, in its oversight role, has reviewed and discussed the consolidated financial statements with management and Ernst & Young LLP, our independent registered public accounting firm. Management is responsible for the preparation, presentation, and integrity of our financial statements; accounting and financial reporting principles; establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)); establishing and maintaining internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)); evaluating the effectiveness of disclosure controls and procedures; evaluating the effectiveness of internal control over financial reporting; and evaluating any change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting. Ernst &

Young LLP is responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on the conformity of those financial statements with U.S. generally accepted accounting principles, as well as expressing an opinion on the effectiveness of internal control over financial reporting.

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During the course of fiscal 2018, management completed the documentation, testing, and evaluation of our system of internal control over financial reporting in response to the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations. The Audit Committee was kept apprised of the progress of the evaluation and provided oversight and advice to management during the process. In connection with this oversight, the Audit Committee received periodic updates from management and Ernst & Young LLP at each regularly scheduled Audit Committee meeting. At the conclusion of the process, management provided the Audit Committee with, and the Audit Committee reviewed, a report on the effectiveness of our internal control over financial reporting. The Audit Committee also reviewed the report of management contained in our annual report on Form 10-K for the fiscal year ended December 30, 2018, filed with the SEC, as well as Ernst & Young LLP s Reports of Independent Registered Public Accounting Firm included in our annual report on Form 10-K related to its audit of (i) the consolidated financial statements and (ii) the effectiveness of internal control over financial reporting. The Audit Committee continues to oversee our efforts related to our internal control over financial reporting and management s preparations for the evaluation for the fiscal year ending December 29, 2019.

The Audit Committee has reviewed and discussed the consolidated audited financial statements with management, discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard 1301 of the Public Company Accounting Oversight Board, has received the written disclosures and the letter from Ernst & Young LLP required by Rule 3526 of the Public Company Accounting Oversight Board (communication with Audit Committees Concerning Independence), and has had discussions with the independent registered public accounting firm regarding their independence. Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in our annual report on Form 10-K for the fiscal year ended December 30, 2018, for filing with the SEC.

RESPECTFULLY SUBMITTED BY THE AUDIT COMMITTEE:

Caroline D. Dorsa (Chair)

Karin Eastham, CPA

John W. Thompson

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Our Pay

Compensation Discussion and Analysis

The Compensation Committee of the Board of Directors determines the compensation for our executive officers. The Compensation Committee considers, adopts, reviews, and revises executive officer compensation plans, programs, and guidelines, and reviews and determines all components of each executive officer s compensation. Compensation programs, and the compensation components, for the CEO are, additionally, subject to approval by the Board of Directors. The Compensation Committee also consults with management and Illumina s employee compensation and benefits group regarding both executive and non-executive employee compensation plans and programs, including administering our equity incentive plans.

This section of the proxy statement explains how our executive compensation programs are designed and operate with respect to Illumina s named executive officers, who are:

- all individuals serving as the Company s principal executive officer during fiscal 2018;
- all individuals serving as the Company s principal financial officer during fiscal 2018; and
- the Company s three most highly compensated executive officers other than the principal executive officer and principal financial officer who were serving as executive officers at the end of fiscal 2018.

For fiscal 2018, our named executive officers were:

Named Executive Officer	Position
Francis A. deSouza	President & CEO
Sam A. Samad	Senior Vice President & CFO
Omead Ostadan	Senior Vice President, Marketing, Products & Strategic Planning
Aimee Hoyt	Senior Vice President & Chief People Officer
Garret Hampton, Ph.D.	Senior Vice President, Clinical Genomics

Compensation Philosophy and Objectives

Our executive compensation and benefit programs aim to encourage our executive officers to continually pursue strategic opportunities, while effectively managing our day-to-day operations. Specifically, we have created a compensation package that combines short- and long-term components (cash and equity, respectively) at the levels we believe are most appropriate to motivate and reward our executive officers. The Compensation Committee and our management believe that the proportion of at- risk, performance-based compensation should rise as an employee s level of responsibility increases.

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Our executive compensation program is designed to achieve four primary objectives:

attract, retain, and reward executives who contribute to our success;

provide economic incentives for executives to achieve business objectives by linking executive compensation with our overall performance;

strengthen the relationship between executive pay and stockholder value through the use of long-term compensation; and

reward individuals for their specific contributions to our success.

Executive Summary of Compensation Practices and Governance

As described more fully below, the following highlights are the key features of our compensation practices and governance policies.

Compensation Committee Independence. Our Compensation Committee is composed solely of independent directors and routinely meets in executive session without management.	**Independent Compensation Consultant.** Our Compensation Committee directly retains an independent compensation consultant compliant with the rules set forth by the SEC and Nasdaq.
Annual Say-on-Pay Vote. Our Board of Directors has elected to hold an annual advisory say-on-pay vote, and our Compensation Committee considers the outcome of the vote in making compensation decisions.	**Comprehensive Review and Analysis of Executive Compensation.** Our Compensation Committee annually reviews our compensation philisophy, prevailing governance and market trends, and each element of total direct compensation.
Peer-Group Pay Benchmarking. The Compensation Committee reviews compensation data of peer group companies, with particular focus on data falling within the 25th and 75th percentiles. The Committee also considers factors such as an executive s performance, future criticality, and retention risk.	**Pay for Performance.** Over 65% of our Executive Officer total direct compensation is at-risk and contingent on the achievement of corporate financial objectives that are linked to shareholder value.
Incentive Thresholds and Caps. Our performance-based cash compensation and performance-based stock units require a minimum level of Company financial performance before any awards are earned and are capped to avoid excessive risk taking. Awards can range from 0% to 150% of target.	**Pay for Sustained Performance.** The majority of our Executive Officer long-term equity compensation is contingent on the Company s achievement of a pre-established earnings-per-share goal at the end of a three-year performance period.

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	Stock Ownership Guidelines. All of our Executive Officers are required to hold a minimum number of shares, ranging from 1x to 5x of base pay. All of our Executive Officers were in compliance at the end of fiscal year 2018.		**Double Trigger Change in Control.** Our Executive Officer change-in-control severance agreements are aligned with industry practices and subject to a double trigger, thus limiting severance benefits to involuntary termination of employment following a change in control.
Ð	**No Employment Agreements.** We do not enter into employment agreements with our Executives Officers.	Ð	**No Excessive Perquisites.** We do not provide a matching contribution or preferential interest rates in our deferred compensation plans.
Ð	**No Excessive Change in Control Payments**. Our base salary and cash incentive award payments upon termination or change in control do not exceed two times annual target cash compensation.	Ð	**No Excise Tax Gross Ups.** We do not provide for golden parachute excise tax gross ups.
Ð	**No Option Repricing.** Our 2015 Stock and Incentive Plan prohibits repricing of equity awards without stockholder approval.	Ð	**No Hedging or Pledging.** Our executives are prohibited from engaging in short sales, hedging, pledging or entering into any transaction with put or call options or any other derivative security on our common stock.

2018 Say-on-Pay Vote

In May 2018, we held a stockholder advisory vote to approve the compensation of our named executive officers, commonly referred to as a say-on-pay vote. We received favorable consideration, with approximately 98% of stockholder votes cast approving the proposal. As a result, the Compensation Committee decided to retain our general approach in the 2019 fiscal year. The Compensation Committee will consider the outcome of the annual say-on-pay votes when making future compensation decisions.

Use of Market Data and Benchmarking

We strive to set executive compensation at competitive levels. This involves, among other things, establishing compensation levels that are generally consistent with levels at other companies with which we compete for talent.

For fiscal 2018 compensation purposes, the Compensation Committee retained an independent compensation consultant from Radford as the Compensation Committee s advisor reporting directly to the Chair of the Compensation Committee. As noted above in the Director Compensation section, the Compensation Committee concluded that no conflict of interest exists that would prevent Radford from serving as an independent consultant to the Compensation Committee. With respect to fiscal 2018 compensation, the Compensation Committee directed Radford to conduct a comprehensive formal review and analysis of our executive compensation and incentive programs relative to competitive

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benchmarks. This review consisted of a benchmarking analysis of our executive compensation philosophy and practices against prevailing market practices of identified peer group companies and broader industry trends. The analysis included the review of the total direct compensation (inclusive of salary, cash incentives, and equity awards) of our executive officers. It was based on an assessment of market trends covering available public information in addition to proprietary data provided by Radford.

As our product and industry roadmap evolves and diversifies, we compete increasingly with technology sector companies for talent with experience in integrating biology, chemistry, fluidics, material sciences, hardware, and software. This trend led the Compensation Committee to consider broadening the Company s peer group to include companies whose talent reflects the next generation of leaders required to support the evolution of our industry to include genomics cloud computing and analysis of real-time data. Also, in light of our market capitalization, growth rate, and evolving business characteristics, in fiscal 2015, the Compensation Committee asked Radford to conduct an analysis to inform the Committee s consideration of including relevant, high-growth companies as input for the compensation peer group for fiscal 2015. The peer group that was ultimately selected for fiscal 2015 has largely carried forward to fiscal 2018.

The criteria used in the fiscal 2018 review included taking a broad industry view as well as emphasizing revenue growth, actual revenue (0.5x to 4x Illumina) and market capitalization (0.5x to 4x Illumina), research and development expenses as a percent of revenue, and total shareholder return. The Compensation Committee also considered criteria applied by corporate governance groups. Radford compiled relevant companies from the Pharmaceutical, Biotech and Tools; Healthcare Equipment and Supplies; Technology Hardware and Equipment; Semiconductor and Semiconductor Equipment; and Software and Software Services sectors to capture companies in a similar sector as well as the broader technical market. Many of the peer group companies are located in geographic areas in which we compete for talent, which includes high cost-of-labor areas and therefore impacts rates of pay. In 2017, when the Compensation Committee reviewed peer benchmarking data to assist in determining executive compensation for fiscal 2018, Illumina was positioned at the 34th percentile for revenue and the 62nd percentile for market capitalization.

The Compensation Committee reviews compensation practices and program design at peer group companies to inform its decision-making process so it can set total compensation levels that it believes are commensurate with the Company s scope and performance. For fiscal 2018, the Compensation Committee determined not to target specific percentiles within a peer group in connection with executive compensation decisions. The Compensation Committee believes that market data is only one factor, and its executive compensation determinations are the result of many factors, including an executive s historical performance, future criticality, retention objectives, the Compensation Committee s business judgment, which is informed by the experiences of the members of the Compensation Committee, as well as input from, and peer group data provided by, the Compensation Committee s independent compensation consultant.

The Compensation Committee reviews on an annual basis each pay element, and total direct compensation, as compared to compensation market data between the 25th and 75th percentile compiled by the independent compensation consultant. This provides the Compensation Committee with an understanding of the distribution of pay in the market assuming similar levels of experience, as well as individual and Company performance.

