

## THE POLICY

Quantum Parties (as defined below) must always use good judgment when giving or accepting business gifts, meals or other entertainment to or from third parties. If it seems inappropriate, it probably is. Generally, giving or accepting business gifts, meal or other entertainment to or from third parties is acceptable, provided that:

1. The value of the gift is at or below US\$150, even if promotional in nature (see special rules for gift cards below), and may not be given to or received from the same third party more than two times per calendar year; or
2. The value of entertainment, including business meals, may not exceed US\$500, and may not be given to or received from the same third party more than four times per calendar year.

Any exceptions to the value and frequency limits must be preapproved by your functional vice president and Quantum's compliance team.

Quantum Parties are never permitted to offer, give, or accept gifts, meals, entertainment or other payments in conjunction with, or close proximity to, a major business decision such as a contract award or sales opportunity, or in an attempt to influence a business decision unless the gift:

1. Falls within the scope of an approved marketing incentive program or promotion; or
2. Has been approved in advance by Quantum's compliance team.

Offering or providing payments, gifts, or services to a government official requires pre-approval from Quantum's compliance team in all cases, regardless of value.

Offering, giving, or accepting cash or cash equivalent gifts is not permitted, with the narrow exception of low-value gift cards that are redeemable for consumable items, as described in more detail below.

## THE DETAILS

### **Background**

Working with third-party individuals and companies to promote Quantum and further its business opportunities is an important aspect of supporting Quantum's success. Nurturing and growing those relationships with third parties often involves the appropriate giving or receiving of gifts, meals, or other entertainment; however, those activities can also raise questions about impropriety or bribery. Because of that, you should know how to avoid situations where gifts or entertainment could be construed as inappropriate or intended to influence business decisions.

### **Purpose and Scope**

Quantum is committed to transparency and compliance in its gifting and entertaining activities and has created this Gifts and Entertainment Policy (the "Policy") to assist Quantum and its directors, officers, employees, suppliers, contractors, subcontractors, consultants, and agents (the "Quantum Parties") in understanding Quantum's expectations surrounding gifts and entertainment. This Policy applies to all Quantum Parties worldwide, and all Quantum Parties are expected to comply with its requirements.

### **Summary of Requirements**

In general, business gifts, meals, and other entertainment are allowed if they:

1. Have a legal, business-related purpose appropriate to the nature of the relationship between giver and recipient;
2. Do not violate applicable laws or customs in the country of the giver or recipient or the corporate policies, contractual agreements, or codes of conduct applicable to either party;
3. Would not embarrass Quantum or its business partners if publicly disclosed;
4. Are appropriately documented, approved, and fully visible to senior management for both organizations;
5. Are not given to or received from government personnel or affiliates;
6. Are not intended to improperly influence or reward the recipient's actions or behaviors, and would not be perceived that way;
7. Comply with the requirements of this Gifts and Entertainment Policy as well as [OnTraQ](#), Quantum's [Anticorruption Policy](#), and any applicable provisions of Quantum's expense reimbursement policies; and
8. Are reported and treated in compliance with Quantum's expense reimbursement policy and applicable national, state, or local tax requirements.

## ***Guidelines for Compliance***

### Distinguishing between Gifts and Entertainment

Business gifts are typically tangible items given in recognition of a business relationship or a milestone for a business contact (like the birth of a new baby or an anniversary), and may include things like a bottle of wine, a box of chocolates, flowers, Quantum gear, or tickets to an event where the giver does not accompany the recipient.

Business entertainment, which can include meals, is typically an opportunity for the giver and the recipient to build or enhance a business relationship, and is something the giver and the recipient do together, such as a business meal, a round of golf, or attending a concert or a show.

### Gift Cards

Quantum prohibits giving or accepting gifts of cash (including gifts cards, vouchers, red envelopes and other cash-like items) with the following, narrow exception: gift cards with a value of US\$25 or less, that are only redeemable for consumable items (such as coffee, ice cream, or flowers) are acceptable, but may only be given to or accepted from the same third party a total of two times per year. Giving or accepting gift cards in excess of US\$25 and to the same third party more than two times per year must be approved in advance by the Quantum compliance team.

### Government Officials

It's also important to note that the definition of who constitutes a government official is often broadly construed. Government officials usually include employees of the government, but can also include employees of government-run or government-owned companies, government agencies (such as government-funded universities, banks, or hospitals), political parties or candidates, family members of government employees, or anyone with political influence, even if there is no formal government tie. In certain countries, government investments in research companies, technology companies, and transportation providers must also be considered. If there are any questions or uncertainty about whether an individual or entity could be considered a government official in the context of this policy, please contact Quantum's compliance team for assistance.

### Marketing Promotions

Hospitality events and marketing and incentive promotions can create concerns if they are not managed appropriately, as they may be confused as gifts or bribes. Because of this, marketing promotions should be carefully designed with transparency and fairness in mind. Incentive programs with clear eligibility rules that are equally available to anyone (excluding government customers) who objectively meets those rules will also help ensure that such programs are not perceived as inappropriate. Any new customer hospitality or incentive programs should be introduced only after reviewing the answers to the following questions with the legal department:

1. What are the eligibility rules? Are government customers excluded?
2. What actions must be taken to qualify for the incentive?
3. What actions must be taken once the incentive is received?
4. Would the same actions be taken if no incentive was provided?
5. Would the customer consider the incentive to be a payment or reward for the actions taken?

There may be circumstances where the exchange of gifts or business entertainment that exceed the value and frequency limits in this policy is appropriate, such as when not doing so would be considered culturally offensive and harm legitimate business relationships. In such cases, more valuable gifts may be given or received, if they are first reported to and approved by Quantum's compliance team.

### ***Reporting Violations***

You are expected to promptly report any actual or suspected violation of this Policy. Such reporting can be made in several ways, including through (i) your Quantum management team or contact; (ii) Quantum's legal department; (iii) Quantum's ethics committee at [ethics.committee@quantum.com](mailto:ethics.committee@quantum.com) or [compliance@quantum.com](mailto:compliance@quantum.com); (iv) EthicsPoint, Quantum's third party reporting service, at [www.ethicspoint.com](http://www.ethicspoint.com); or (v) as otherwise described in Quantum's [Policy on Reporting Concerns](#). Failure to comply with this Policy, or failure to report known or suspected violations of it, may result in disciplinary action for the involved Quantum Parties, up to and including termination.

### ***Executive and Employee Commitment***

Full compliance with gifts and entertainment guidelines is of paramount importance to Quantum and its regular business practices. Because of that importance, Quantum may require certain Quantum Parties to provide written or electronic acknowledgement of their understanding of this Policy, commitment to ensuring Quantum's adherence to it, and the consequences of Policy violations.

***Further Information***

If you have questions or comments regarding compliance with this Policy, please contact Quantum's legal department or compliance team for assistance.