

Pioneer Group CSR Report 2010



On the Release of the Pioneer Group
CSR Report 2010

This report covers the philosophy and activities of Pioneer Corporation and the Pioneer Group.

Pioneer's philosophy is to "Move the Heart and Touch the Soul." Through its products and services that provide audio and visual information, Pioneer seeks to communicate, connect and cooperate with people both within and outside the Company. In this way, we hope to join hands with as many people as possible and to share their experiences.

Through this report, we are confident that readers will gain an overall picture of the business activities of the Pioneer Group, and we hope that this leads to further dialog with stakeholders.

Scope of the Report

Period covered:
This report covers fiscal 2010, the fiscal year ended March 31, 2010, as well as earlier initiatives and more recent activities.

Organizations covered:
Pioneer Corporation and the 103 consolidated subsidiaries of the Pioneer Group (as of March 31, 2010)

Date of issue:
November 2010

Related Reports

- Pioneer provides financial information through a variety of regularly published financial reports including its Annual Report, and within the "Investor Relations" section of its website.

 <http://pioneer.jp/corp/ir/index-e.html>

- Detailed reports of the Company's environmental initiatives are also presented on its website.

 <http://pioneer.jp/environment-e/>

- Pioneer provides information concerning its technology development and R&D through presentations at conferences and on its website.

 <http://pioneer.jp/crdl-e/index.html>

Relevant Guidelines

- *Environmental Reporting Guidelines* (2007 edition) published by the Ministry of the Environment in Japan
- *Sustainability Reporting Guidelines* (G3) published by the Global Reporting Initiative (GRI)

Corporate Names in This Report

- "Pioneer" or "the Company" indicates Pioneer Corporation, and "the Pioneer Group" or "the Group" indicates Pioneer Corporation and its consolidated subsidiaries.

Pioneer Group CSR Report 2010: Table of Contents

- 3 Message from the President
- 4 Group Philosophy and Vision

Integrity in Business Activities

- 5 To Continue as a Company Trusted and Supported by Society
Corporate Governance / Foundation of Pioneer's Decisions and Actions / Internal Control System and Risk Management / Crisis Control Measures / Full Compliance and the Internal Whistleblowing System / Exclusion of Antisocial Forces / Appropriate Disclosure of Management Information / Security Export Control / Ensuring Fair Trade / Protection of Intellectual Property and Copyright / Information Security and Protection of Personal Information / Policy Regarding Material Procurement Suppliers

Customer Satisfaction and Trust

- 11 To Win Customers' Satisfaction and Trust
Quality Assurance Philosophy / Initiatives toward Ensuring Product Safety / Response to Public Regulations concerning Products / Upstream Initiatives for Quality Assurance / Preventive Measures Using Analysis and Evaluation / Initiatives for Improving Perceived Quality / Customer Support and Service / Responding to Customer Queries / Product Repair Service / Offering Peace of Mind and Satisfaction

Environmental Preservation

- 17 Environmental Management Philosophy and Initiatives
Organization of Pioneer Environmental Preservation Activities / Pioneer Environmental Mark / Environmental Vision: "True Integration of Corporate Activities and Environmental Preservation Activities" / Integrated Environmental Management System / Environmental Risk Management / Pioneer's Environmental Impact / Main Targets and Results in Fiscal 2010 / Pioneer's Environmental Accounting / Environmental Communication / The Pioneer Environmental Contribution Award and COCO-chan Campaign
- 21 Eco-Plants
Reducing CO₂ Emissions / Recycling Resources with the 3Rs / Reducing Environmentally Hazardous Substances / Green Purchasing in Japan / Combating Global Warming / Logistics Initiatives
- 23 Eco-Products
Eco Product Creation Initiatives / Combating Global Warming / Environmental Data

Respect for Employees

- 25 To Work Energetically with Mutual Respect for Each Other
Realizing the Group Vision / Respect for Human Rights / Workplace Diversity / Mental Health Care / Preventing Work-Related Accidents / Personnel Development

In Harmony with Society

- 27 Social Contribution Activities
Audio and Visual: "Listen through the Body" Concerts / Environmental Conservation: Pioneer Forest / Supporting Education: Hands-on Craft Workshops / Social Action Programs of the Pioneer Group
- 29 Communication with Society
Shareholders, Investors and Society / Customers / Material Procurement Suppliers / Dealers / Local Communities / Labor Unions

Organizational Overview

- 30 The Pioneer Group's Globally Expanding Network / Corporate Profile





Message from the President

Endeavoring to realize its Group Philosophy—Move the Heart and Touch the Soul—Pioneer has brought to market numerous breakthrough electronic products since its founding in 1938.

This philosophy embodies the desire to share a constellation of experiences with humankind as a whole, and guides the Pioneer Group's activities and aspirations. Going beyond national and ethnic boundaries, we hope to deliver untold wonders through communication that encompasses sight, sound and information. This is indeed the *raison d'être* of Pioneer Corporation and the driving force of its social contribution activities.