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The largest component of total direct compensation for our named executive officers is delivered through equity-based awards, which represents a larger percentage of total direct compensation than that of the average of our peer group and serves to retain our executives and align their interests with those of our stockholders such that higher compensation is realized for exceptional performance. For fiscal 2018, the Compensation Committee reviewed the information prepared by management from the Radford assessment, reviewed individual components of each named executive officer s compensation for fiscal 2018 and prior years, and considered each named executive officer s contribution to the achievement of our strategic goals and objectives, the named executive officer s overall compensation, and other factors to determine the appropriate level and mix of compensation. Each named executive officer s compensation is not determined by formula but, instead, in comparison to the market and within Illumina to positions with similar responsibility and impact on company success.

Fiscal 2018 Compensation Peer Group

The compensation peer group for fiscal 2018, set forth below, is the same as that used in connection with the Compensation Committee s review of director compensation and is identical to the peer group used in fiscal 2017 except for the addition of Agilent Technologies, Inc.

Agilent Technologies, Inc.	IDEXX Laboratories, Inc.	salesforce.com, inc.
Alexion Pharmaceuticals, Inc.	Intuitive Surgical, Inc.	Thermo Fisher Scientific Inc.
Biogen Inc.	Jazz Pharmaceuticals plc	Varian Medical Systems, Inc.
C. R. Bard, Inc.	Juniper Networks, Inc.	VMware, Inc.
Celgene Corporation	QIAGEN N.V.	Waters Corporation
The Cooper Companies, Inc.	Regeneron Pharmaceuticals, Inc.	Workday, Inc.
Edwards Lifesciences Corporation	ResMed Inc.	

Role of the Compensation Committee

The Compensation Committee has overall responsibility for approving and evaluating our executive officer compensation plans, policies, and programs. The Board of Directors has determined that each member of the Compensation Committee is independent within the meaning, and meets the requirements, of Rule 16b-3 of the Exchange Act and the rules of The Nasdaq Global Select Market. The Compensation Committee functions under a written charter, which was adopted by the Board of Directors. The charter is reviewed annually and updated as appropriate. A copy of the charter is available on our website at ***www.illumina.com/company/about-us/board-of-directors.html*** under Committee Composition.

The Compensation Committee meets as often as it considers necessary to perform its duties and responsibilities. The Compensation Committee held five meetings during fiscal 2018, and it has held one meeting so far in 2019 to review and finalize compensation elements related to fiscal 2018 and 2019 performance-based compensation. The Chair works with the CEO and the Senior Vice President & Chief People Officer (CPO) to establish the meeting agenda in advance of each meeting.

The Compensation Committee typically meets with the CEO, CFO, CPO, General Counsel, our external counsel, and, on occasion, with an independent compensation consultant retained by the Compensation Committee. When appropriate, such as when the Compensation Committee is

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discussing or evaluating compensation for the CEO, the Compensation Committee meets in executive session without management. The Compensation Committee receives and reviews materials in advance of each meeting. These materials include information that the independent compensation consultant and management believe will be helpful to the Compensation Committee, as well as materials that the Compensation Committee has specifically requested, including benchmark information, historical compensation data, performance metrics and criteria, the Board of Directors assessment of our performance against our goals, and the CEO s assessment of each named executive officer s performance against pre- determined, individual objectives.

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Components and Analysis of Fiscal 2018 Executive Compensation

The Compensation Committee evaluates each component of our executive compensation program, but its primary goal is to ensure that total direct compensation attracts and retains outstanding leadership, incents balanced, long-term and near-term performance and aligns with market trends. For fiscal 2018, the principal elements of our executive compensation program are summarized in the following table and described in more detail below.

Compensation Element	Objective	Designed to Reward	Key Features
Base Salary	To provide a competitive, fixed level of cash compensation for the executive officers	Experience, expertise, knowledge of the industry, duties, scope of responsibility, and sustained (and expected) performance	Adjustments are based on an individual s current and expected future performance, base salary relative to our compensation peer group, and internal equity
Performance-Based Cash Compensation	To encourage and reward executive officers contributions in achieving strong financial and operational results by meeting or exceeding established goals	Success in achieving annual results	Annual performance-based cash compensation is based on a formula that includes achievement of corporate revenue and operating income goals and achievement of individual performance goals
Long-Term Equity Compensation	To retain executive officers and to align their interests with those of our stockholders in order to increase overall stockholder value	Success in achieving long-term results	Grants typically consist of both restricted stock units (RSUs) and performance stock units (PSUs) RSUs typically vest over a four-year period, with 25% of the RSU vesting annually, which supports our talent retention goals PSUs vest at the end of a three-year performance period based on the achievement of pre-determined earnings per share targets at the end of the three-year period, which supports our long-term stockholder value goals

	Given our rapid growth and continued high growth profile, a majority of our executive officers compensation has been delivered, and is expected to be delivered, through long-term equity awards, with PSUs representing 75% of the total value of annual long-term equity awards granted for fiscal 2018 (as determined on the grant date)

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Compensation Mix

The following charts show the mix of base salary, long-term equity compensation and all other compensation for our CEO, Mr. deSouza, and our other named executive officers (NEOs), for fiscal 2018:

The following charts show the mix of non-performance-based compensation (base salary, RSUs and all other compensation) and performance-based compensation (cash incentives and PSUs) for our CEO, Mr. deSouza, and our other NEOs for fiscal 2018:

Base Salary

Base salary is the primary fixed component of our executive compensation program. In general, executive officers with the highest level of responsibility have a lower percentage of their compensation fixed as base salary and a higher percentage of their compensation at-risk, being tied to performance. Base salary represented a relatively small percentage of total compensation for the named executive officers (approximately 11% in 2018).

Salary levels are considered as part of our annual executive performance review process, as well as upon promotion or other material change in job responsibility. Our CEO makes recommendations to the Compensation Committee for base salary changes for executive officers (excluding himself) based on performance and current pay relative to market practices for executive officers, other than himself. The Compensation Committee reviews these recommendations, makes any adjustments it

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considers necessary, and approves salary changes. The Compensation Committee recommends to the Board of Directors the base salary for our CEO based on performance and his current pay relative to other chief executives in our peer group. The Compensation Committee believes that increases to base salary should reflect the executive s performance for the preceding year and take into account our CEO s pay level relative to similar positions at companies in our peer group. Base salary increases also reflect anticipated future contributions of the executive.

Fiscal 2018 Base Salaries

Named Executive Officer	Position	2017 Base Salary ($)	2018 Base Salary ($)	% Increase (decrease)
Francis A. deSouza	President and CEO	850,000	970,000	14%
Sam A. Samad	Senior Vice President & CFO	450,000	460,000	2%
Omead Ostadan	Senior Vice President, Marketing, Products & Strategic Planning	556,200	575,000	3%
Aimee Hoyt	Senior Vice President, Chief People Officer		460,000	
Garret Hampton, Ph.D.	Senior Vice President, Clinical Genomics	450,000	525,000	17%

The increase in the salary of Mr. deSouza reflects alignment with market conditions for CEO compensation within our peer group and the discontinuation of our previous practice of reimbursing his commuting expenses. The increase in the salaries of Messrs. Samad and Ostadan reflect the positioning of each of their compensation relative to market conditions, and the increase in the salary of Dr. Hampton reflects his scope of responsibilities, unique clinical expertise, and market conditions for executives with his experience and seniority.

Performance-Based Cash Compensation

Overview

In the first quarter of 2018, the Board of Directors approved a variable compensation program (VCP) for Company employees, including executive officers, pursuant to which the Board of Directors sets pre-established financial performance goals at the beginning of the fiscal year. The Compensation Committee then determines whether a cash incentive opportunity has been earned based on the achievement of those pre-established performance goals following the filing of the applicable annual report on Form 10-K. If the cash incentive opportunity has been earned, or funded, pre-established bonus payouts are paid to eligible VCP participants who are still employed by the Company on the payout date.

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Our VCP is an at-risk compensation program and is designed to foster a performance-oriented culture, where individual performance is aligned with corporate financial objectives. Any executive officer hired during the fiscal year on or prior to October 1 is eligible to participate for that fiscal year. Any cash incentive compensation received by such executive is prorated based on the amount of time the executive officer served during the fiscal year.

The Compensation Committee pre-approved target incentive percentages based on each executive officer s base salary and potential achievement of two separate financial performance goals under the VCP.

For fiscal 2018, the following weighting (as a % of the target cash incentive amount) was used for our VCP:

50% based on the achievement of pre-determined corporate revenue objectives (the revenue target); and

50% based on the achievement of pre-determined corporate operating income objectives (the non-GAAP operating income target).

At the end of the performance period, each executive officer s final cash incentive payout would be based on the executive officer s contribution and personal performance, including achievement against goals and overall business impact.

For fiscal year 2018, the Compensation Committee approved a revenue target of at least $2,972,000,000 and a non-GAAP operating income target of at least $961,000,000 for our VCP.

Target Amounts

For fiscal 2018, the Compensation Committee established target cash incentive amounts under the VCP, calculated as a percentage of each executive officer s base salary.

Named Executive Officer	2017 Target Incentive %	2018 Target Incentive %
Francis A. deSouza	100%	100%
Sam A. Samad	55%	55%
Omead Ostadan	65%	65%

Aimee Hoyt(1)		55%
Garret Hampton, Ph.D.	65%	65%

(1) Ms. Hoyt was not a named executive officer in fiscal 2017.

Weighted Components

Under the VCP, which the Compensation Committee considers as part of approving actual cash incentive payouts for executive officers, the Compensation Committee approves minimum, commit, and maximum levels for each of the revenue and operating income targets. The commit level represents a level of performance that the Compensation Committee and the Board of Directors believe is both attainable and practical based on a realistic estimate of our future financial performance. The maximum level is designed to motivate and reward realistically achievable superior

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performance. Payments of the applicable components of the annual cash incentive amounts to executive officers reflect the achievement of such objectives for the year. Each of the revenue and operating income targets, if achieved, trigger payment for the applicable component, irrespective of whether the other target is achieved.

At the beginning of each year, our CEO develops corporate objectives focused on financial performance and other critical corporate goals, such as new product introductions, market penetration, infrastructure investments, and consistency of operating results. The corporate objectives are based on our annual operating plan, which is approved by the Board of Directors. In addition, our CEO, together with each executive officer eligible to participate in the VCP, develops a corresponding set of objectives to measure individual performance for the year. The Compensation Committee and the Board of Directors approve the corporate objectives and the individual objectives for our CEO.

