



## Corporate Governance Principles

Adopted as of February 6, 2013

### Roles and Responsibilities of the Board

- It is the duty of the Board of Directors (the "Board") of Quantum Corporation (the "Company") to oversee the chief executive officer ("CEO") and other senior management in the competent and ethical operation of the Company and to exercise its business judgment to act in what it reasonably believes to be the best interests of the Company and its shareholders. Specific responsibilities of the Board in fulfilling this duty include:
  - The selection and evaluation of the CEO, and overseeing CEO succession planning.
  - Advising the CEO and management on the Company's fundamental strategies.
  - Reviewing and approving the CEO's objectives, at least annually
  - Approving acquisitions, divestitures and other fundamental corporate actions.
  - Advising the CEO on the performance of senior management, and fundamental organizational changes, including succession planning.
  - Approving the annual operating financial plan.
- Directors shall attend all Board meetings to the extent reasonably possible, and, absent exigent circumstances, shall attend no fewer than 75% of Board meetings. Directors shall review meeting materials in advance.
- The Board may conduct or authorize investigations into or studies of matters within the Board's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other advisers as it deems necessary whether or not in connection with such investigations.
- Directors have complete access to all Company officers and employees. The Company facilitates regular interactions between directors and senior management; in addition, directors are encouraged to visit with senior management of the Company, and to visit the Company's facilities.

### Board Composition

- The number of directors on the Board should not exceed a number that can function efficiently as a body. The Board believes that, given the size and breadth of the Company and the need for diversity of Board views, the size of the Board should be approximately 7-10 directors.
- A majority of the members of the Board should and do qualify as independent directors under all applicable regulations, including the rules of the NYSE and the SEC.
- Each director shall stand for election by the shareholders on an annual basis.
- The Board has established a non-executive chair of the Board (the "Chair"), who also serves as the lead independent director and has the roles and responsibilities set forth below.

- Prior to any substantial change in a Director's professional roles and responsibilities, such as a change in principal occupation or joining the board of another company, the Director shall provide notice with the relevant details to the Chair of the Corporate Governance and Nominating Committee. The Chair shall consider, along with the Chair of the Board and the other members of the Corporate Governance and Nominating Committee, whether such a change would directly or indirectly impact that Director's ability to fulfill his or her directorship obligations. If the Committee determines that it would, the Committee shall bring the matter to the attention of the Company's Board of Directors (excluding the Director at issue). The Board would then consider the matter and, if the Board agrees that the change would directly or indirectly impact that Director's ability to fulfill his or her directorship obligations, this will be communicated back to the Director who shall, if requested, resign from the Board.
- The Board does not believe that arbitrary term or age limits are appropriate.
- A directors may not serve on more than 4 public company Boards (or 3 in the case of the Company's CEO), including Quantum, without the approval of the other directors.

## **Chair Roles and Responsibilities**

### General

- The non-executive Chair is appointed annually by Board and shall be independent as determined by the Board pursuant to the Company's director independence standards set forth in these corporate governance principles. It is the general policy of the Board to rotate the Chair every three years.
- The Chair focuses are the leadership, management and effective functioning of the Board.
- The Chair has the authority to retain, at the Company's expense, independent legal counsel or other advisors to assist in fulfilling his or her responsibilities.
- If requested by the Company, the Chair shall obtain the appropriate personal security clearance, as required by the Defense Security Service of the U.S. Department of Defense in order to maintain the Company's Facility Security Clearance.

### Specific Responsibilities

- Management of the Board and Corporate Governance
  - In consultation with and with the assistance of the CEO and the Company's Secretary, the Chair plans and organizes the activities of the Board, including the agenda for, frequency of, preparation for, and the conduct of, the Board meetings; and the quality, quantity and timeliness of the information that goes to the Board.
  - The Chair may call meetings of the Board or of the non-management directors.
  - The Chair promotes effective communication among the directors on developments occurring between Board meetings.
  - The Chair ensures, in conjunction with the Corporate Governance and Nominating Committee, that processes that govern the Board's work are effective to enable the Board to exercise oversight and due diligence in the fulfillment of its mandate, including its oversight responsibilities in Company strategy and risk.