Notwithstanding, the Pioneer Group has incurred a net loss for the past six consecutive fiscal years, and continues to confront a harsh operating environment. In the fiscal year ended March 31, 2010, management made several extremely difficult decisions under the banner of comprehensive structural reform. In addition to a complete withdrawal from the display business, the Group reorganized its business portfolio positioning the car electronics business at its core. At the same time, steps were taken to streamline business scale, encompassing major cutbacks in personnel, the closure and consolidation of business sites and the relocation of the Group's head office. These measures caused considerable pain and hardship to stakeholders including employees, local communities, shareholders and business partners.

With the support and understanding of all of its stakeholders, the Pioneer Group has successfully completed the initial steps toward structural reform. The fruits of these labors emerged during the second half of fiscal 2010, the year ended March 31, 2010, with a return of the business to profitability at the operating income level. Despite little or no change in the harsh operating climate, I am confident that the Pioneer Group now stands at the starting line for renewed growth.

In April 2010, Pioneer formulated its 2015 Vision: "Spread the smiles. Feel the vibes. Share the passion. Pioneer engages you anytime, anywhere." This vision points to a clear and specific image of how the Pioneer Group seeks to evolve, and sets guidelines and targets across each of the five broad perspectives of relationships with customers; company, employee and corporate culture; products and value propositions; relationships with society and business partners; and, presence on the street, in the car and at home, to be achieved by 2015. In this way, the 2015 Vision provides Pioneer with the policies to commence its journey along a path of renewed growth.

Pioneer has also formulated growth strategies and a medium-term plan to provide a roadmap to lead the Group toward realizing its vision. After securing improvements in the earnings platforms of existing businesses through structural reform, we plan to embark on a period of growth and expansion. To this end, Pioneer has put forward the five growth strategies of pursuing every opportunity to significantly reduce costs; reinforcing strategic alliances; expanding businesses in emerging markets; establishing new business models in car electronics; and developing new businesses. We will work toward business expansion through the priority allocation of management resources to businesses that can be expected to experience future growth.

The Pioneer Group recognizes that in fulfilling its corporate social responsibilities, it must continue to deliver products and services that move the hearts and touch the souls of as many people as possible throughout the world, as it carries out business activities in a sound manner that meets social expectations. In this context, we will continue to build a management foundation characterized by long-term stability, and find solutions, one by one, for the many ongoing problems and hurdles that we face. Through these means, we will address the various social issues raised by the Group's wide-ranging and diverse stakeholders.

As we work toward achieving these goals, we kindly request your continued support and understanding.

November 2010



Susumu Kotani
President and Representative Director

Group Philosophy and Vision

Pioneer's mission and *raison d'être* within society is expressed in its Group Philosophy: Move the Heart and Touch the Soul. With a view to realizing this philosophy, Pioneer established the 2015 Vision in April 2010 after taking business conditions into consideration. This vision provides an image of the type of corporate group that Pioneer seeks to evolve into and shines a light toward achieving the ultimate goal espoused in the Group Philosophy.

Group Philosophy

"Move the Heart and Touch the Soul"

**A New Pioneer Begins with You
2015 Vision**

**Spread the smiles
Feel the vibes.
Share the passion.
Pioneer engages you anytime, anywhere.**

This new corporate vision embodies Pioneer's renewed commitment to "being one with its customers," "smiles and passion" and "growth." Specifically, Pioneer strives to become:

- A company that takes a position to be one with its customers and keeps them in the loop in creating new products and values.
- A company whose employees pride themselves on helping customers keep going with smiles and passion with their own.
- A company whose employees cooperate with each other with smiles and passion.
- And a company whose growth derives from its customers' personal growth along with its employees' personal and professional growth.

The word "engage" used in the vision statement represents a sense of involvement and a sense of purpose that are shared and externalized through dialogues between customers and employees, among employees, and between employees and the company.

We would like to spread and share these wishes among ourselves thoroughly, and actualize our 2015 Vision. In addition, we would also like to be a helpful partner for customers, business partners and our society to spread smiles, feel the vibes and share the passion.