Shortly following completion of the fiscal year, the Compensation Committee and the Board of Directors assess our performance against the revenue and non-GAAP operating income targets under the VCP, comparing the actual fiscal year results to the pre-determined minimum, commit, and maximum levels for each objective, and an overall percentage amount for the corporate financial objectives is calculated to arrive at the payout amounts. The Compensation Committee (and the Board of Directors with respect to our CEO) also reviews the performance of each named executive officer against such officer s individual objectives.

Revenue Target (50%)

For fiscal 2018, the actual cash incentive payout for each executive officer could have reflected a maximum of 150% of the revenue target based on the Company s performance against the following fiscal 2018 revenue objectives (with the cash incentive amount calculated as a linear ratio for points between the minimum, commit, and maximum revenue objective levels):

	Minimum	Commit	Maximum
Revenue Objective ($ in millions)	$2,972	$3,147	$3,322
% of Revenue Target Paid	50%	100%	150%

Operating Income Target (50%)

For fiscal 2018, the actual cash incentive payout for each executive officer could have reflected a maximum of 150% of the non-GAAP operating income target based on the Company s performance against the following fiscal 2018 non-GAAP operating income objectives (with the cash incentive amount calculated as a linear ratio for points between the minimum, commit, and maximum non-GAAP operating income objective levels):

	Minimum	Commit	Maximum
Operating Income Objective ($ in millions)(1)	$961	$1,051	$1,141
% of Operating Income Target Paid	50%	100%	150%

(1) If the inclusion of the expenses associated with the VCP causes the operating income objective not to be met, but excluding such expenses causes the operating income to exceed the minimum target, then the operating income objective is deemed to have been met, resulting in a 50% payout for that component.

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Example Calculation

We have included a hypothetical example to demonstrate the calculation on a general basis. For example, assume Executive A s base salary for fiscal 2018 was $400,000 and that Executive A s target cash incentive amount as a percentage of base salary was set at 55%. Executive A s target cash incentive amount would be $220,000 (i.e., 55% x $400,000). Executive A s actual cash incentive below the minimum and at the minimum, commit, and maximum financial objective levels would generally range from between $0 and $330,000 and would be determined as follows:

	Below Minimum ($)	At Minimum ($)	At Commit ($)	At or Greater than Maximum ($)
Revenue Target (50% x $220,000 = $110,000)		55,000	110,000	165,000
Operating Income Target (50% x $220,000 = $110,000)		55,000	110,000	165,000
Total		110,000	220,000	330,000

Performance-Based Cash Compensation Payments to NEOs

The Compensation Committee met during the first fiscal quarter of 2019 to review fiscal 2018 corporate and executive goal performance, finalize payout amounts, and establish the fiscal 2019 VCP.

The following table presents the performance-based cash incentive targets as a percentage of base salary and the actual amounts earned by each named executive officer for fiscal 2018:

Named Executive Officer	2018 Target Incentive (% of Salary)	Actual Incentive Payout ($)(1)	Actual Incentive Payout (% of Salary)(1)
Francis A. deSouza	100%	1,455,000	150%
Sam A. Samad	55%	379,500	83%
Omead Ostadan	65%	560,625	98%
Aimee Hoyt	55%	371,910	81%
Garret Hampton, Ph.D.	65%	511,875	98%

(1) These performance-based cash incentives were paid in the first quarter of 2019. Actual incentive payouts reflect fiscal 2018 revenue that reached the maximum objective and operating income that reached the maximum objective. Accordingly, the actual incentive payouts reflect the revenue component (50% of target) having paid out at a level of 150% and the operating income component

(50% of target) having paid out at a level of 150%.

Performance-based cash incentive compensation awards made to named executive officers for performance in fiscal 2018 and 2017 are reflected in the column titled Non-Equity Incentive Plan Compensation of the Summary Compensation Table on page 52. These cash incentives were paid in the first fiscal quarters of 2019 and 2018, respectively.

Long-Term Equity Compensation

The Compensation Committee believes it is appropriate to align the interests of executive officers with those of stockholders. Accordingly, we award long-term incentives to reward performance and align executive officers with long-term stockholder interests by providing executives with an ownership stake in the Company, encouraging sustained long-term performance, and providing an important retention element to their compensation program. We believe that one of the most

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effective ways to accomplish this objective is to provide executive officers with a substantial economic interest in the long-term appreciation of our stock price through equity grants, which in fiscal 2018 were in the form of performance stock units (PSUs) and restricted stock units (RSUs).

Fiscal 2018 Long-Term Compensation	Type	PSUs and RSUs
	Vesting for RSUs	25% annually over four years
	Vesting for PSUs	Single vesting date on the last day of the third fiscal year following grant
	PSU Metrics	100% tied to pre-determined EPS targets Minimum vest: zero Target vest: 100% Maximum vest: 150%

Performance Stock Units

The Compensation Committee places particular emphasis on performance-based long-term incentives through the use of PSUs that vest at the end of a three-year period based on the achievement of pre-determined earnings per share targets at the end of the three-year period.

The PSU awards are intended to be an ongoing part of our long-term equity incentive compensation program. It is anticipated that the Compensation Committee will grant new PSU awards each year, based on earnings per share targets (or other appropriate financial metric as determined by the Compensation Committee) established for a new three-year period commencing each year; however, the Compensation Committee is not obligated to grant PSUs or any other equity incentive award each year.

In keeping with our compensation philosophy to tie executive pay to stockholder value creation, executives realize full value from PSUs only to the extent that we achieve pre-determined earnings per share targets at the end of a three-year period. For instance, the number of shares issued will range from 0% to 150% of the number of shares specified in the

PSU agreement based on performance relative to the earnings per share objectives approved by the Compensation Committee. If we fail to achieve the pre-determined earnings per share target at the end of the three-year period, then the number of shares issued will range from 0% to 100% of the award amount, depending on the actual earnings per share. If, however, we exceed the pre-determined earnings per share target at the end of the three-year period, the number of shares issued will range from 100% to 150% of the award amount, depending on the actual earnings per share.

Restricted Stock Units

Long-term equity compensation packages to executive officers include grants of time-based vesting RSUs. RSUs granted to executive officers for fiscal 2018 vest over a four-year period, with 25% of the RSU vesting annually. Vesting in all cases is subject to the individual s continued service to us through the vesting date.

Like PSUs, RSUs also provide a long-term incentive for executive officers to remain with us; however, because RSUs do not have a performance component they provide some amount of value to

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recipients unless our stock price is zero. For fiscal 2018, we awarded 75% of our long-term equity grants (not including new-hire-inducement or promotion-related grants) to our named executive officers in the form of PSUs and 25% in the form of RSUs.

Determination of Long-Term Equity Compensation

To determine the value for long-term incentives granted to an executive officer each year, we consider the following factors:

- the proportion of long-term incentives relative to base pay;
- the executive officer s impact on Company performance and ability to create value;
- long-term business objectives;
- awards made to executive officers in similar positions within our compensation peer group of companies;
- the market demand for the executive officer s particular skills and experience;
- the amount granted to other executive officers in comparable positions at the Company;
- prior grants and the retention value of outstanding grants;
- the executive officer s demonstrated performance over the past few years; and
- the executive officer s leadership performance.

The new hire equity grant made to an executive officer upon first joining the Company is based primarily on competitive conditions applicable to the executive officer s specific position. The Compensation Committee also considers the number and type of equity awards made to executive officers in comparable positions, including the executive officer s prior position. Subsequent equity grants to executive officers are generally considered and, if appropriate, awarded in connection with their annual performance review. Such subsequent grants serve to maintain a competitive position for us relative to new opportunities that may become available to our executive officers and to enhance the retention features of the program.

Fiscal 2018 Long-Term Equity Compensation

The following table presents the long-term equity compensation awarded to each named executive officer in fiscal 2018 based on grant date fair value and as a multiple of base salary:

Named Executive Officer	PSUs (Grant Date Fair Value) ($)(1)	RSUs (Grant Date Fair Value) ($)(1)	Total ($)	Multiple of 2018 Base Salary
Francis A. deSouza	6,375,069	2,125,023	8,500,092	8.8x
Sam A. Samad	1,500,113	500,257	2,000,370	4.3x
Omead Ostadan	2,625,280	875,203	3,500,483	6.1x
Aimee Hoyt	2,175,319	725,401	2,900,720	6.3x
Garret Hampton, Ph.D.	1,875,059	625,239	2,500,298	4.8x

(1) Reflects the grant date fair value of awards granted and is computed in accordance with FASB ASC Topic 718, based on the closing stock price on the grant date.

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Potential Payments upon a Termination or Change in Control

Our executive officers and other employees have built Illumina into the successful enterprise that it is today. We believe that the interests of stockholders will be best served if the interests of our executive officers are aligned with them, and providing change-in-control benefits may eliminate, or at least reduce, the reluctance of executive officers to pursue potential change-in-control transactions that may be in the best interests of stockholders. As such, we provide change-in-control severance benefits to our executive officers that are subject to a double trigger (i.e., change in control and loss of employment). The change-in-control severance agreements automatically renew annually for additional one-year periods unless a notice of non-extension is provided by either party. None of the named executive officers have an employment agreement with us.

For purposes of these benefits, in general, a change in control is deemed to occur in any of the following circumstances:

- any merger or consolidation in which we are not the surviving entity;
- the sale of all or substantially all of our assets to any other person or entity;
- the acquisition of beneficial ownership of a controlling interest in the outstanding shares of our common stock by any person or entity;
- a contested election of our directors as a result of which or in connection with which the persons who were directors before such election or our directors nominees cease to constitute a majority of the Board of Directors; or
- any other event specified by the Board of Directors.

Under the change-in-control severance agreements, the executive would receive benefits if he or she were terminated within two years following the change in control either:

- by the Company other than for cause, which is defined in each change-in-control severance agreement to include repeated failure or refusal to materially perform his or her duties that existed immediately prior to the change in control, conviction of a felony or a crime of moral turpitude, or engagement in an act of malfeasance, fraud, or dishonesty that materially damages our business; or
- by the executive on account of good reason, which is defined in each change-in-control severance agreement to include certain reductions in the executive s annual base salary, cash incentive, position, title, responsibility, level of authority, or reporting relationships that existed immediately prior to the change in control, or a relocation, without the executive s written consent, of the

executive s principal place of business by more than 35 miles from the executive s principal place of business immediately prior to the change in control.