- The Chair chairs Board meetings and sessions of the non-management directors.
  - The Chair ensures that all directors express their views on key Board matters and assist the Board in achieving consensus.
  - The Chair helps develop teamwork and a cohesive Board culture and facilitates formal and informal communication with and among the directors.
  - The Chair helps ensure that action items established by the Board are tracked and appropriate follow-up action is taken as necessary.
  - Where Board functions have been delegated to committees, the Chair works with the respective committee chairs to ensure that each committee functions effectively and keeps the Board apprised of actions taken.
  - The Chair is a member of the Corporate Governance and Nominating Committee.
  - The Chair may attend, as a non-voting participant, meetings of any Board committees on which the Chair is not a member.
  - Working with the Corporate Governance and Nominating Committee, the Chair participates in the directors' evaluation process and addresses concerns about director performance.
- Management Relations
    - The Chair has unrestricted access to Company management.
    - The Chair builds relationships with senior management and may meet with relevant senior management when problems arise.
    - The Chair provides advice to the CEO and senior management on important issues.
    - The Chair facilitates effective communication between directors and senior management, both inside and outside of Board meetings.
    - The Chair works with the CEO to ensure that Management strategies and plans are appropriately represented to the Board, and that issues are openly communicated to the Board.
    - The Chair communicates the Board's concerns to the CEO.
    - With the assistance of the Leadership and Compensation Committee, the Chair leads the Board in evaluating the performance of the CEO.
    - The Chair takes a leadership role in searches for a new CEO, in coordination with the Company's Corporate Governance and Nominating Committee.
- Relations with Stockholders and Other Stakeholders
    - The Chair acts as a liaison to stockholders who request direct communication with the Board.
    - As needed, the Chair serves as the Board representative to external constituents of the Company and may be requested, from time to time, to attend meetings with outside stakeholders.

### **Board Policy Concerning the Protection of Confidential Information**

- Pursuant to their fiduciary duties of loyalty and care, Directors are required to protect and hold confidential all non-public information obtained due to their directorship position absent the express or implied permission of the Board to disclose such information. The purpose of this policy is to assist Directors of the Company in fulfilling this aspect of their fiduciary duties.
- No Director shall use Confidential Information for his or her own personal benefit or to benefit persons or entities outside the Company.

- No Director shall disclose Confidential Information to any persons or entities outside the Company, including principals or employees of any entity which employs the Director or which has sponsored the Director's election to the Board, either during or after his or her service as a Director of the Company, except with authorization of the Board or as may be otherwise required by law.
- Confidential Information includes all non-public information entrusted to or obtained by a Director by reason of his or her position as a Director of the Company. It includes, but is not limited to, the content of any discussions related to the Company among Directors or Directors and members of management of the Company, any non-public information provided to a Director at meetings of the Board or its committees, and any non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed, such as:
  - Non-public information about the Company's financial condition, prospects or plans, its marketing and sales programs and research and development information, as well as information relating to mergers and acquisitions, stock splits and divestitures;
  - Non-public information concerning possible transactions with other companies or information about the Company's customers, suppliers or joint venture partners, which the Company is under an obligation to maintain as confidential; and
  - Non-public information about discussions and deliberations relating to business issues and decisions, between and among employees, officers and Directors.
- It is the sense of the Board of Directors that communications between Directors and the press or other media on matters pertaining to the Company and/or the Board should be centrally coordinated. The Board has delegated the role of spokesperson for the Board to the Chair. Responding to press or other media requests for comment may result in inadvertent disclosure of Confidential Information. Therefore, Directors should forward all requests for comments or information about the Company to the attention of the Chair and the CEO, and Directors should discuss how best to handle such requests for comments with the Chair and the CEO prior to responding.
- Nothing in this Policy is intended to limit: (1) the role of the CEO as spokesperson for the Company; or (2) the ability of the CEO to further delegate to appropriate members of management authority for speaking on behalf of the Company to the press or other media.

### **Identifying and Evaluating Nominees for Director**

- To address its responsibility to identify, evaluate and recommend prospective director nominees to the Board, the Corporate Governance and Nominating Committee has adopted these procedures.
- The Committee regularly reviews the current composition and size of the Board.
- The Committee annually evaluates the performance of the Board as a whole and the performance and qualifications of individual members of the Board eligible for re-election at the annual meeting of shareholders.