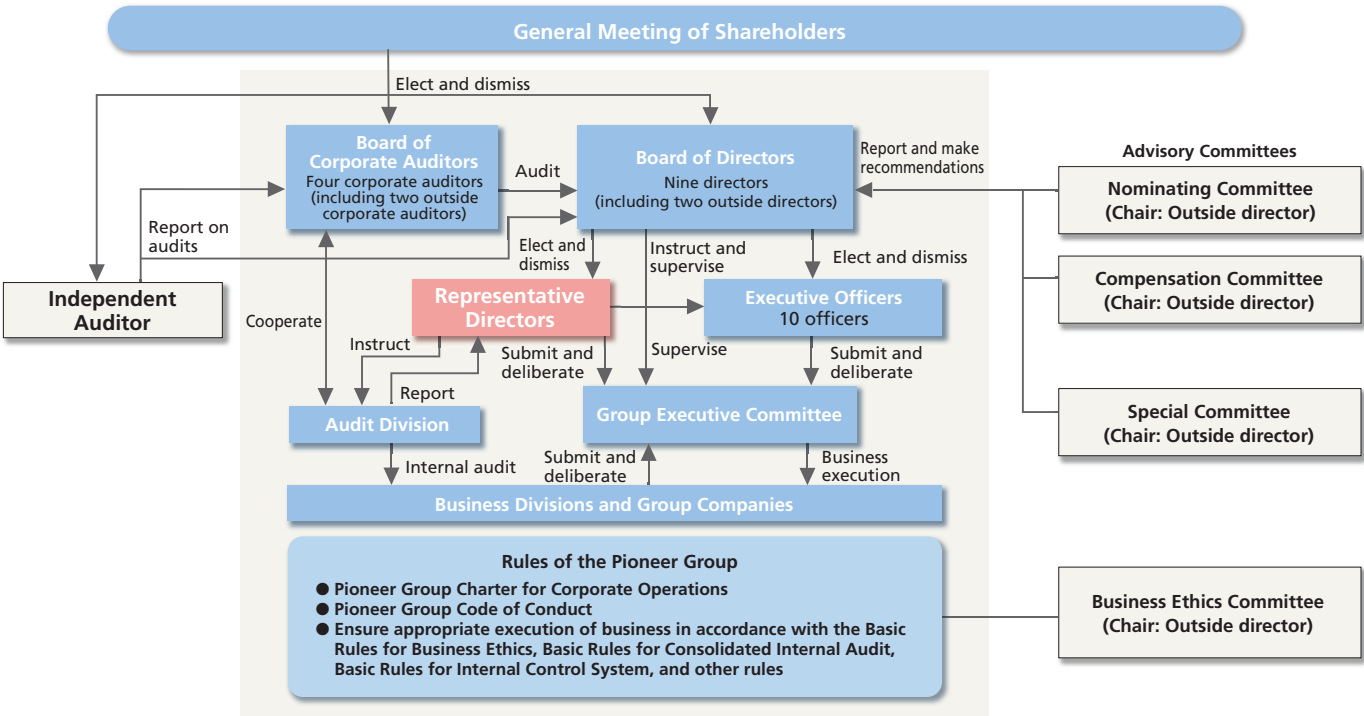


Corporate Governance

Under the Companies Act of Japan, Pioneer has elected to structure its corporate governance system with a Board of Corporate Auditors. The Board of Directors, which includes several outside directors, decides on fundamental issues such as management policies and supervises the execution of business activities, while the Board of Corporate Auditors audits the directors' performance of their duties. Based on this

institutional structure, Pioneer has adopted an executive officer system to expedite the execution of business activities and clarify the responsibilities for each business. Meanwhile, aiming to enhance the transparency of decision making, Pioneer has established the Group Executive Committee and voluntary advisory committees to the Board of Directors.

Corporate Governance Structure (As of June 25, 2010)



Board of Directors and Board of Corporate Auditors

Pioneer has adopted a corporate auditor system of corporate governance. Under this system, the Company has established the Board of Directors as a decision-making body for matters of the highest importance such as management policies, and as a supervisory body. The representative directors are responsible for business execution, while the Board of Corporate Auditors is responsible for auditing. In fiscal 2010, the fiscal year ended March 31, 2010, the Board of Directors held 10 meetings, while the Board of Corporate Auditors held 16 meetings.

Several outside directors with a high degree of independence have been elected to strengthen the supervision of business execution. In addition, Pioneer has shortened the term of office of directors to one year. The purpose behind this action is to further clarify the responsibilities of directors and facilitate prompt responses to changes in the business environment by increasing the opportunities for shareholders to elect directors.

Furthermore, the Company has adopted an executive officer system to expedite business execution and clarify the responsibilities for each business.

Group Executive Committee

The Group Executive Committee, which was formed to reinforce decision making, is comprised of directors and executive officers chosen by the Board of Directors, and holds regular meetings once per week, in principle. The Group Executive Committee, under the supervision of the Board of Directors, thoroughly discusses issues such as priorities for advancing business activities, investment projects, group realignment, and group-wide management strategies, as well as medium- and long-term policies, and approves these issues, or in cases where the Board of Directors has decision-making authority, the Group Executive Committee reports on these issues to the Board of Directors. In fiscal 2010, the Group Executive Committee held 35 meetings and deliberated on approximately 150 issues, functioning effectively as part of the management decision-making process in support of the Board of Directors.

Voluntary Advisory Committees

Pioneer has voluntarily established three advisory committees (the Nominating Committee, Compensation Committee, and Special Committee) to support the Board of Directors, each chaired by an outside director. Their goals are to improve management transparency and strengthen corporate governance. These committees report on the results of their deliberations to the Board of Directors, and make related recommendations. The Board of Directors discusses their reports and recommendations, giving due consideration to their content.

Foundation of Pioneer's Decisions and Actions

The Pioneer Group will consistently take note of changes in society as it continues to provide products and services. To fulfill its social responsibilities, the Group intends to gain an understanding of society's expectations through dialog with various stakeholders including shareholders, consumers and customers, local communities, business partners and employees.

