

Q U A N T U M  
*Corporate Values*



Q U A N T U M  
V A L U E S



*Customers*

*Success*

*People*

*Communication*

*Environment*



Our purpose as a company is to provide our customers with products and services of value that meet or exceed their requirements. As a result of our success in fulfilling this mission we will have the opportunity to attract, retain and benefit our employees, suppliers, and shareholders.

In order to best achieve our purpose, there must be a common commitment to a basic set of values that live and grow with our business. At Quantum, we have a commitment to such values. We believe in them, we use them for guidance in our work, and we are all dedicated to making our company reflect these values.

Our values are ideals that we continually work toward, recognizing that there may be times when we will fall short of meeting them. Even in these cases, we remain committed. We honestly identify our shortcomings, then continue to work toward achieving our ideals, always aiming at doing the best we can do.



*There are five fundamental values that we believe in and strive to reinforce daily. They appear in a priority order and are described as follows in this booklet.*



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*We believe that our highest priority as a company is to build mutually successful relationships with our customers, based on our understanding of their needs and a commitment to satisfying them.*

*Customers*

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*We believe that success (both company and individual) is achieved through our ability to understand our business and the markets we serve, to set long and short term objectives, to identify critical issues, set priorities and meet commitments.*

*We measure our success by how well we achieve consistent growth and stability of the company's financial well-being.*

*Success*

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*We believe that our one unique asset—and our most valuable resource—is our people. Through their creative efforts, our products and services satisfy our customer needs.*

*People*

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*We believe that effective, open, and honest communication helps us achieve our greatest potential as individuals and as a company.*

*Communication*

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*We believe in an environment characterized by individual freedom, cooperation between teams, and high ethical standards. This is the environment in which we and our company will flourish.*

*Environment*

# *C*ustomers

## *Building Open, Honest partnerships*

*We believe that our highest priority as a company is to build mutually successful relationships with our customers, based on our understanding of their needs and a commitment to satisfying them.*

At Quantum, we recognize that our success will result from the success of our customers. We believe that each employee should place great importance on relationships with our customers, so that these relationships become established and continue to be strengthened.

## *Knowing Our Customers*

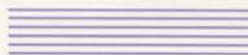
We believe the first step in satisfying our customers' needs is to know who our customers are, what they require in products and services, and how Quantum can contribute to fulfilling their needs. In maintaining a close contact with present and future customers, we will be able to define and develop products based on a keen understanding of their needs.

We must also test our products and services against these needs to assure that we continue to deliver real and measurable value to our customers.

For some of us, our job responsibilities keep us in close contact with Quantum's external customers. For some of us, our "customers" are other employees. Regardless of our assignments, we recognize the importance of knowing our ultimate customer. Much of our job satisfaction comes from the understanding of how the product of our work is used. When our customers are other Quantum employees, we work to make them successful by understanding and meeting their needs.

### *Building Partnerships*

We look at our relationships with our customers as mutually successful and profitable partnerships—they depend on us for real and measurable value, while we depend on them for continued business and growth. We recognize that our success will come only as a result of their success.



In all of our dealings with customers, we are ethical and straightforward, giving them our honest appraisal of what we can do and an honest commitment to provide quality products and services.

The relationship with our suppliers parallels our relationship with our customers in meeting our purpose as a company. We want to build mutually successful and profitable partnerships with our suppliers. These partnerships are based on a mutual understanding of the value a supplier contributes to our business. We work with suppliers to help them understand our needs and know our business. We expect from them the same honest straightforward dealings as we have with our customers and that they be equally committed to long term, successful relationships. **Q**

# *S* uccess

## *Measured by Results*

*We believe that success (both company and individual) is achieved through our ability to understand our business and the markets we serve, to set long and short term objectives, to identify critical issues, set priorities and meet commitments. We measure our success by how well we achieve consistent growth and stability of the company's financial well-being.*

There is a reason for each of the values we have expressed here, from our emphasis on people working in an unstructured atmosphere to our commitment to effective communications and good relationships with our customers and suppliers. Quantum believes in success through results against planned objectives. These values collectively create the foundation for our company's long-term success. Our success is measured in the form of highly valued useful products, individual growth and continued development and profitability.