- In evaluating and identifying candidates, the Committee has the authority to retain and terminate any third party search firm that is used to identify director candidates, and has the authority to approve the fees and retention terms of any search firm.
- The Committee reviews the qualifications of any candidate who has been properly recommended or nominated by a shareholder, as well as any candidate who has been identified by management, individual members of the Board or, if the Committee determines, a search firm. Such review may, in the Committee's discretion, include a review solely of information provided to the Committee or may also include discussions with persons familiar with the candidate, an interview with the candidate or other actions that the Committee deems proper, including the retention of third parties to review potential candidates.
- The Committee evaluates each candidate in light of the general considerations and specific qualifications specified below under "Director Qualifications".
- After reviewing and considering all candidates presented to the Committee, the Committee recommends a slate of director nominees to be approved by the full Board.
- The Committee endeavors to promptly notify, or cause to be notified, all director candidates of its decision as to whether to nominate such individual for election to the Board.
- Final approval of a candidate is approved by the full Board.

### **Majority Voting Policy**

- The Board endorses the principle of using a majority vote standard for director elections as set forth in the Company's Bylaws and the following guidelines.
- In an uncontested election of directors (i.e. an election in connection with which none of our stockholders has provided our Secretary notice of an intention to nominate one or more candidates to compete with the Board's nominees or in connection with which stockholders have withdrawn all such nominations by the tenth day preceding the date we mail our notice of meeting to our stockholders), if any nominee for director receives a greater number of votes "against" his or her election than votes "for" his or her election (a "Majority Against Vote"), the Board expects such director to tender his or her resignation promptly following the Majority Against Vote for consideration by the Corporate Governance and Nominating Committee.
- The Corporate Governance and Nominating Committee will then promptly consider the resignation, taking into account all of the factors the Committee deems relevant, and recommend to the Board the action to be taken with respect to such director, which can range from accepting the resignation, to maintaining the director but addressing what the Committee believes to be the underlying cause of the Majority Against Vote, to resolving that the director not be re-nominated for election in the future, to recommending against accepting such director's resignation.
- The Board will then consider and act on the Corporate Governance and Nominating Committee's recommendation. In reviewing such recommendation, the Board will consider the factors considered by the Corporate Governance and Nominating Committee and such additional information and factors (if any) as the Board believes to be relevant. The Board expects any director who is subject to a Majority Against Vote to abstain from participating in the Corporate Governance and Nominating Committee's

recommendation and the Board's consideration of the action to be taken with respect to his or her resignation.

- To the extent that one or more directors' resignations are accepted by the Board, the Corporate Governance and Nominating Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.
- If a majority of the members of the Corporate Governance and Nominating Committee receive a Majority Against Vote at the same election, then a Board committee shall be formed solely for the purpose of considering such resignations, composed of at least three independent directors (as defined elsewhere in these Corporate Governance Principles), none of whom shall have received a Majority Against Vote at the most recent stockholder meeting; provided, however, that if there are fewer than three independent directors then serving on the Board who have not received Majority Against Votes at the most recent stockholder meeting, then the Board committee shall be comprised of all the independent directors, and the Board expects each independent director who received a Majority Against Vote at the most recent stockholder meeting to recuse himself or herself from the Board committee and Board's deliberations and voting with respect to his or her individual resignation.
- The Board shall only nominate for election or reelection as a director a candidate who has agreed to promptly tender an irrevocable resignation if he or she receives a Majority Against Vote at any stockholder meeting where majority voting is applicable, which resignation shall automatically become effective in the event that the Board accepts such resignation. In addition, the Board shall fill director vacancies and new directorships only with candidates who agree to tender the same form of irrevocable resignation.
- In a contested election of directors (i.e., an election in connection with which a stockholder has provided our Secretary notice of an intention to nominate one or more candidates to compete with the Board's nominees and such nomination has not been withdrawn by the tenth day preceding the date we mail our notice of meeting to our stockholders), directors are elected using a plurality standard, which means that the nominees who receive the most affirmative votes are elected to serve as directors.

### **Director Qualifications**

- General Considerations. A candidate will be considered in the context of the current perceived needs of the Board as a whole. Generally, candidates and nominees must reflect a Board that is comprised of directors who (i) are of high integrity, (ii) have qualifications that will increase overall Board effectiveness and (iii) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to audit committee members.
- Specific Qualifications. In addition, the following specific qualifications may be considered:
  - The current size and composition of the Board, and the needs of the Board and its committees.
  - Previous experience serving on a public company board, or as a member of the senior management of a public company.
  - Whether the candidate would be an independent director as defined under all applicable regulations, including the rules of the NYSE and the SEC.

