

## **Illumina, Inc.**

### **Charter for the Audit Committee of the Board of Directors**

#### **Purpose**

The Audit Committee of the Board of Directors (the “Board”) of Illumina, Inc. (the “Company”) oversees Illumina’s accounting and financial reporting processes and audits of its financial statements on behalf of the Board of Directors. The purpose of the Audit Committee established by this charter will be to monitor and advise the board on:

1. the integrity of the Company’s financial statements and disclosures,
2. the independent auditor’s qualifications and independence,
3. the adequacy of the Company’s internal controls, and
4. the Company’s compliance with legal and regulatory requirements.

The Audit Committee will undertake those specific duties and responsibilities listed below, and such other duties as the Board from time to time may prescribe.

#### **Charter Review**

The Audit Committee will review and reassess the adequacy of this charter at least once per year. This review is initially intended to be conducted at the first Audit Committee meeting following the Company’s Annual Meeting of Stockholders, but may be conducted at any time the Audit Committee desires to do so. Additionally, to the extent and in the manner that the Company is legally required to do by the rules of the Securities and Exchange Commission (the “SEC”), this charter (as then constituted) shall be publicly filed.

#### **Membership**

The Audit Committee shall consist of at least three members of the Board. Such members will be elected and serve at the pleasure of the Board. The members of the Audit Committee will not be employees of the Company. Each member of the Audit Committee shall meet the independence standards and have the financial expertise as required by the Rules of the National Association of Securities Dealers, Inc., the Securities Exchange Act of 1934 and the rules promulgated thereunder (collectively, the “Exchange Act”), the Sarbanes-Oxley Act of 2002 and all other applicable rules and regulations.

#### **Meetings**

The Audit Committee will meet with the Chief Executive Officer and the Chief Financial Officer of the Company at least quarterly to review the financial affairs of the Company. The Audit Committee will meet with the independent auditor of the Company at least once quarterly, including upon the completion of the annual audit, outside the presence of management, and at such other times as it deems appropriate to review the independent auditor’s examination and management report.

## **Authority and Responsibilities**

To fulfill its responsibilities and duties, the Audit Committee shall:

### *Financial Statements and Disclosures:*

1. Review with Finance management and the independent auditor the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review with Finance management and the independent auditor the quarterly reports of the Company prior to filing of such reports with the SEC, including the results of the independent auditor's review of the quarterly financial statements.
3. Review with Finance management and the independent auditor the Company's earnings press releases (including the use of "pro forma" or "adjusted" non-GAAP information) as well as financial information and earnings guidance provided to analysts.
4. Review with Finance management any significant changes to GAAP, SEC and other accounting standards that will impact or could impact the financial reports under review.
5. Review with Finance management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements.
6. Review with Finance management and the independent auditor at least annually the Company's application of critical accounting policies and its consistency from period to period, and the compatibility of these accounting policies with generally accepted accounting principles, and (where appropriate) the Company's provisions for future occurrences which may have a material impact on the financial statements of the Company.
7. Review with Finance management all material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses.
8. Review with Finance management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures (which may include the review and amendment of a policy with regard to the investment of the Company's assets).
9. Review with the independent auditor the matters required by Statement on Auditing Standard No. 61 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restriction on the scope of activities or access to requested information, and any significant disagreements with management.
10. Periodically review with the independent auditor, without Management being present, (i) their judgments about the quality, appropriateness, and acceptability of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting, and (ii) the completeness and accuracy of the Company's financial statements.

### *Independent Auditor:*

1. Sole authority to appoint the independent auditor for ratification by the stockholders and approve the compensation of and oversee the independent auditor.
2. Review the plan for and the scope of the audit and related services at least annually.
3. Ensure that the proposed audit engagement team complies with the applicable auditor rotation rules.
4. Pre-approve all audit services and permitted non-audit services to be provided by the independent auditor as required by the Exchange Act.
5. Obtain from the independent auditor assurance that Section 10A of the Exchange Act has not been implicated.
6. Ensure the receipt of, and review, a written statement from the Company's independent auditor delineating all relationships between the accountants and the Company, consistent with Independence Standards Board Standard No. 1.
7. Review with the Company's independent auditor any disclosed relationship or service that may impact the objectivity and independence of the accountant.

*Internal Controls:*

1. Oversee the adequacy of the Company's system of internal accounting controls. Obtain from the independent auditor management letters or summaries on such internal accounting controls. Review any related significant findings and recommendations of the independent auditor together with management's responses thereto.
2. Review with the CFO the results of quarterly Disclosure Committee meetings, including, any significant deficiencies in the design and operation of the internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

*Compliance with Legal and Regulatory Requirements:*

1. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.
2. Establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
3. Oversee the Company's compliance with the Foreign Corrupt Practices Act.
4. Oversee the Company's compliance with SEC requirements for disclosure of accountant's services and Audit Committee members and activities.
5. Review with Finance management and the independent auditor any correspondence with financial and accounting related regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.

In addition to the above responsibilities, the Audit Committee will undertake such other duties as the Board delegates to it or that are required by applicable laws, rules and regulations, including, but not limited to, the approval of all related party transactions other than compensation transactions. The Audit Committee may engage and compensate independent counsel and other advisors as it deems necessary to carry out its duties.

Finally, the Audit Committee shall ensure that the Company's independent auditor understand both (i) their ultimate accountability to the Board and the Audit Committee, as representatives of the Company's stockholders and (ii) the Board's and the Audit Committee's ultimate authority and responsibility to select, evaluate and, where appropriate, replace the Company's independent auditor (or to nominate the outside accountant to be proposed for stockholder approval in any proxy statement).

**Reports**

The Audit Committee will to the extent deemed appropriate record its summaries of recommendations to the Board in written form that will be incorporated as a part of the minutes of the Board. To the extent required, the Audit Committee will also prepare and sign a Report of the Audit Committee for inclusion in the Company's proxy statement for its Annual Meeting of Stockholders.