## *Substance Versus Form*

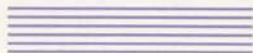
In all that we do, we keep focus on "substance" and place less emphasis on "form." Each of us is aware of the company's goals and objectives, and we do the best we can to meet them. We focus our efforts on those few issues that are critical to our success. We strive to keep this focus until the job is done.

## *Achieving Results*

We make every effort to state problems clearly and keep solutions simple. We plan our work thoroughly and track progress to assure that we are on course. We make sure resources are used efficiently and effectively to achieve the best results.

As with any business, many of our efforts will involve taking risks. We are willing to take risks because we understand that risks can be rewarding. We understand the need for contingency planning if things don't go as

expected. We will take risks only after we understand and evaluate the possible outcomes of the decisions. We would rather err on the side of thoroughness than make hasty choices. When problems do arise, we concentrate on finding a solution and not on fixing the blame.



It is important for us to recognize others for their accomplishments, but we would rather earn a position of respect in a quiet fashion for our knowledge and skill. We want to be judged over time for our results, not merely for efforts alone.

### *Measuring Results*

Success at Quantum is measured by our results. Through our commitment to these values, results will be reflected in far more than immediate projects. Rewarding performance is a top priority at Quantum. Recognition for achieving the planned results may take the form of a congratulations from management or a monetary reward. We feel strongly about recognizing our people for extraordinary results and encourage all employees to aspire to excellence.

Long range results, the type that will make our company grow and prosper, will be achieved by our commitment to these values. The bottom line of our efforts is that we meet our commitments and fulfill our purpose as a company—to provide our customers with products and services that have real and measurable value. **Q**



# People

## *Our Most Valuable Resource*

*We believe that our one unique asset—and our most valuable resource—is our people. Through their achievement, we provide our customers and markets with the products they need and the quality they expect.*

Fulfilling Quantum's purpose is a process that begins with Quantum people, people who are growing and learning as individuals while remaining dedicated to their company's mission. Quantum's growth ultimately is derived from the growth of each individual.

For this reason, Quantum places great importance on its people—talented individuals whose ability to work together is combined with personal character and strong job skills. We believe that it takes a group of individuals with these strengths to define, produce, measure, and maintain products and services of real value for our customers and so ensure our success.

### **Teamwork**

We consider our ability to work together as a team an essential attribute and recognize that our individual success results from Quantum's success. We are committed to this belief and to the common goals of our company.

We have confidence in our skills and abilities. However, an essential part of working as a team is knowing when to ask each other for help. Our self-confidence allows us to accept help from others and use their ideas to improve our work as part of the team.

Our spirit of teamwork, so critical to our success, ensures effective communication and establishes a level of cooperation which eliminates barriers or organizational boundaries. We highly value teamwork and the group interactive process. In so doing, we encourage diversity in personality and background, approaches and viewpoints, but these must be expressed within the cultural context of Quantum.

We recognize that our personal success is a result of the collective efforts and success of all members of the team.

### *Strength of Character*

As individuals, we believe we should display strength of character in our daily work. We strive for openness and honesty in all of our relationships both inside and outside our company. We avoid situations where our personal interests could, in fact or appearance, be in conflict with the best interest of Quantum.



We continually work toward self-improvement. By actively striving to improve our performance and see new challenges, we expand our responsibilities and find better ways to do our jobs. We emphasize the “positive,” and this attitude is evident in our behavior. We use good common sense and demonstrate it through action. Fair treatment, dignity and respect of others are essential behaviors.

### *Work Skills*

The skills that we bring to our jobs at Quantum are important and valued. We use our knowledge, experience and talent in finding innovative ways to do our jobs. Doing work that tests our skills and knowledge challenges us to constantly improve the process. We are open to change and are receptive to new ideas. If a new idea works better than an old one, we adopt the new idea.