- The possession of such knowledge, experience, skills, expertise and diversity so as to enhance the Board's ability to manage and direct the affairs and business of the Company.
- Key personal characteristics such as strategic thinking, objectivity, independent judgment, integrity, intellect, and the courage to speak out and actively participate in meetings.
- Knowledge of, and familiarity with, information technology.
- The absence of conflicts of interest with the Company's business.
- A willingness to devote a sufficient amount time to carry out his or her duties and responsibilities effectively, including, at a minimum, a commitment to attend at least 6 Board meetings per year and serve on a committee.
- Whether the candidate is committed to serve on the Board for an extended period of time.
- Diversity of thinking or background.
- Such other factors as the Corporate Governance and Nominating Committee may consider appropriate.

#### **Shareholder Recommendations and Nominations for Director**

- Recommendations. It is the policy of the Corporate Governance and Nominating Committee to consider recommendations for candidates to the Board from shareholders.
  - A shareholder that desires to recommend a candidate for election to the Board must direct the recommendation in writing to Quantum Corporation, attention: Company Secretary, 1650 Technology Drive, San Jose, CA 95110. The letter must include the candidate's name, contact information, detailed biographical data, relevant qualifications (in light of the Company's established director considerations, as described above), information regarding any relationships between the candidate and the Company, a statement from the recommending shareholder in support of the candidate, references, and a written indication by the candidate of her or his willingness to serve, if elected.
- Nominations. A shareholder that desires to nominate a person directly for election to the Board must meet the deadlines and other requirements set forth in Section 2.5 of Quantum's Bylaws, and the rules and regulations of the Securities and Exchange Commission. Quantum's Bylaws can be found at the corporate governance section of Quantum's website ([www.quantum.com](http://www.quantum.com)).

#### **Role, Composition and Responsibilities of Committees**

- Currently the Company has three committees: the Audit Committee, the Leadership and Compensation Committee and the Corporate Governance and Nominating Committee. Each of these committees must operate in accordance with applicable law, their respective charters as adopted and amended from time to time by the Board, and the applicable rules of the SEC and the NYSE. These committees are made up solely of independent directors.

- The Corporate Governance and Nominating Committee recommends to the Board the roles and responsibilities, membership and chairs of each committee, in consultation with the Chair of the Board.
- The chair of each committee determines the frequency, length and agenda of meetings of the committee. Sufficient time to consider the agenda items is provided. Materials related to agenda items are provided to the committee members sufficiently in advance of the meeting to allow the members to prepare for discussion of the items at the meeting.

### **Meetings of Non-management Directors**

- The Board will have at least four regularly scheduled sessions a year for the non-management directors without management present. The Chair will set the agenda and act as chair at these meetings.

### **Ethics; Conflicts of Interests; Reporting of Concerns**

- The Company expects its directors, officers and employees to act ethically at all times and, at least annually, to acknowledge their adherence to the policies comprising the Company's code of business conduct and ethics, "The High Road."
- If a conflict of interest arises for a director or senior officer, that person shall promptly inform the Chair of the Corporate Governance and Nominating Committee, who, in consultation with the Chair, will determine if the matter needs to be brought to the attention of the full Board. The Board shall resolve any conflict of interest question involving the CEO or senior management, based upon the recommendation of the Corporate Governance and Nominating Committee. If the Board agrees that a conflict of interest would directly or indirectly impact a director's ability to fulfill his or her directorship obligations, and that the conflict cannot be adequately addressed in another manner, this will be communicated back to the director who shall, if requested, resign from the Board.
- Interlocking director relationships are prohibited. In other words, directors who are also officers of the Company cannot serve on another director's Board if that director is also an officer of that company.
- Anyone who has a concern about the Company's conduct, or about the Company's accounting, internal accounting controls or auditing matters, may communicate that concern to the independent directors, including any member of the audit committee. Such communications may be confidential and anonymous, and may be reported by phone or via the World Wide Web to the toll-free phone number or internet address published on the Company's website. All such concerns will be promptly forwarded to the appropriate directors for their review. The independent directors may direct special treatment, including the retention of outside advisors or counsel, for any concern addressed to them. The Company's code of business conduct and ethics prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve an integrity concern.

### **Management Evaluation, Compensation and Succession**

- The Board is responsible, at least annually, for: i) reviewing and approving the CEO's objectives; ii) evaluating the performance of the CEO in light of these objectives; and iii)

approving the compensation package of the CEO. At least annually, the Board shall also review with the CEO the performance and compensation of senior management.