Pursuant to the change-in-control severance agreements, if a covered termination of the executive s employment occurs in connection with a change in control, then the executive is generally entitled to the following benefits:

Mr. deSouza is entitled to a severance payment equal to twice the sum of his annual base salary plus the greater of (a) the executive s then-current annual target cash incentive or

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other target incentive amount or (b) the annual cash incentive or other incentive paid or payable to the executive for the most recently completed fiscal year;

for each executive officer, other than Mr. deSouza, a severance payment equal to one year of the executive s annual base salary plus the greater of (a) the executive s then-current annual target cash incentive or other target incentive amount or (b) the annual cash incentive or other incentive paid or payable to the executive for the most recently completed fiscal year;

a lump sum payment of the executive s earned but unpaid compensation, including any earned but unpaid cash incentive or other incentive payment from any completed fiscal year, and a pro rata portion of the executive s annual target cash incentive or other target incentive amount for the fiscal year in which the termination occurs;

payments of the executive s group health insurance coverage premiums under COBRA law, including coverage for the executive s eligible dependents enrolled immediately prior to termination, for a maximum period of one year; however, our obligation to pay such premiums ceases immediately upon the date the executive becomes covered under any other group health plan;

continuance of the executive s indemnification rights and liability insurance for a maximum of one year following termination;

continuation of the executive s perquisites to which the executive was entitled for a period of 12 months or, in the case of Mr. deSouza, 24 months;

automatic vesting of the executive s unvested stock options and equity or equity-based awards; and

certain professional outplacement services consistent with the executive s position for up to two years following termination.

The change-in-control severance agreements provide that each executive s total change-in-control payment may be reduced in the event such payment is subject to the excise tax imposed by Section 4999 of the Code and such a reduction would provide a greater after-tax benefit for the executive. Additionally, change-in-control benefits are subject to limitations under the golden parachute provisions of Section 280G of the Code. A full analysis of the financial impact of these limitations will be performed based on the facts and circumstances in the event a change in control were to occur.

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Based upon a hypothetical change in control date of December 28, 2018, the last trading day of fiscal 2018, the potential payments upon a termination following a change in control for our named executive officers would have been as follows:

Named Executive Officer	Multiplier for Base Salary and Cash Incentives	Nature of Benefit	Payment following Change in Control and Subsequent Loss of Employment (within 2 years)($)
Francis A. deSouza	2x	Salary Severance	1,940,000
		Cash Incentive Severance	2,910,000
		Earned Compensation(1)	1,473,654
		Equity Compensation Acceleration(2)	29,904,119
		Pension/NQDC(3)	862,080
		Perquisites/Benefits(4)	59,513
		Total Benefit	**37,149,366**
Sam A. Samad	1x	Salary Severance	460,000
		Cash Incentive Severance	379,500
		Earned Compensation(1)	388,346
		Equity Compensation Acceleration(2)	5,916,287
		Pension/NQDC(3)	20,496
		Perquisites/Benefits(4)	51,460
		Total Benefit	**7,216,089**
Omead Ostadan	1x	Salary Severance	575,000
		Cash Incentive Severance	560,625
		Earned Compensation(1)	571,683
		Equity Compensation Acceleration(2)	11,367,931
		Pension/NQDC(3)	2,980,423
		Perquisites/Benefits(4)	51,460
		Total Benefit	**16,107,122**
Aimee Hoyt	1x	Salary Severance	460,000
		Cash Incentive Severance	371,910
		Earned Compensation(1)	380,756
		Equity Compensation Acceleration(2)	3,199,710
		Pension/NQDC(3)	
		Perquisites/Benefits(4)	44,037
		Total Benefit	**4,456,413**
Garret Hampton, Ph.D.	1x	Salary Severance	525,000
		Cash Incentive Severance	511,875
		Earned Compensation(1)	521,971
		Equity Compensation Acceleration(2)	9,482,819

Pension/NQDC(3)	
Perquisites/Benefits(4)	51,460
Total Benefit	**11,093,125**

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(1) A lump sum payment of the executive s earned but unpaid compensation.
(2) The value of the RSUs and PSUs is based on the number of outstanding shares that would not ordinarily have vested by December 28, 2018, multiplied by $298.23 (the closing price of our common stock on December 28, 2018), with the number of shares issuable under each PSU award equal to 100% of the number of shares specified in the PSU agreement.
(3) As described below, under the deferred compensation plan upon a separation from service within 24 months of a change in control, each named executive officer will be entitled to his or her retirement benefit or termination benefit in a lump sum payment equal to the unpaid balance of all of his or her accounts. All of the amounts for all of the named executive officers consist of the termination benefits.
(4) Represents payment of (i) the executive s group health insurance coverage premiums under COBRA law, including coverage for executive s eligible dependents enrolled immediately prior to termination, for a maximum period of one year (two years for Mr. deSouza) and (ii) professional outplacement services for up to two years following termination ($14,500 per year for each executive officer).

Deferred Compensation Plan

Illumina s Deferred Compensation Plan, effective December 1, 2007, provides key employees and directors with an opportunity to defer a portion of their salary, annual cash incentive, and other specified compensation. The NEOs participate in the Deferred Compensation Plan. The plan permits us to make discretionary contributions to the Deferred Compensation Plan on behalf of the participants. A participant is always fully vested in accounts under the plan attributable to a participant s contributions and related earnings on such contributions. Upon a change in control (as defined in the plan) a participant will receive his or her retirement benefit or termination benefit (each as defined in the plan) in a lump sum payment equal to the unpaid balance of all of his or her accounts if a separation from service (as defined in the plan) occurs within 24 months following a change in control.

Other Benefits and Perquisites

We do not provide pension arrangements or post-retirement health coverage for our executives or employees, other than the change-in-control severance benefits previously discussed. Our executive officers are eligible to participate in a Company-sponsored executive health screening program in addition to being offered medical and other benefits that are generally available to other full-time employees, including dental, vision, and group term life insurance, AD&D premiums, a 401(k) plan, and an Employee Stock Purchase Plan. Our discretionary contributions to the 401(k) plan on behalf of each employee participating in the plan are set at up to 50% of the first 6% of the employee s contributions to the plan, based on our meeting certain financial targets. Executive officers are treated in the same manner as all other eligible employees.

All of our NEOs participated in our 401(k) plan during fiscal 2018 and received matching contributions.

No Hedging or Pledging of Company Stock

We have a policy that prohibits our directors and executive officers, including named executive officers from engaging in short sales, hedging, pledging, or entering into any transaction with put or call options or any other derivative security on our common stock.

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Tax and Accounting Considerations

The Tax Cuts and Jobs Act of 2017 (US Tax Reform) changed the 162(m) rules effective January 1, 2018. The new rules eliminate the exception for performance-based compensation and expand the definition of covered employees whose compensation is subject to the annual $1 million deduction limitation. Covered employees now include the CFO plus any individual who has previously been a covered employee, even after the individual no longer holds the position. Thus, once an individual is identified as a covered employee, the deduction limitation applies to the compensation paid to that individual, even after the individual no longer holds that position or has separated from service. In addition, any executive who is identified as a covered employee for a tax year after December 31, 2016, remains a covered employee for all future years under 162(m). Due to the elimination of the performance-based exception, cash incentive payments will be subject to the 162(m) limitation in the future.

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Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis set forth above and, based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

RESPECTFULLY SUBMITTED BY THE COMPENSATION COMMITTEE:

Gary S. Guthart, Ph.D. (Chair)

Karin Eastham, CPA

Robert S. Epstein, M.D.

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Executive Compensation

Summary Compensation Table

The following table provides information concerning the compensation of our NEOs for fiscal 2018 and, for those executive officers who were NEOs in the 2018 and 2017 proxy statements, for fiscal 2017 and 2016, as applicable.

and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Bonuses ($)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Tot
A. deSouza	2018	937,692	8,500,092		1,455,000	174,782	11,(
nt and CEO; Director	2017	849,039	7,000,326		901,000	57,351	8,8
	2016	799,558	7,500,177			109,098	8,4
Samad(4)	2018	457,308	2,000,370		379,500	60,019	2,8
Vice President and Chief Financial Officer	2017	425,769	2,500,252		259,727	104,602	3,2
Ostadan	2018	569,938	3,500,483		560,625	85,889	4,7
Vice President, Marketing, Products & Strategic Planning	2017	552,512	2,500,377		383,222	17,433	3,4
	2016	528,486	2,300,154			11,462	2,8
Hoyt(4)	2018	435,348	2,900,721		371,910	149,192	3,8
Vice President & Chief People Officer							
Hampton, Ph.D.(4)	2018	504,808	2,500,298		511,875	71,747	3,5
Vice President, Clinical Genomics	2017	424,039	4,500,478	200,000(5)	303,849	494,293	5,9

(1) This reflects the grant date fair value of awards granted and is computed in accordance with FASB ASC Topic 718, based on the closing stock price on the grant date.

(2) Reflects performance-based cash incentives earned during fiscal 2018 and 2017 under Illumina s executive officer cash incentive program, and which were paid in the first fiscal quarters of 2019 and 2018. The cash incentive program is described in the Compensation Discussion and Analysis under the caption Performance-Based Cash Compensation.

(3) These amounts represent Company contributions to 401(k) plans, Company-paid physical exams, compensation paid in lieu of paid time-off, long-term disability premiums and, in some cases, relocation expenses. These amounts include $43,861 and $20,929 in costs covered by the Company for Mr. deSouza connection with his

participation in a sales incentive trip in 2018 and 2016, respectively. Also, in 2017 and 2016, $45,339 and $71,559, respectively, was reimbursed to Mr. deSouza for commuting expenses.

(4) Ms. Hoyt became a named executive officer in fiscal 2018; and Dr. Hampton and Mr. Samad became named executive officers in fiscal 2017.

(5) Represents a sign-on bonus.

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Grants of Plan-Based Awards

Name	Award	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (Annual Cash Incentive) ($ in thousands)			Estimated Future Payouts Under Equity Incentive Plan Awards (PSUs): Number of Shares(1)			All Other Stock Awards: Number of Shares or Stock or Units (#)(2)	Grant Date Fair Value of Stock and Option Awards ($)(4)
			Threshold	Target	Maximum	At Threshold	Target	Maximum		
Francis A. deSouza	Cash		485	970	1,455					
	PSU(1)	Dec. 11, 2018				3,231	6,461	9,692		2,125,023
	RSU(2)	Dec. 11, 2018							19,383	6,375,069
Sam A. Samad	Cash		127	253	380					
	PSU(1)	Dec. 11, 2018				761	1,521	2,282		500,257
	RSU(2)	Dec. 11, 2018							4,561	1,500,113
Omead Ostadan	Cash		187	374	561					
	PSU(1)	Dec. 11, 2018				1,331	2,661	3,992		875,203
	RSU(2)	Dec. 11, 2018							7,982	2,625,280
Aimee Hoyt	Cash		127	253	380					
	PSU(1)	Jan. 8, 2018				771	1,542	2,313		350,127
	RSU(3)	Jan. 8, 2018							4,625	1,050,153
	PSU(1)	Dec. 11, 2018				571	1,141	1,712		375,275
	RSU(2)	Dec. 11, 2018							3,421	1,125,167
Garret Hampton, Ph.D.	Cash		171	341	512					
	PSU(1)	Dec. 11, 2018				951	1,901	2,852		625,239
	RSU(2)	Dec. 11, 2018							5,701	1,875,059

(1) Performance share units (PSUs) will vest in their entirety on January 2, 2022, based on the achievement of pre-determined earnings per share targets for the fiscal year ending January 2, 2022.