We use our skills to help and teach others. We are both learners and teachers in our fast moving industry. Each of us feels it is our responsibility to help further the growth of those around us. When we, as individuals, make our contributions, the company succeeds, and from that success comes our sense of individual job fulfillment.

Quantum is committed to provide cross training and rotational development assignments to ensure continued challenge and growth. **Q**

# *C*ommunication

## *Talking and Listening Openly, Honestly*

*We believe that effective, open, and honest communication helps us achieve our greatest potential as individuals and as a company.*

We are a team of people at Quantum working toward a common purpose. Effective and accurate communication between individuals, teams and functions is essential to our success. It is important that we understand the business of our customer, the needs of our suppliers and the goals of our company. For Quantum to operate at its optimum level, decisions and changes must be evaluated on an on-going basis. We all share the responsibility for keeping each other informed of these decisions and changes.

## *Keeping Informed*

We believe everyone at Quantum should be well informed. Knowing what is expected of us and how our efforts contribute to the overall success of the company is important for our job satisfaction. This requires a commitment of time and effort. We feel staying informed and keeping others informed is our personal responsibility.

Another characteristic valued at Quantum is being a good listener. Listening to others and understanding their point of view contributes to improved performance and commitment as a team.

Communication is encouraged among all levels of the company—to fellow employees working next to us, to our managers, and to those we manage. We use formal communications channels, as well as informal networks, to share information because we believe in the importance of making sure information reaches everyone who needs to know.

### *Resolving Issues*

We believe that communications at Quantum must be clear, concise, and straightforward, particularly where sensitive issues are concerned. We strive to address tough issues promptly and directly with every person involved. This principle applies throughout our company, as well as to customers, suppliers, and



When we communicate, we try to explain the “whys” as well as the “whats.” We do this because we know our actions affect many people around us. Above all, we work toward consistency in words and actions. In demonstrating this behavior, we feel it is important to do what we say we will do, and be what we say we are.

### *Private Information*

There are times when the nature of Quantum’s business requires that some matters remain confidential. Issues concerning proprietary information about our products or strategies must be treated prudently. Each of us assumes the responsibility to understand what information should be protected to ensure Quantum’s competitiveness.

Salaries, appraisals, and other personal information also must be treated with respect for the individual. As much as we emphasize communication—sensitive, personal information should be kept confidential. **Q**



## Environment

### *Fostering Freedom, Cooperation, and Ethics*

*We believe in an environment characterized by individual freedom, cooperation between teams, and high ethical standards. This is the environment in which we and our company will flourish.*

Creative, innovative people need a certain type of working environment in order to produce their best results. We strongly want our people to be creative and encourage creativity in the form of new designs and new approaches to our work. We recognize this at Quantum, and each of us strives to create and maintain an environment where individuals can grow.

### *Individual Freedom*

Quantum's environment places emphasis on individual freedom, primarily relying on the good judgement of our people as opposed to just following policies, procedures, and structure. As a result of this freedom, we are dependent on their good judgement, common sense and their understanding of our mission and the values.

We believe that each individual, and Quantum as a whole, should consistently display a positive, "can do" attitude. We are willing to take on tough, challenging jobs which involve personal, as well as business risks. In so doing, we all accept and exhibit a high degree of personal responsibility for our actions.

We believe that decisions should be made at the lowest possible level, where the knowledge and skills reside to handle the tasks. Authority for the assigned responsibility should reside at levels consistent with the responsibility.

### *Cooperation Between Groups*

We believe employees should have freedom to act on their own, use their own judgement and have appropriate independence in performing their work. We encourage cooperation between groups in our company. Activities and plans are coordinated between functional organizations, removing the hindrance of artificial barriers. We strive for an environment where differences of opinion and debate are considered positive and are encouraged, many times leading to a better solution.