In accordance with the Pioneer Group Charter for Corporate Operations, Pioneer has defined the basic principles

for operational decisions and actions in the Pioneer Group Code of Conduct, which applies to directors of the Pioneer Group and to all employees who work for the Company. Each Group company ensures that every officer and employee follows this code while observing the laws and social conventions of their respective countries and regions. In addition, both documents have been translated into 11 languages and distributed throughout the Group.

Pioneer Group Charter for Corporate Operations

- We will provide products and services that are useful, reliable, and safe.
- We will operate our corporate activities fairly.
- We will continue efforts to conserve materials and energy, and reduce impact on the Earth's environment.
- We will strive for fair disclosure of information about our corporate activities.
- We will undertake effective risk management to deal with unforeseen incidents as quickly and sincerely as possible.
- We will properly manage and protect the our assets and rights.
- We will endeavor to contribute to society from a global perspective.
- We will aim to pursue our corporate activities, always with respect for humanity.

Pioneer Group Code of Conduct (Section Titles)

- To Continue as a Company Trusted and Supported by Society
 - Capital Market's Trust
 - Customer Satisfaction: Our Top Priority
 - Compliance as a Multinational Company
 - Environmental Conservation
 - Contributing to Society
 - Strict Measures Against Individuals Endangering Civil Society
 - Public Disclosure
 - Prohibition of Insider Trading
 - Inappropriate Bestowing of Benefits to Shareholders or Investors
- To Win Our Customers' Satisfaction and Trust
 - Safe and High-Quality Products and Services
 - Fair and Appropriate Information
 - Customer Claims and Requests
 - Protection of Customers' Personal Information
- To Establish Fair and Free Business Relations
 - Fair Business Conduct
 - Management of Information from Third Parties
 - Business Conduct with Suppliers and Service Providers
 - Business Conduct with Dealers and Distributors
 - Relationship with Governmental Agencies and Industry Groups
 - Gifts and Entertainment
- To Conclude Our Business Activities Properly and Effectively
 - Risk Management
 - Company Information
 - Intellectual Property
 - Proper Management and Use of Company Assets
 - Proper Accounting Treatment
- To Work Energetically with Mutual Respect for Each Other
 - Respect for Human Rights
 - Workplace Diversity
 - Freedom from Harassment
 - Respect for Privacy
 - Healthy and Safe Working Environment
 - Workplace Information Sharing
 - Abolition of Formal Gift-Giving
 - Political and Religious Activities
- Acting in Accordance with this Code
 - Business Ethics Hotline

The Pioneer Group Charter for Corporate Operations and the Pioneer Group Code of Conduct can be found at the following web page:

<http://pioneer.jp/corp/charter/index-e.html>



Internal Control System and Risk Management

The Pioneer Group regards its system of internal controls as a framework for preventing the risk of impediments to trustworthy management and a countermeasure aimed at addressing crisis situations. In an effort to further consolidate and reinforce this internal control system, the Group has formulated and is expanding the Rules of the Pioneer Group. By ensuring that all members of the Group are fully informed of these Rules, Pioneer Group is taking steps to ensure the adequacy and optimal efficiency of business activity execution throughout the Group.

With the Pioneer Group Charter for Corporate Operations positioned as its foremost component, the Rules of the Pioneer Group also consist of the Pioneer Group Code of Conduct as well as specific rules outlining the scope of responsibility and authority for each Group company and guidelines relating to compliance.

Chaired by a representative director, Pioneer's Internal Control Committee was established in accordance with the Basic Rules for Internal Control System. In addition to consolidating and reinforcing those management systems aimed at addressing risks inherent in the Group's business

activities, this Committee is working to gain a better understanding of the nature and scope of business risks and to formulate effective crisis management countermeasures. The Company manages important risks in a systematic manner in line with policies identified in the Rules of the Pioneer Group. As the organization that oversees these rules, a designated department located within the Company's headquarters is responsible for enhancing their acceptance and understanding by the Group as a whole.

The Audit Division under the direct control of the president takes overall charge of implementing internal auditing throughout the Group as a whole, based on the Basic Rules for Consolidated Internal Audit, which are part of the Rules of the Pioneer Group. Collaborating closely with the internal audit managers from each Group company, the Board of Corporate Auditors, the independent auditor and related parties, the Audit Division engages in wide-ranging audit activities encompassing internal control systems and risk management. Through each audit, the Division endeavors to enhance the efficacy of such critical activities as quality control and environmental protection.

Crisis Control Measures

Forming a part of the Rules of the Pioneer Group, the Basic Rules for Crisis Controls have been formulated to optimize the Group's response in the event of a crisis that has the potential to seriously impact its business and operations. Chaired by a representative director, the Emergency Management Committee has been established as a permanent organization pursuant to these basic rules. In addition to overseeing the education, training and notification processes as they relate to crisis management, the Committee assigns officers, who are responsible for addressing and resolving crisis events and issues, to each division of Pioneer and each Group company. The Crisis Control Manual outlines the roles and responsibilities of each crisis management organization as well as crisis management response procedures and protocol.