(2) Stock awards consist of restricted stock units (RSUs) that vest in four 25% increments on November 5th over four years. Vesting is subject to the individual s continued service through each vesting date.

(3) Stock awards consist of RSUs that vest in four 25% increments on each anniversary of the grant date over four years. Vesting is subject to the individual s continued service through each vesting date.

(4) This reflects the grant date fair value of awards granted during fiscal 2018 and is computed in accordance with FASB ASC Topic 718, based on the closing stock price on the grant date.

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Outstanding Equity Awards at Fiscal Year-End

	Option Awards			Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(2)	Market Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(1)
Francis A. deSouza						79,088	23,586,414
				1,353 (3)	403,505		
				19,831 (4)	5,914,199		
Sam A. Samad						15,566	4,642,248
				1,656 (3)	493,869		
				2,616 (4)	780,170		
Omead Ostadan						30,228	9,014,896
				7,890 (4)	2,353,035		
Aimee Hoyt						8,046	2,399,559
				1,141 (3)	340,280		
				1,542 (4)	459,871		
Garret Hampton, Ph.D.						25,057	7,472,749
				2,649 (3)	790,011		
				4,091 (4)	1,220,059		

(1) Market value of stock awards was determined by multiplying the number of unvested shares by $298.23, which was the closing market price of our common stock on The Nasdaq Global Select Market on December 28, 2018, the last trading day of fiscal 2018.

(2) These stock awards consist of performance share units (PSUs). PSUs vest at the end of a three-year performance period, and the number of shares issuable will range from 0% to 150% of the nominal shares approved in the award based on the Company s performance relative to specified earnings per share targets at the end of the three-year performance period.

(3) Stock awards consist of RSUs that vest in four 25% increments on each anniversary of the grant date over four years.

(4) Stock awards consist of RSUs that vest in four 25% increments on November 5th over four years.

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Option Exercises and Stock Vested

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Francis A. deSouza			37,708	11,241,607
Sam A. Samad			918	243,875
Omead Ostadan			15,377	4,559,539
Aimee Hoyt				
Garret Hampton, Ph.D.			1,614	451,257

(1) Value realized on exercise of option awards is computed by determining the difference between the closing market price of our common stock on The Nasdaq Global Select Market on the dates of exercise and the exercise price per share exercised.

Nonqualified Deferred Compensation

Name	Executive Contributions in Last Fiscal Year ($)(1)	Illumina Contributions in Last Fiscal Year ($)	Aggregate Earnings in Last Fiscal Year ($)(2)	Aggregate Withdrawals / Distributions ($)	Aggregate Balance at Last Fiscal Year-End ($)
Francis A. deSouza			(65,243)		862,080
Sam A. Samad	22,865		(2,369)		20,496
Omead Ostadan	334,096		(241,954)		2,980,423
Aimee Hoyt					
Garret Hampton, Ph.D.					

(1) Amounts included in the Summary Compensation Table in the Salary and Non-Equity Incentive Plan Compensation columns.

(2) These amounts are not included in the Summary Compensation Table because plan earnings were not preferential or above market.

CEO Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of Regulation S-K, we are required to disclose the ratio of our principal executive officer s annual total compensation to the annual total compensation of our median employee.

During fiscal 2018, the principal executive officer of Illumina was our Chief Executive Officer, Francis deSouza. For fiscal 2018, the annual total compensation for Mr. deSouza was $11,067,566, and for our median employee was $107,884, resulting in an estimated pay ratio of 103:1.

In accordance with Item 402(u) of Regulation S-K, we identified the median employee by (i) aggregating for each applicable employee (A) annual base salary for permanent salaried employees, or hourly rate multiplied by expected annual work schedule, for hourly employees, as of December 31, 2018 (the median employee determination date), (B) the target bonus, commission, or incentive compensation for 2018, and (C) accounting value for all equity awards granted in 2018, and (ii) ranking this compensation measure for our employees from lowest to highest. This calculation was performed for all employees, excluding Mr. deSouza, whether employed on a full-time, part-time, or seasonal basis.

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Vote on Compensation

Proposal 3: Advisory Vote to Approve the Compensation of Our Named Executive Officers

As required by Section 14A of the Exchange Act, we are seeking an advisory vote to approve the compensation of the named executive officers as disclosed in the section of this proxy statement titled Executive Compensation. Accordingly, stockholders are being asked to vote on the following advisory resolution:

RESOLVED, that the compensation paid to Illumina s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables, and narrative discussion, is hereby APPROVED.

We urge stockholders to read the Compensation Discussion and Analysis beginning on page 32 of this proxy statement, which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our business objectives, as well as the Summary Compensation Table and other related compensation tables and narrative, appearing on pages 52 through 55, which provide detailed information on the compensation of our named executive officers. The Board of Directors and the Compensation Committee of the Board believe that the policies and procedures articulated in the Compensation Discussion and Analysis are effective in achieving our goals and that the compensation of our named executive officers reported in this proxy statement has contributed to our recent and long-term success.

Vote Required for Approval

The vote is advisory and not binding on Illumina, the Board of Directors, or the Compensation Committee. Although not binding, the Board of Directors and the Compensation Committee will review and consider the voting results when making future decisions regarding executive compensation. Approval of the advisory resolution set forth above requires the affirmative FOR vote of a majority of the shares present in person or represented by proxy and entitled to vote on the proposal.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE FOREGOING RESOLUTION TO APPROVE, ON AN ADVISORY BASIS, THE COMPENSATION OF ILLUMINA S NAMED EXECUTIVE OFFICERS

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Proposal 4: Vote to Approve an Amendment to Our Amended and Restated Certificate of Incorporation to Declassify Our Board of Directors

Under our current Amended and Restated Certificate of Incorporation (Certificate of Incorporation), our Board of Directors is divided into three classes of directors, with each class holding office for staggered three-year terms. We are asking you to approve an amendment to our Certificate of Incorporation to declassify our Board and provide for the annual election of directors.

At our 2018 annual meeting, holders of approximately 78% of Illumina s outstanding shares approved a non-binding advisory resolution requesting the Board to take the steps necessary to reorganize Illumina s Board into one class, with each director subject to annual election. In light of the stockholder approval of the non-binding advisory resolution at our 2018 annual meeting, as well as the benefits of annual election of directors, the Board has determined that it is in the best interests of Illumina and its stockholders to amend the Certificate of Incorporation to provide for the declassification of the Board.

The proposed amendment to the Certificate of Incorporation would provide for directors to be elected to a one-year term, beginning at the 2020 annual meeting of stockholders. The proposed amendments to our Certificate of Incorporation would not change the unexpired three-year terms of directors elected prior to the effectiveness of the amendment, including directors elected at this annual meeting. Accordingly:

- the three-year term for directors elected at this annual meeting will expire at the 2022 annual meeting,
- the current three-year terms for Jay T. Flatley, John W. Thompson, and Gary S. Guthart, Ph.D. will expire at the 2021 annual meeting, and
- the current three-year terms for Caroline D. Dorsa, Robert S. Epstein, M.D., and Philip W. Schiller will expire at the 2020 annual meeting.

Director nominees standing for election at the 2020 annual meeting and each annual meeting thereafter would be elected to serve a one-year term. Beginning with the 2022 annual meeting, all directors would stand for annual elections.

The text of the proposed Amended and Restated Certificate of Incorporation may be found in Exhibit A to this proxy statement. The proposed amendment to the Certificate of Incorporation would become effective upon the filing of a new Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, which we would file promptly following the annual meeting, should the stockholders approve the amendment. If our

stockholders approve the proposed amendment to the Certificate of Incorporation, the Board has approved certain conforming changes to our Amended and Restated Bylaws to declassify the Board, which would take effect upon the effectiveness of the new Amended and Restated Certificate of Incorporation. If our stockholders do not approve the proposed amendment, our Board will remain classified.

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In addition, Delaware law provides that a director who serves on a classified Board of directors may only be removed by stockholders for cause. The proposed amendment to the Certificate of Incorporation would permit stockholders to remove directors elected for one-year terms with or without cause. Directors in a class that is serving out the remainder of a three-year term would continue to be removable only for cause.

Vote Required for Approval

The affirmative vote of a majority of our outstanding voting securities, voting as a single class, is required to approve this proposal. If you abstain from voting on this proposal, the abstention will have the same effect as a vote against.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE AMENDMENT TO OUR AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO DECLASSIFY OUR BOARD OF DIRECTORS

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Proposal 5: Advisory Vote on Stockholder Proposal to Enhance Election-Related Disclosures

In accordance with SEC rules, we have set forth below a stockholder proposal, along with the supporting statement of the stockholder proponent, for which we and our Board accept no responsibility. As explained below, our Board unanimously recommends that you vote AGAINST the stockholder proposal.

James McRitchie, 9295 Yorkship Court, Elk Grove, California 95758, a beneficial owner of the Company s common stock on the date the proposal was submitted, has notified the Company of his intent to present the following proposal at the annual meeting.

Proposal 5 Enhance Election-Related Disclosures

Resolved, that the shareholders of lllumina, Inc. (lllumina or Company) hereby request that the Company provide a report, updated semiannually, disclosing the Company s:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.

2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including:

    a. The identity of the recipient as well as the amount paid to each; and

    b. The title(s) of the person(s) in the Company responsible for decision-making.

The report shall be presented to the Board of directors or relevant Board committee and posted on the Company s website within 12 months from the date of the annual meeting. This proposal does not encompass lobbying spending.

Supporting Statement

As long-term shareholders of lllumina, we support transparency and accountability in corporate electoral spending. This includes any activity considered intervention in a political campaign under the Internal Revenue Code, such as direct and indirect contributions to political candidates, parties, or organizations, and independent expenditures or

electioneering communications on behalf of federal, state, or local candidates.

Disclosure is in the best interest of the Company and its shareholders. The Supreme Court recognized this in its 2010 Citizens United decision, which said, [D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages.

Relying on publicly available data does not provide a complete picture of the Company s electoral spending. For example, the Company s payments to trade associations that may be used for election-related activities are undisclosed and unknown. This proposal asks the Company to disclose all of its

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electoral spending, including payments to trade associations and other tax-exempt organizations, which may be used for electoral purposes. This would bring our Company in line with a growing number of leading companies, including Edwards Lifesciences Corporation, Celgene Corporation, and Biogen Inc., which present this information on their websites.