- The Leadership and Compensation Committee is responsible for overseeing the process of conducting the CEO and senior management evaluations, and for conducting an annual review of the compensation packages of the CEO and senior management, and making recommendations to the full Board on all elements of the compensation packages to ensure they are reasonable, performance-based and aligned with the Company's strategic plans and objectives.
- The Board periodically reviews and maintains a CEO succession plan, including an emergency succession plan.
- The Company's active stock option plans prohibit repricing.

### **Director Evaluation**

- The Board and each of the committees will perform an annual self-evaluation, which will be overseen by the Corporate Governance and Nominating Committee, to determine their effectiveness and opportunities for improvement. In addition, the Board self-evaluation will periodically include performance reviews of individual directors.
- These self-assessments shall be performed at a time determined by the Corporate Governance and Nominating Committee. Prior to the self-assessments, the Corporate Governance and Nominating Committee shall prepare a questionnaire, which will be sent to each director and answered both with respect to the full Board and with respect to the committee[s] on which the director serves.
- The directors are asked to provide responses to an individual named by the Corporate Governance and Nominating Committee for collating and discussion with the CEO, the Chair of the Board and other committee chairs. Except for any comments relating to individual directors, the comments would then be organized and summarized for discussion at the following Board and committee meetings. Any comments about individual directors will be directed for their consideration to the CEO, Chair of the Board and the Chair of the Corporate Governance and Nominating Committee, and to the other committee chairs if appropriate.

### **Director Compensation**

- The Leadership and Compensation Committee shall have the responsibility for recommending to the Board compensation and benefits for non-employee directors. In discharging this duty, the committee shall be guided by three goals: i) compensation should fairly pay directors for work required in a company of the Company's industry, size and market capitalization; ii) compensation should align directors' interests with the long-term interests of the Company's shareholders; and iii) the structure of the compensation should be simple, transparent and easy for shareholders to understand. At the end of each year, the Leadership and Compensation Committee shall review non-employee director compensation and benefits.

## Stock Ownership Guidelines

- The CEO and each director is expected to hold common stock of the Company in an amount equal to at least three-times annual base salary for the CEO and three-times annual Board cash retainer for each director. The following provisions apply to these stock ownership guidelines:
  - Included shares: stock purchased on the open market, stock acquired through exercise of stock options, stock acquired through purchases under the ESPP, vested restricted stock and restricted stock units, stock beneficially owned in a trust and stock held by a spouse and/or minor children.
  - Excluded shares: outstanding stock options (vested and unvested), unvested restricted stock and restricted stock units and unearned performance shares and performance share units.
  - Time period for achieving: the later of (i) 5 years from the date of adoption of these stock ownership guidelines; or (ii) 5 years from the date a director or CEO first becomes subject to these stock ownership guidelines. If the dollar value requirement increases due to base salary/retainer increases, the incremental value increase must be met within 5 years.
  - Measurement/Calculation. Compliance with these guidelines will be measured as of the last day of each fiscal year. The stock value will be calculated as of the last day of each fiscal year and will be equal to the higher of (i) the actual cost of the shares of stock held (which includes the purchase price of shares of stock on the date of purchase, the value of shares of stock acquired on the date of exercise of stock options or the value of shares of stock acquired on the date of vesting of restricted stock and restricted stock units) or (ii) the fair market value of the shares of stock on the last day of the fiscal year.
  - Holding Periods. There are no holding period requirements with respect to any stock grants or stock awards, whether or not the stock ownership guidelines have been met.

## Director Orientation and Continuing Education

- The Company has a full orientation process for new Board members that includes meetings with key management, visits to Company facilities and materials or briefing sessions on subjects that would assist them in discharging their duties.
- Directors are encouraged to pursue ongoing education and development studies on topics that they deem relevant given their individual backgrounds and committee assignments.

## Board Process; Agenda

- The Chair sets the agenda for Board meetings. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chair of that committee. Any member of the Board may request that an item be included on the agenda.
- Board discussions will encourage independent thinking among Board members and management will solicit Board members' thinking and suggestions as to how the Company's strategy and operations can best serve the long-term interests of the shareholders.
- Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the directors to prepare for discussion of the items at the meeting.

- At the invitation of the Board, members of senior management recommended by the Chair and CEO attend Board meetings or portions thereof for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board are made by the manager responsible for that area of the Company's operations.

**Periodic Review and Disclosure**

- These principles are reviewed by the Board periodically as appropriate, and at least annually.
- These principles along with the Committee Charters will be disclosed on the Company's website and, as appropriate, each year in the Company's annual proxy statement.