In the face of a global influenza epidemic and amid fears of a major earthquake in Japan in the near future, the Pioneer Group places the utmost emphasis on the sanctity of life, and therefore it prioritizes efforts to secure a swift resumption of business activities in the case of a pandemic or crisis event. In addition to formulating the Manual for Natural Disaster which

outlines those measures and actions to be adopted in the event of a disaster or crisis, the Pioneer Group also takes steps to ensure that adequate reserves of emergency food, medical and other supplies are maintained. Placing considerable weight on ensuring appropriate modes of communication, every effort is made through training measures to confirm the efficacy of emergency functions.

In response to the outbreak of a new influenza strain (subsequently diagnosed as exhibiting attenuated virulence) in April 2009, steps were taken to distribute supply stockpiles under instructions issued by the Emergency Management Committee and in accordance with the Guideline for Pandemic Influenza. Making the most of the experience gained, the Pioneer Group undertook a review of its Guideline as well as the adequacy of its existing supplies.

Looking ahead, the Group will consider plans to formulate a business continuity plan that will ensure the timely restoration of its business structure and systems in the event of a major disaster.

Full Compliance and the Internal Whistleblowing System

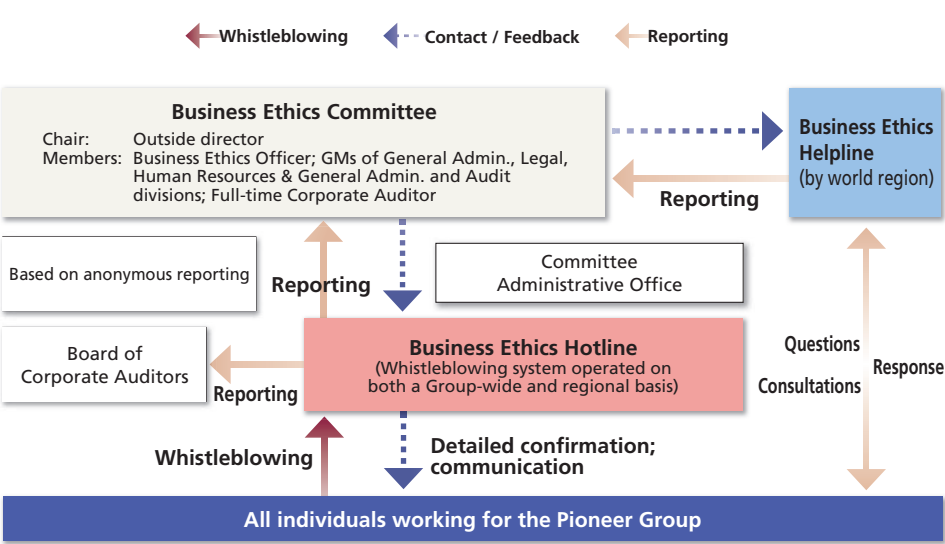
The Pioneer Group complies with all relevant laws and regulations and regards compliance with the requirements of social responsibility as an important aspect in creating an environment where its employees can work with peace of mind. The Business Ethics Committee, chaired by an outside director, was established in accordance with the Basic Rules for Business Ethics, which forms a part of the Rules of the Pioneer Group. This Committee meets once every six months with the aim of ensuring strict adherence to all relevant laws and regulations as well as the Pioneer Group Code of Conduct by all Group directors/executive officers and employees.

Behavior that departs from accepted standards can upset the harmony of the workplace. In order to eliminate any wrongdoing, internal auditing has been consolidated across

the Group. At the same time, the Business Ethics Hotline has been established as an internal whistleblowing system for the entire Group. The Hotline, operated by an external agency, offers a mechanism that can check the details of informants while maintaining their anonymity. The information is also sent simultaneously to the Business Ethics Committee and the Board of Corporate Auditors, enabling them to respond in good faith.

The Committee Administrative Office promotes the Business Ethics Hotline with posts on the intranet bulletin board and by distributing cards that employees are encouraged to carry at all times. This creates an environment that allows employees to report on any wrongdoing they may encounter.

Outline of Whistleblowing and Inquiry Information Flow



Exclusion of Antisocial Forces

In the spirit of undertaking fair corporate activities with respect for social norms as specified in the Pioneer Group Charter for Corporate Operations, the Pioneer Group applies firm, systematic measures as required by the Pioneer Group Code of Conduct to exclude antisocial forces, particularly in the form of organized crime, that threaten the safety and orderliness of

civil society. To achieve this, the Company has designated a department to take overall charge of responding to antisocial forces. The internal framework encompasses liaison with specialist external agencies, sharing information within the Pioneer Group, providing guidance in responding to issues, ensuring communication and other measures.