The Company s Board and shareholders need comprehensive disclosure to fully evaluate the use of corporate assets in elections. We urge your support for this critical governance reform.

Enhance Election-Related Disclosures Proposal 5

Illumina Opposing Statement

Illumina is a non-partisan, science and innovation-focused Company committed to unlocking the power of the genome. We are also committed to healthy transparency and accountability. However, we believe the cost of providing the information requested by this stockholder proposal would significantly exceed the value such information would have to our stockholders. As a result, our Board unanimously recommends that our stockholders vote against this stockholder proposal.

Pursuant to our Code of Conduct, we commit to deal with governments, government agencies and public officials according to the highest ethical standards and in compliance with all applicable laws. In that regard, corporations are prohibited under federal and many state laws from making contributions to candidates or political parties.

Furthermore, we believe adoption of this proposal is unmerited given our current practices with respect to political spending. For example:

- we have made no direct contributions to candidates for office at any level;
- we have made no direct contributions to support or oppose any ballot referendums;
- we do not have a Company political action committee (PAC); and
- we limit our trade association memberships to those few that are highly relevant to our business.

This stockholder proposal is unreasonably broad and burdensome. It would be difficult to draft a more amorphous and unnecessary request, especially for a non-partisan, science and technology-focused Company. If adopted, this stockholder proposal would cause us to incur significant costs and administrative burdens. Irrespective of cost, this proposal could arguably apply to expenditures unrelated to intervention in a political campaign. Notwithstanding a good-faith effort to comply, the vagueness of the proposal would present significant compliance uncertainty. Our Board believes that these resources could be better utilized in promoting our business and seeking to further enhance stockholder value.

As a result, we hope that you, as Illumina stockholder, would prefer that we allocate the resources this overbroad proposal would require us to make to continuing to develop and commercialize innovative products and creating financial returns. We strongly recommend you vote against this proposal.

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Vote Required for Approval

The vote is advisory and not binding on Illumina or the Board of Directors. Approval of the advisory resolution set forth above requires the affirmative for vote of a majority of the shares present in person or represented by proxy and entitled to vote on the proposal.

Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE AGAINST THE STOCKHOLDER PROPOSAL TO ENHANCE ELECTIONS-RELATED DISCLOSURES

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Our Stockholders

Stock Ownership

The following table sets forth the number of shares of our common stock beneficially owned by each of our directors and director nominees and each executive officer named in the Summary Compensation Table (the named executive officers), and by all of our directors, director nominees, and executive officers as a group.

The information set forth below is as of February 22, 2019, and is based upon information supplied or confirmed by the named individuals. The address of each person named in the table below is c/o Illumina, Inc., 5200 Illumina Way, San Diego, California 92122.

Name	Common Stock Beneficially Owned (Excluding Stock Options)(1)	Stock Options Exercisable Within 60 Days of February 22, 2019(2)	Total Common Stock Beneficially Owned(1)(2)	Percent of Common Stock(3)
Francis A. deSouza	58,752		58,752	*
Sam A. Samad	892		892	*
Omead Ostadan	6,554		6,554	*
Aimee Hoyt	368		368	*
Garret Hampton, Ph.D.	1,559		1,559	*
Jay T. Flatley(4)	311,618		311,618	*
John W. Thompson	1,119		1,119	*
Frances Arnold	8,686		8,686	*
Caroline D. Dorsa	3,881		3,881	*
Karin Eastham	9,365	1,600	10,965	*
Robert S. Epstein	1,783	14,600	16,383	*
Gary S. Guthart	906		906	*
Philip W. Schiller	3,848		3,848	*
Susan E. Siegel(5)				*
All directors, director nominees, and executive officers as a group (18 persons, including those directors and executive officers named above)	504,007	70,200	574,207	*

* Represents beneficial ownership of less than one percent (1%) of the issued and outstanding shares of common stock.

(1) Includes shares of stock beneficially owned as of February 22, 2019. Also includes restricted stock and performance stock units, or RSUs and PSUs, vesting within 60 days of February 22, 2019. An RSU represents a conditional right to receive one share of our common stock at a specified future date.

(2) Includes stock options that are exercisable as of February 22, 2019, and stock options that vest, or become exercisable, within 60 days of February 22, 2019.

(3) Percentage ownership is based on 146,925,285 shares of common shares of common stock outstanding on February 22, 2019.

(4) Includes 4,000 shares owned by Mr. Flatley s children.

(5) Ms. Siegel was appointed as a director in February 2019.

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As of March 22, 2019, the following are the only persons known to us to be the beneficial owner of more than five percent of our common stock:

Name and Address of Beneficial Owner	Common Stock Beneficially Owned	Percent of Common Stock(1)
Baillie Gifford & Co.(2) Calton Square, 1 Greenside Row Edinburgh EH1 3AN Scotland UK	16,078,282	10.9%
BlackRock, Inc.(3) 55 East 52nd Street New York, NY 10022	11,501,056	7.8%
The Vanguard Group(4) 100 Vanguard Blvd. Malvern, PA 19355	11,500,061	7.8%

(1) Percentage ownership is based on 146,925,285 shares of common shares of common stock outstanding on February 22, 2019.
(2) This information is based on a Schedule 13G/A filed with the SEC on February 8, 2019. Baillie Gifford & Co. reports that it has sole voting power with respect to 7,837,874 shares and sole dispositive power with respect to 16,078,282 shares.
(3) This information is based on a Schedule 13G/A filed with the SEC on February 11, 2019. BlackRock reports that it has sole voting power with respect to 10,233,441 shares and sole dispositive power with respect to 11,501,056 shares.
(4) This information is based on a Schedule 13G/A filed with the SEC on February 12, 2019. The Vanguard Group reports that it has sole voting power with respect to 180,338 shares, shared voting power with respect to 32,693 shares, sole dispositive power with respect to 11,289,209 shares, and shared dispositive power with respect to 210,852 shares.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than 10% of a registered class of the our equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. Executive officers, directors, and greater than 10% stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) forms that they file.

To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations that no other reports were required, during fiscal 2018 each of our executive officers, directors, and greater than 10%

beneficial owners were in compliance with applicable Section 16(a) filing requirements, except a late Form 4 was filed for Dr. Hampton on March 22, 2019 to reflect a transaction that occurred on January 9, 2018.

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Users Guide

General Information

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Illumina, Inc. for the Annual Meeting of Stockholders. This proxy statement and accompanying proxy are being mailed to our stockholders on or about April , 2019, concurrently with the mailing of our annual report on Form 10-K for the fiscal year ended December 30, 2018.

How may I attend and participate in the annual meeting?	We will be hosting the 2019 annual meeting live via the internet. **There will not be a physical location for the annual meeting.**
	Our Board annually considers the appropriate format of our annual meeting. Our virtual annual meeting allows stockholders to submit questions and comments before and during the meeting. After the meeting, we will spend up to 15 minutes answering stockholder questions. To the extent time doesn t allow us to answer all of the submitted questions, we will answer them in writing on our investor relations website, at ***www.investor.illumina.com***, soon after the meeting. If we receive substantially similar questions, we will group such questions together and provide a single response to avoid repetition.
	Our virtual format allows stockholders from around the world to participate and ask questions and for us to give thoughtful responses.
	Any stockholder can listen to and participate in the annual meeting live via the internet at ***www.virtualshareholdermeeting.com/ilmn2019***. Stockholders may begin submitting written questions through the internet portal at 9:30 a.m. (Pacific time) on May 29, 2019, and the webcast of the annual meeting will begin at 10:00 a.m. (Pacific time) that day.
	Stockholders may also vote while connected to the annual meeting on the internet. You will need the control number included on your Notice of

Internet Availability of Proxy Materials or your proxy card (if you received a printed copy of the proxy materials) in order to be able to vote your shares or submit questions.

Instructions on how to connect and participate via the internet, including how to demonstrate proof of stock ownership, are posted at ***www.virtualshareholdermeeting.com/ilmn2019***.

We will have technicians ready to assist you with any technical difficulties you may have accessing the virtual meeting. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted on the Virtual Shareholder Meeting log in page.

If you do not have your control number, you will be able to listen to the meeting only you will not be able to vote or submit questions.

What is the purpose of the annual meeting?

At our annual meeting, stockholders will act upon the matters described in this proxy statement. In addition, management will report on the performance of Illumina and respond to questions from stockholders.

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What am I voting on at the annual meeting?

Stockholders will be asked to vote on four proposals. The proposals are to:

1. Elect as directors the three nominees named in this proxy statement to hold office for three years or until his or her successor is elected;

2. Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 29, 2019;

3. Hold an advisory vote to approve the compensation paid to the named executive officers as disclosed in this proxy statement;

4. Approve an amendment to our certificate of Incorporation to declassify of our Board of Directors; and

5. Hold an advisory vote on a stockholder proposal to require election-related disclosures.

Could other matters be decided at the annual meeting?

Our bylaws require that we receive advance notice of any proposal to be brought before the annual meeting by our stockholders, and we have not received notice of any such proposals. If any other matter were to come before the annual meeting, the proxy holders appointed by the Board of Directors will have the discretion to vote on those matters for you.

What is the recommendation of the Board on each of the matters scheduled to be voted on at the annual meeting?

The Board of Directors recommends that you vote:

FOR each of the nominees to the Board of Directors (Proposal 1);

FOR ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the 2019 fiscal year (Proposal 2);

FOR approval, on an advisory basis, of the compensation paid to the

named executive officers as disclosed in this proxy statement (Proposal 3);

FOR approval of an amendment to our certificate of Incorporation to declassify of our Board of Directors (Proposal 4); and

AGAINST an advisory vote on a stockholder proposal to enhance election-related disclosures (Proposal 5)

Who can vote at the annual meeting?

Only holders of our common stock as of April 1, 2019, the record date, or such holders proxies are entitled to notice of and to vote on the matters listed in this proxy statement and the accompanying Notice of Annual Meeting of Stockholders.

At the close of business on the record date, there were [XXXXX] shares of common stock outstanding and entitled to vote.

You have one vote for each share of common stock that you hold. A list of stockholders entitled to vote at the annual meeting will be available for examination at our principal executive offices at the address listed above for a period of 10 days prior to the annual meeting, and during the annual meeting such list will be available for examination at ***www.virtualshareholdermeeting.com/ilmn2019*.**

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What is the difference between holding shares as a stockholder of record and as a beneficial owner?

Stockholders of Record. You are a stockholder of record if at the close of business on the record date your shares were registered directly in your name with our transfer agent, Computershare Trust Company, N.A.