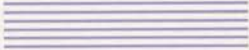
In order to make this environment work at its best, we take a broad view of our jobs. We want to know how our individual efforts contribute to the overall success of the company. We concentrate our efforts on whatever it takes to succeed, regardless of whether or not the activity is part of our formal job description.

It is vital that all of us, as individuals and collectively as teams, be successful. We think of Quantum as "our company" and work hard to make it a success.

### *Company Success and Personal Fulfillment*

We have established an environment at Quantum to ensure company success as well as to provide personal fulfillment. Personal fulfillment, to us, means that we genuinely enjoy coming to work and that we thrive on the opportunity to grow as individuals. We recognize, however, that growth and improvement are a continuous process. In order to improve and grow, we must be able to identify our strengths and shortcomings. At Quantum,





we strive to do our jobs right the first time. Yet, when errors are made, we honestly accept and admit them. We expect to learn from our errors, and focus on the opportunity to improve in the future.

We recognize that everyone's contribution is important to Quantum's success. It is equally important that the company success be shared by everyone. When we perform at our best, everyone benefits and is rewarded with more responsibilities and opportunities. Responsibility at Quantum is delegated to the people closest to the action. Discussions are encouraged prior to a decision. But once it is made, full support is given.

We take personal responsibility for our own career growth. To help meet this responsibility, we expect an honest appraisal of what is required to grow. When we have demonstrated that we can meet the challenge of a new position, we can expect to be considered a candidate for that position. However, we know the best person for the job will be selected, and that if we are not selected, we will be told the reasons.

We believe that it is important for us to advance in our careers. This may mean a promotion to higher levels of responsibility. It may also mean the enrichment of our work by additional new job content without promotion or increased people-management responsibility.

### *Integrity and Ethics*

Our environment encourages us to maintain integrity and high ethical standards in all of our dealings, whether those dealings are with fellow employees, customers or suppliers. Again, we avoid situations where our personal interest could be in conflict with the best interests of the company. We are sensitive to real conflicts of interest, as well as activities which have the appearance of a conflict of interest.

We are against discrimination of any kind. We value diversity and encourage the recruitment of all types of people. The most important aspect of our recruitment integrity and ethics is that we strive to hire the best qualified individual who shares our same values.

Above all, we believe that we must maintain our integrity, both as individuals and as a company. We have a commitment to be what we say we are, and we make constant appraisals of where we are in relation to that commitment. In cases where we have not yet achieved what we would like to be, it is clear that we are actively working to improve. **Q**







## QUANTUM MISSION STATEMENT

Quantum designs, manufactures, and sells mass storage products.

Quantum sells to the most attractive (as defined by growth, profit and volume potential) segments of the computer market through O.E.M. and other distribution channels.

Quantum will achieve its mission by meeting customer needs as a responsible vendor providing cost competitive products distinguished by their performance, reliability and innovation.



*Quality Comes First:*

*Customers are the Focus  
of Everything We Do:*

*Integrity is Everyone's  
Responsibility and is  
Never Compromised:*

*Individuals and Team-  
work are Essential for  
Our Success:*

*Success Benefits All of Us:*

*Continuous Improvement  
is Our Way of Life:*

## QUANTUM OPERATING PRINCIPLES <sup>1</sup>

Quality is the rightful expectation of our customers. We achieve quality by being thorough in our thinking and actions.

Our work must be guided by the needs of customers within our chosen target markets.

Behaving and communicating in an honest, candid, and ethical manner is a Quantum trademark. We avoid conflicts of interest and are proud of our ethical business practices.

We make every effort to balance the needs of the business with the goals of the individual. We believe teamwork rests on a foundation of cooperation, trust, respect and dignity.

Success comes from meeting our customers' needs and we measure it in profit and revenue growth. We share our success with employees based on contribution.

We are innovators who strive for excellence in everything we do knowing that our standards will always move higher.

<sup>1</sup> Working definition: Principles that guide decisions by applying our values to the operational requirements of the business.

Dave Brown