Appropriate Disclosure of Management Information

Guided by its Basic Rules on Disclosure, which form a part of the Rules of the Pioneer Group, the Group as a whole maintains the basic policy of disclosing accurate management information to all stakeholders including shareholders, investors, customers, suppliers, the mass media and local communities in a timely and appropriate manner. As a matter of course, the Group discloses information required by laws and public regulations. Pioneer also seeks to actively disclose information that may be considered useful for shareholders to make investment decisions and to gain a better understanding of the Group. In addition to this rigorous and fair disclosure of appropriate information, Pioneer engages in highly transparent corporate activities with the aim of deepening the understanding and trust of shareholders, investors and society at large.

Furthermore, taking into consideration certain mandatory provisions introduced from 2009 under the Financial Instruments and Exchange Act, which aim to ensure the adequacy of financial reporting, the Company, in similar fashion to the previous year, obtained confirmation from its independent auditor that its internal control system was again adequate and effective. Details of audit results were submitted together with Pioneer’s securities report in June 2010.

Under the Rules of the Pioneer Group, the Company has formulated Basic Rules for Prevention of Insider Trading. While Pioneer has endeavored to stringently manage information and to implement a management structure and system aimed at preventing insider trading, improper conduct in April 2007 by a former corporate auditor while in active duty was subsequently uncovered in March 2009. Following this discovery, the Company took immediate steps to establish the Committee for the Prevention of Recurrence. Chaired by an outside director, the Committee was charged with the responsibilities of identifying the causes of the incident and to formulate appropriate prevention countermeasures. As a result, Pioneer is successively implementing various initiatives including the tightening of information management as well as regulations relating to the trade of the Company’s shares applicable to directors and employees, while re-emphasizing relevant staff education and training.

Please visit the following website for more information on Pioneer’s disclosure policy:

 <http://pioneer.jp/corp/ir/disclosure/index-e.html>

Security Export Control

As a global company that undertakes its operations within many communities around the world, the Pioneer Group hopes for the maintenance and expansion of international peace and security. Therefore, the Company regards as fundamental principles the international consensus in security export control and compliance with every country’s laws

concerning the regulation of exports. In addition, Pioneer has formulated its Basic Rules on Security Export Controls under the Rules of the Pioneer Group, and appointed one of its representative directors to oversee the appropriate management of export control.

Ensuring Fair Trade

The Pioneer Group has implemented a variety of measures to ensure strict adherence to anti-monopoly laws and regulations. In addition to establishing the Basic Rules on Fair Trade as a part of the Rules of the Pioneer Group, the Company has issued its Monopoly Prohibition Compliance

Manual and has taken steps to promote it throughout the Group. Furthermore, Pioneer continues to augment its fair trade compliance counseling and reporting structure and systems, led mainly by its Legal Division.

Protection of Intellectual Property and Copyright

The Pioneer Group not only maintains and manages intellectual property acquired through technology development and other means, but also undertakes day-to-day measures to respect the intellectual assets of third parties as a matter of principle.

Pioneer and its Group companies have established a copyright liaison meeting for their respective administrators of relevant departments to ensure Company-wide compliance of copyright protection technology in all Pioneer products.

Furthermore, to avoid betraying the trust that customers have in the Pioneer brand, the Company’s business divisions,

Legal & Intellectual Property Division and other related departments work together to eliminate counterfeit goods from the marketplace, which threaten to damage Pioneer’s brand value and social status.

For the benefit of the Group’s employees in Japan, the Company has issued a Q&A booklet concerning the protection of copyright in operational activities. In this context, Pioneer has set up an intranet bulletin board as well as an inquiry desk to answer employees’ questions.

Information Security and Protection of Personal Information

Within the Rules of the Pioneer Group, the Company has formulated the Basic Rules for Information Security Management. These Rules form the basis of the Group’s information security framework and outline the policies and measures to be implemented to ensure the optimal protection, utilization and management of information assets.

Pioneer has also established the Rules for Protection of Personal Information as part of the Rules of the Pioneer

Group, in addition to its publicly available Privacy Policy. Group companies handle all personal information in accordance with these rules and stringently safeguard customers’ interests and rights. Pioneer has never experienced a case of a deliberate leak of personal information, such as external infringements or unauthorized removal of data from the Company.

Policy Regarding Material Procurement Suppliers

The Pioneer Group Code of Conduct requires the Pioneer Group to deal fairly with suppliers on an equal footing, in accordance with relevant laws and agreements. In addition, it requires suppliers to act with awareness of their social responsibility, observing the laws of the countries and regions where they do business, and respecting international agreements of the United Nations, International Labour Organization, Organisation for Economic Co-operation and Development, and so on.

Along these lines, the Company distributes to its material procurement suppliers the Pioneer CSR Procurement

Guidelines, which are grounded in the principles of equity, fairness, environmental conservation and social responsibility.

Across a host of supply chains, from components through to products, the promotion of CSR procurement also helps to fulfill corporate social responsibilities. Pioneer has executed memoranda concerning CSR procurement with a large number of suppliers, instructing them to pursue best practice through procurement activities, and to comply with all relevant guidelines as a matter of course.