Beneficial Owner. You are a beneficial owner if at the close of business on the record date your shares were held by a brokerage firm or other nominee and not in your name. Being a beneficial owner means that, like many of our stockholders, your shares are held in street name. As the beneficial owner, you have the right to direct your broker or other nominee how to vote your shares by following the voting instructions your broker or other nominee provides. If you do not provide your broker or other nominee with instructions on how to vote your shares, your broker or other nominee may be able to vote your shares with respect to some of the proposals, but not all. Please see What will happen if I do not vote my shares? below for additional information.

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How do I vote and what are the voting deadlines?

Stockholders of Record. If you are a stockholder of record, there are several ways for you to vote your shares.

Via the Internet. You may vote at ***www.proxyvote.com***, 24 hours a day, seven days a week. You will need the control number included on your Notice of Internet Availability of Proxy Materials or your proxy card (if you received a printed copy of the proxy materials). Votes submitted through the internet must be received by 11:59 p.m. (Eastern time) on May 28, 2019.

By Telephone. You may vote using a touch-tone telephone by calling 1-800-690-6903, 24 hours a day, seven days a week. You will need the control number included on your Notice of Internet Availability of Proxy Materials or your proxy card (if you received a printed copy of the proxy materials). Votes submitted by telephone must be received by 11:59 p.m. (Eastern time) on May 28, 2019.

By Mail. If you received printed proxy materials, you may submit your vote by completing, signing, and dating each proxy card received and returning it in the prepaid envelope. Sign your name exactly as it appears on the proxy card. Proxy cards submitted by mail must be received no later than May 28, 2019, to be voted at the annual meeting.

During the Annual Meeting. Instructions on how to vote while participating in our annual meeting live via the internet are posted at ***www.virtualshareholdermeeting.com/ilmn2019***. We will have technicians ready to assist you with any technical difficulties you may have accessing the virtual meeting. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted on the Virtual Shareholder Meeting log in page.

If you vote via the internet or by telephone, your electronic vote authorizes the named proxies in the same manner as if you signed, dated, and returned your proxy card. **If you vote via the internet or by telephone, do not return your proxy card.**

Beneficial Owners. If you are a beneficial owner of your shares, you should have received a Notice of Internet Availability of Proxy Materials or voting instructions from the broker or other nominee holding your shares. You should follow the instructions in the Notice of Internet Availability of Proxy Materials or voting instructions provided by your broker or nominee in order to instruct your broker or other nominee on how to vote your shares. The availability of telephone and internet voting will depend on the voting process of the broker or nominee. Shares held beneficially may not be voted during our annual meeting.

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Can I revoke or change my vote after I submit my proxy?

Stockholders of Record. If you are a stockholder of record, you may revoke or change your vote at any time before the final vote at the annual meeting by:

signing and returning a new proxy card with a later date;

submitting a later-dated vote by telephone or via the internet only your latest internet or telephone proxy received by 11:59 p.m. (Eastern time) on May 28, 2019, will be counted;

participating in the annual meeting live via the internet and voting again; or

delivering a written revocation to our Corporate Secretary at Illumina, Inc., 5200 Illumina Way, San Diego, California 92122, to be received no later than May 28, 2019.

Beneficial Owners. If you are a beneficial owner of your shares, you must contact the broker or other nominee holding your shares and follow their instructions for revoking or changing your vote.

What will happen if I do not vote my shares?

Stockholders of Record. If you are the stockholder of record and you do not vote by proxy card, by telephone, via the internet before the annual meeting, or during the annual meeting via live webcast, your shares will not be voted at the annual meeting.

Beneficial Owners. If you are the beneficial owner of your shares, your broker or nominee may vote your shares only on those matters on which it has discretion to vote. Under the rules of the New York Stock Exchange, or NYSE, your broker or nominee does not have discretion to vote your shares on non-routine matters such as Proposals 1, 3, 4, and 5. However, your broker or nominee does have discretion to vote your

shares on routine matters such as Proposal 2. The broker s inability to vote on non-discretionary matters for which the broker has not received instructions from the beneficial owner is referred to as a broker non-vote. Please see What is a broker non- vote ? below for more information.

What is a broker non-vote ? The NYSE has rules that govern brokers who have record ownership of listed Company stock (including stock such as ours that is listed on The Nasdaq Global Select Market) held in brokerage accounts for their clients who beneficially own the shares. Under these rules, brokers who do not receive voting instructions from their clients have the discretion to vote uninstructed shares held by such clients on certain matters (discretionary matters) but do not have discretion to vote uninstructed shares as to certain other matters (non-discretionary matters). Under current NYSE interpretations, Proposals 1, 3, 4 and 5 are considered non-discretionary matters and Proposal 2 is considered a discretionary matter.

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What is the effect of a broker non-vote?	Broker non-votes will be counted for purposes of calculating whether a quorum is present at the annual meeting because brokers will have discretionary authority to vote on Proposal 2. Broker non-votes will not be counted for purposes of determining the number of votes present in person or represented by proxy and entitled to vote with respect to non-discretionary matters. Thus, a broker non-vote will not impact our ability to obtain a quorum and will not otherwise affect the outcome of the vote on Proposals 1, 3, 4 and 5.
Why did I receive a Notice of Internet Availability of Proxy Materials in the mail regarding the internet availability of proxy materials instead of a full set of printed proxy materials?	Pursuant to rules adopted by the Securities and Exchange Commission, or the SEC, we are making this proxy statement available to our stockholders electronically via the internet. On or about April 16, 2019, we will mail the Notice of Internet Availability of Proxy Materials to stockholders who held shares at the close of business on the record date, other than those stockholders who previously requested paper delivery or other forms of electronic communications from us. The Notice of Internet Availability of Proxy Materials contains instructions on how to access an electronic copy of our proxy materials, including this proxy statement and our annual report on Form 10-K for the fiscal year ended December 30, 2018. The Notice of Internet Availability of Proxy Materials also contains instructions on how to request a paper copy of the proxy statement. We believe that this process will allow us to provide you with the information you need in a timely manner, while conserving natural resources and lowering the costs of printing and distributing our proxy materials.
What does it mean if I receive more than one proxy card or Notice of Internet Availability of Proxy Materials?	If you receive more than one proxy card or Notice of Internet Availability of Proxy Materials, your shares are registered in more than one name or are registered in different accounts. To make certain all of your shares are voted, please follow the instructions included on the Notice of Internet Availability of Proxy Materials on how to access each proxy card and vote each proxy card over the internet or by telephone. If you received paper proxy materials by mail, please complete, sign, and return each proxy card to ensure that all of your shares are voted.
Can I vote my shares by filling out and returning	No. The Notice of Internet Availability of Proxy Materials only identifies the items to be voted on at the annual meeting. You cannot vote by

the Notice of Internet Availability of Proxy Materials?	marking the Notice of Internet Availability of Proxy Materials and returning it. The Notice of Internet Availability of Proxy Materials provides instructions on how to cast your vote. For additional information please see How do I vote and what are the voting deadlines? above.

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How is a quorum obtained, and why is a quorum required?	Under applicable state law and our governing instruments, we may only hold the annual meeting if a quorum is present. A quorum will be present if holders of a majority of the outstanding shares of common stock entitled to vote on a matter at the annual meeting are present or represented by proxy at the meeting. As of the close of business on the record date, we had shares of common stock outstanding and entitled to vote at the annual meeting, meaning that shares of common stock must be represented in person or by proxy to have a quorum. If a quorum is not present at the annual meeting, the meeting may be adjourned until a quorum is obtained. If you are a stockholder of record and submit a proxy, your shares will be counted to determine whether we have a quorum even if you abstain or fail to provide voting instructions on any of the proposals described in this proxy statement and listed on the proxy card. If your shares are held in the name of your broker or other nominee, and you do not tell your broker or other nominee how to vote your shares, these shares will be counted for purposes of determining the presence or absence of a quorum for the transaction of business.

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How many votes are required to approve each proposal?

Proposal	Vote Required	Votes that May be Cast	Board of Directors Recommendation
Proposal 1 Election of three nominees to the Board of Directors	A nominee for director will be elected if the votes cast FOR such nominee exceed the votes cast AGAINST such nominee	FOR, each nominee AGAINST, each nominee ABSTAIN, each nominee Shares voted ABSTAIN will have no effect on the election of directors	FOR, each nominee
Proposal 2 Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 29, 2019	Majority of the shares present in person or represented by proxy and entitled to vote on the proposal must vote FOR in order for this proposal to pass	FOR AGAINST ABSTAIN If you abstain from voting on this proposal, the abstention will have the same effect as an AGAINST vote	FOR
Proposal 3 Advisory vote to approve the compensation of the named executive officers as disclosed in this proxy	Majority of the shares present in person or represented by	FOR	FOR

statement	proxy and entitled to vote on the proposal must vote FOR in order for this proposal to pass	AGAINST ABSTAIN If you abstain from voting on this proposal, the abstention will have the same effect as an AGAINST vote	
Proposal 4 Approve amendment to our certificate of Incorporation to declassify our Board of directors	Majority of our outstanding voting securities, voting as a single class, is required for this proposal to pass	FOR AGAINST ABSTAIN If you abstain from voting on this proposal, the abstention will have the same effect as an AGAINST vote	FOR
Proposal 5 Advisory vote on stockholder proposal requiring to enhance election-related disclosures	Majority of the shares present in person or represented by proxy and entitled to vote on the proposal must vote FOR in order for this proposal to pass	FOR AGAINST ABSTAIN If you abstain from voting on this proposal, the abstention will have the same effect as an	AGAINST

AGAINST vote

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How can I find the voting results of the annual meeting?	Preliminary results will be announced at the annual meeting. Final results also will be published in a current report on Form 8-K to be filed with the SEC within four business days after the annual meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.
Who is conducting this proxy solicitation?	Illumina s Board of Directors is soliciting your vote for matters being submitted for stockholder approval at the annual meeting. Solicitation may be made by our directors, officers, and other Illumina employees telephonically, electronically, or by other means of communication. Directors, officers, and employees who help us in the solicitation will not be separately compensated for those services, but they may be reimbursed by Illumina for their out-of-pocket expenses incurred in connection with the solicitation. Brokerage houses, nominees, fiduciaries, and other custodians will be requested to forward soliciting materials to beneficial owners and will be reimbursed by Illumina for their reasonable out-of-pocket expenses incurred in sending proxy materials to beneficial owners. The total cost of the solicitation will be borne by Illumina.

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Stockholder Proposals for our 2020 Annual Meeting

Under SEC Rule 14a-8, a stockholder who intends to present a proposal at our 2020 annual meeting of stockholders (other than a director nomination) and who wishes the proposal to be included in the proxy statement for that meeting must submit the proposal in writing to our principal executive offices. The proposal must be received no later than December 18, 2019. The proposal and its proponent must satisfy all applicable requirements of Rule 14a-8.