To Win Customers' Satisfaction and Trust



Quality Assurance Philosophy

Quality Assurance Philosophy

Offering customers products and services that generate satisfaction and confidence

The Pioneer Group regards ensuring quality as the most fundamental issue in its pursuit of customer satisfaction. Therefore, the Group has formulated its Quality Assurance Philosophy. With the aim of realizing this philosophy, the Group has clarified its quality assurance responsibilities and authority, and is working to improve overall quality. Specifically, the Quality Assurance Council has been established, as well as three committees: the Product Safety Committee, Public Regulations Committee, and Eco Products Committee. These committees operate across organizations within the Pioneer Group as a whole.

The Pioneer Group is further developing its advanced quality programs implemented across the organization based on the quality policy for fiscal 2011, the fiscal year ending March 31, 2011, and is working to ensure that this framework becomes firmly established. Within this framework, Pioneer has identified product safety, public regulations, and product environments as key concepts, and intends that all staff involved in operating processes from development and production through sales and marketing to service become familiar with them. Furthermore, in order to provide products that satisfy its customers, Pioneer believes that the perceived quality that customers expect from products is an essential factor, and reflects this recognition in its product evaluation.

Quality Policy for Fiscal 2011

Providing safe products that fully satisfy customers through Company-wide advanced quality programs

Pioneer Group Quality Assurance Council

- Product Safety Committee
- Public Regulations Committee
- Eco Products Committee

Quality Council comprising business divisions and Group companies

Major quality assurance management system accreditations held:

- ISO 9001 quality management system
- ISO/TS 16949 quality management system for automotive production and relevant service part organizations

Ensuring Product Safety

The Pioneer Group maintains a structure and system for ensuring product safety during the early stages of new product development.

Taking into consideration a broad spectrum of factors including the needs of users as well as the wide-ranging environments in which products will be used, the Group undertakes risk assessment relating to product safety. In implementing measures aimed at addressing individual risks, the Group is working diligently to prevent the chance of an incident occurring from product shipment through to final disposal.

Product Safety Standards and the Product Safety Manual

As a part of the overall product development process, the Pioneer Group has formulated a set of proprietary product safety standards that not only encompass statutory information but also past experience. In adhering strictly to these standards, the Group is endeavoring to deliver enhanced product safety.

In addition, the Group has published the *Product Safety Manual* for product designers and engineers, explaining various vital aspects of product safety as well as other basic concepts. Drawing from resources both within and outside the Group, the manual includes a number of product safety examples. Written in a clearly presented manner, it is used internally as a product safety education and training tool.

Raising Customer Awareness of Safe Usage

The Pioneer website includes information concerning product safety precautions, with clearly presented visual explanations that allow customers to set up and use Pioneer products safely and correctly.

Please visit the following website to view Pioneer's product safety precautions (Japanese only):

<http://pioneer.jp/oshirase/safe/>

Please visit the following website to view Pioneer's important notice concerning product safety (Japanese only):

<http://pioneer.jp/oshirase/>

A highly secure configuration to be incorporated for suspended or hanging products



Example: An automotive speaker fitted with an additional safety wire as a precaution against a fall

Excerpt from the *Product Safety Manual*

Initiatives toward Ensuring Product Safety

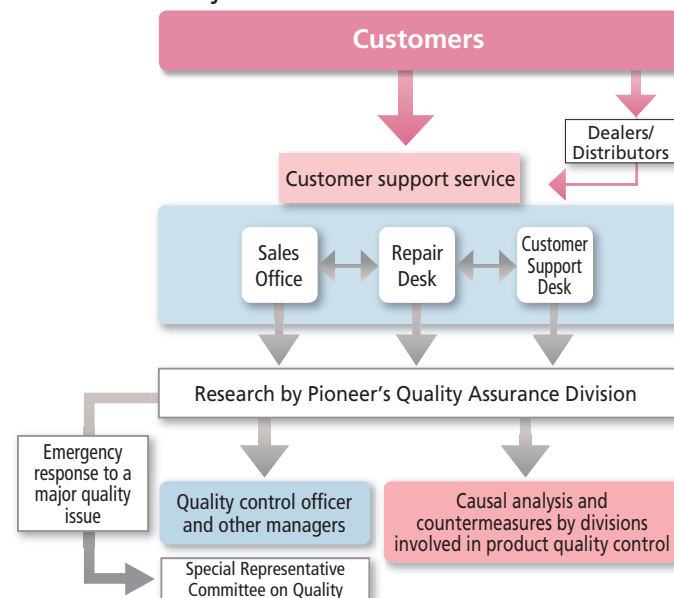
The Pioneer Group has identified basic issues for ensuring the safety of its products, promotional materials, installation work and repairs, and strives to prevent injury to person and damage to property. To achieve this, a framework centered on the Product Safety Committee has been established, and based on the Action Guide of Product Safety, the Group works on a routine basis to prevent incidents and to respond promptly should they occur.