Our bylaws permit a stockholder or group of stockholders (up to 20) who have owned at least three percent of our common stock for at least three years to submit director nominees (up to the greater of two nominees or 20% of the Board, as determined in accordance with the bylaws) for inclusion in our proxy statement if the nominating stockholder(s) satisfies the requirements specified in the bylaws. With respect to stockholder nominees for director election submitted for inclusion in our proxy statement for our 2020 annual meeting, written notice of nominations must be provided by the stockholder proponent(s) to us in accordance with our bylaws. The notice must be delivered to, or mailed and received by, our Corporate Secretary between November 18, 2019, and December 18, 2019. These deadlines are based on the 150th day and 120th day, respectively, before the one-year anniversary of the date of the proxy statement for the 2019 annual meeting (which date, for purposes of our bylaws, is April 16, 2019). The ability to include a nominee in our proxy statement is subject to the terms and conditions set forth in our bylaws.

With respect to stockholder nominees for director election at our 2020 annual meeting (other than nominees submitted for inclusion in our proxy materials) and stockholder proposals for consideration at our 2020 annual meeting that are not submitted for inclusion in our proxy materials under Rule 14a-8, written notice of nominations and proposals must be provided by the stockholder proponent to us in accordance with our bylaws. The notice must be delivered to, or mailed and received by, our Corporate Secretary between January 30, 2020, and February 29, 2020 and must comply with all applicable provisions of our bylaws. You may obtain a copy of our bylaws by writing to the Corporate Secretary at the address shown on the cover of this proxy statement.

Other Matters

As of the date of this proxy statement, we know of no other matters that will be presented for consideration at the annual meeting. If any other matters properly come before the meeting, it is the intention of the proxy agent named in the enclosed form of proxy to vote the shares represented as the Board of Directors may recommend. Discretionary authority with respect to such other matters is granted by the execution of the enclosed proxy.

Householding

Our annual report on Form 10-K for the fiscal year ended December 30, 2018, including our audited financial statements for fiscal 2018, is being mailed to you along with this proxy statement. In order to reduce printing and postage costs, in certain circumstances only one annual report, proxy statement, or Notice of Internet Availability of Proxy Materials, as applicable, will be mailed to multiple stockholders sharing an address unless we receive contrary instructions from one or more of the stockholders sharing an address. If your household has received only one annual report, proxy

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statement, or Notice of Internet Availability of Proxy Materials, as applicable, we will deliver promptly a separate copy of the annual report, proxy statement, or Notice of Internet Availability of Proxy Materials, as applicable, to any stockholder who sends a written request to the Corporate Secretary of Illumina, Inc. at 5200 Illumina Way, San Diego, California 92122 or makes an oral request to the office of the Corporate Secretary at (858) 202- 4500. If your household is receiving multiple copies of our annual reports, proxy statements, or Notices of Internet Availability of Proxy Materials and you wish to request delivery of a single copy, you may send a written request to Illumina, Inc., 5200 Illumina Way, San Diego, California 92122, Attention: Corporate Secretary.

Where You Can Find More Information

We maintain an internet site at ***www.illumina.com***. We use our website as a channel of distribution of material Company information. Our website and the information posted on it or connected to it shall not be deemed to be incorporated by reference into this proxy statement.

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Exhibit A: Proposed Amended and Restated Certificate of Incorporation

PROPOSED AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

ILLUMINA, INC.

ARTICLE I

The name of this corporation is Illumina, Inc.

ARTICLE II

The address of the corporation s registered office in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of Delaware.

ARTICLE IV

The corporation is authorized to issue two classes of shares of stock, which shall be designated, respectively, Common Stock, $0.01 par value per share, and Preferred Stock, $0.01 par value per share. The total number of shares that the corporation is authorized to issue is 330,000,000 shares. The number of shares of Common Stock authorized is 320,000,000. The number of shares of Preferred Stock authorized is 10,000,000.

The Preferred Stock may be issued from time to time in one or more series pursuant to a resolution or resolutions providing for such issue duly adopted by the board of directors (authority to do so being hereby expressly vested in the board). The board of directors is further authorized to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and to fix the number of shares of any series of Preferred Stock and the designation of any such series of Preferred Stock. The board of directors, within the limits and restrictions stated in any resolution or resolutions of the board of directors originally fixing the number of shares constituting any series, may increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series subsequent to the issue of shares of that series.

The authority of the board of directors with respect to each such class or series shall include, without limitation of the foregoing, the right to determine and fix:

(a) the distinctive designation of such class or series and the number of shares to constitute such class or series;

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(b) the rate at which dividends on the shares of such class or series shall be declared and paid, or set aside for payment, whether dividends at the rate so determined shall be cumulative or accruing, and whether the shares of such class or series shall be entitled to any participating or other dividends in addition to dividends at the rate so determined, and if so, on what terms;

(c) the right or obligation, if any, of the corporation to redeem shares of the particular class or series of Preferred Stock and, if redeemable, the price, terms and manner of such redemption;

(d) the special and relative rights and preferences, if any, and the amount or amounts per share that the shares of such class or series of Preferred Stock shall be entitled to receive upon any voluntary or involuntary liquidation, dissolution or winding up of the corporation;

(e) the terms and conditions, if any, upon which shares of such class or series shall be convertible into, or exchangeable for, shares of capital stock of any other class or series, including the price or prices or the rate or rates of conversion or exchange and the terms of adjustment, if any;

(f) the obligation, if any, of the corporation to retire, redeem or purchase shares of such class or series pursuant to a sinking fund or fund of a similar nature or otherwise, and the terms and conditions of such obligation;

(g) voting rights, if any, on the issuance of additional shares of such class or series or any shares of any other class or series of Preferred Stock;

(h) limitations, if any, on the issuance of additional shares of such class or series or any shares of any other class or series of Preferred Stock; and

(i) such other preferences, powers, qualifications, special or relative rights and privileges thereof as the board of directors of the corporation, acting in accordance with this Restated Certificate of Incorporation, may deem advisable and are not inconsistent with law and the provisions of this Restated Certificate of Incorporation.

ARTICLE V

The corporation reserves the right to amend, alter, change, or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon the stockholders herein are granted subject to this right.

ARTICLE VI

The corporation is to have perpetual existence.

ARTICLE VII

1. Limitation of Liability. To the fullest extent permitted by the General Corporation Law of the State of Delaware as the same exists or as may hereafter be amended, a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

2. Indemnification. The corporation shall indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that such person or his or her testator or interstate is or was a director or officer of the corporation, or any predecessor of the corporation, or

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serves or served at any other enterprise as a director, officer or employee at the request of the corporation or any predecessor to the corporation and may indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that such person or his or her testator or intestate is or was an employee of the corporation, or any predecessor of the corporation, or serves or served at any other enterprise as a director, officer or employee at the request of the corporation or any predecessor to the corporation.

3. Amendments. Neither any amendment nor repeal of this Article VII, nor the adoption of any provision of the corporation s Certificate of Incorporation inconsistent with this Article VII, shall eliminate or reduce the effect of this Article VII, in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article VII, would accrue or arise, prior to such amendment, repeal, or adoption of an inconsistent provision.

ARTICLE VIII

In the event any shares of Preferred Stock shall be redeemed or converted pursuant to the terms hereof, the shares so converted or redeemed shall not revert to the status of authorized but unissued shares, but instead shall be canceled and shall not be re-issuable by the corporation.

ARTICLE IX

Holders of stock of any class or series of the corporation shall not be entitled to cumulate their votes for the election of directors or any other matter submitted to a vote of the stockholders, unless such cumulative voting is required pursuant to Sections 214 of the Delaware General Corporation Law, in which event each such holder shall be entitled to as many votes as shall equal the number of votes which (except for this provision as to cumulative voting) such holder would be entitled to cast for the election of directors with respect to his shares of stock multiplied by the number of directors to be elected by him, and the holder may cast all of such votes for a single director or may distribute them among the number of directors to be voted for, or for any two or more of them as such holder may see fit, so long as the name of the candidate for director shall have been placed in nomination prior to the voting and the stockholder, or any other holder of the same class or series of stock, has given notice at the meeting prior to the voting of the intention to cumulate votes.

1. Number of Directors. The number of directors which constitutes the whole Board of Directors of the corporation shall be designated in the Amended and Restated Bylaws of the corporation. The directors shall, until the annual meeting of stockholders to be held in 2022, be divided, with respect to the time for which they severally hold office, into three classes. The term of office of the class of directors elected at the annual meeting of stockholders held in 2019 shall expire at the 2022 annual meeting of stockholders ; the term of office of the class of directors elected at the annual meeting of stockholders held in 2020 shall expire at the 2021 annual meeting of stockholders; and the term of office of the class of directors elected at the annual meeting of stockholders held in 2021 shall expire at the 2022 annual meeting of stockholders. At each annual meeting of stockholders, commencing with the 2020 annual meeting of stockholders, directors shall be elected for a term of office to expire at the annual meeting of stockholders held in the year following the year of their election, with each director to hold office until his or her successor shall been duly elected and qualified, or, if earlier, such director s death, resignation, retirement, disqualification or removal from office.

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2. Election of Directors. Elections of directors need not be by written ballot unless the Amended and Restated Bylaws of the corporation shall so provide.

3. Removal of Directors. So long as the directors are divided into three classes, they may be removed only for cause by the affirmative vote of the holders of a majority of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors.

ARTICLE X

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, alter, amend or repeal the Amended and Restated Bylaws of the corporation.

ARTICLE XI

No action shall be taken by the stockholders of the corporation except at an annual or special meeting of the stockholders called in accordance with the Amended and Restated Bylaws, no special meetings of the stockholders shall be called by stockholders without approval of the Board of Directors, and no action, including the removal of directors without cause shall be taken by stockholders by written consent. The affirmative vote of a majority of the then outstanding voting securities of the corporation, voting together as a single class, shall be required for the amendment, repeal or modification of the provisions of Article IX, Article X or Article XII of this Amended and Restated Certificate of Incorporation or Sections 2.3 (Special Meeting), 2.4 (Notice of Stockholders Meeting), 2.4 (Advanced Notice of Stockholder Nominees and Stockholder Business), 2.8 (Voting), or 2.10 (Stockholder Action by Written Consent Without a Meeting), or 3.2 (Number of Directors) of the corporation s Amended and Restated Bylaws.

ARTICLE XII

Meetings of stockholders may be held within or without the State of Delaware, as the Amended and Restated Bylaws may provide. The books of the corporation may be kept (subject to any provision contained in the statutes) outside of the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Amended and Restated Bylaws of the corporation.

ARTICLE XIII

This Amended and Restated Certificate of Incorporation shall be effective as of the date of the closing of the Corporation s initial public offering.

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