In this context of product safety, information is actively collected from customers, dealers and distributors and collated by the Company's Quality Assurance Division. Reports are then promptly submitted to upper management, and relevant information is fed back to customers, dealers and distributors.

Please visit the following website to view Pioneer's Action Guide of Product Safety:

http://pioneer.jp/corp/csr-e/customer/customer_pu.html

Outline of information flow from Customers concerning Product Safety



Response to Public Regulations concerning Products

The Pioneer Group collects regulatory information from the countries, regions and industries within which it conducts business as well as from international organizations. This information is disseminated by the Public Regulations Committee, which is organized on a Group-wide basis, and is incorporated in the development and manufacture of products. The Group also ensures through its sales divisions that products comply with national and regional regulations before release. Through these means, the Pioneer Group strives to ensure compliance with public requirements for products and promotional materials.

Main Public Regulations concerning Products

- Regulations concerning product approval include safety regulations, electromagnetic compliance (EMC) and electromagnetic interference (EMI) regulations, and communications standards
- Labeling regulations for consumer protection and product certification cover labeling on products, operation manuals, packaging, and other matters
- Environmental regulations

Upstream Initiatives for Quality Assurance

Rapid Acquisition of Market Quality Information and Enhanced Responses to Issues

In the Pioneer Group, information from customers is accurately communicated to relevant divisions for use in sales support and quality improvement activities. For example, at the Customer Support Center in Japan, inquiries and complaints are compiled into a monthly report entitled "The Voice of the Customer," which is distributed to directors, department heads of related divisions and all relevant staff. In addition, the Customer Support Center provides information that can be used for product planning in the periodic meetings with business divisions. Similar activities are undertaken at Pioneer's overseas subsidiaries. In addition to consolidating this sort of regular monthly information exchange, Pioneer will reinforce its response to issues arising in the marketplace. Information about these issues is conveyed via inquiries to the consultation service, along with repair and service information, analysis of returned products, feedback from Internet surveys and so on. The Company will promptly feed this information back to its planning and design departments.

APQP Activities at Pioneer

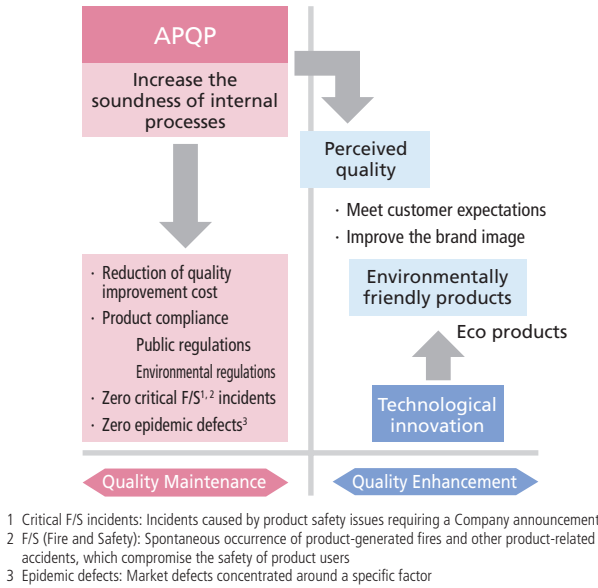
The product development process consists of a complex interaction of various other processes. The initial (upstream) stage of product development starts with planning conception, which has a significant impact on product quality. The steps required for achieving quality targets are identified at this stage. Pioneer uses Advanced Product Quality Planning (APQP), an approach that cuts across various organizations to find and resolve issues quickly.

The Pioneer Group will continue to identify best practices in order to maintain and improve total quality across the Pioneer Group. In fiscal 2011, the Group is identifying steps for achieving the quality targets from the initial stage of product development, and creating systems to enable issues to be found and resolved quickly through team activities in all divisions including sales and services divisions.

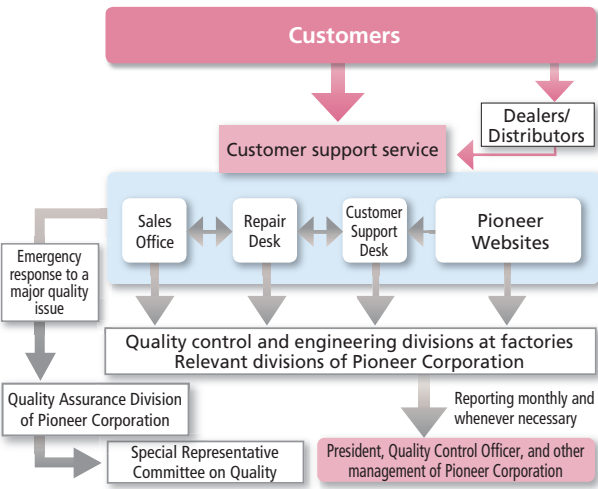
The Four Key Points of APQP

- 1) Predict and prevent problems rather than responding after the fact
- 2) Team activities
- 3) Information on current circumstances is constantly shared
- 4) Effective communication

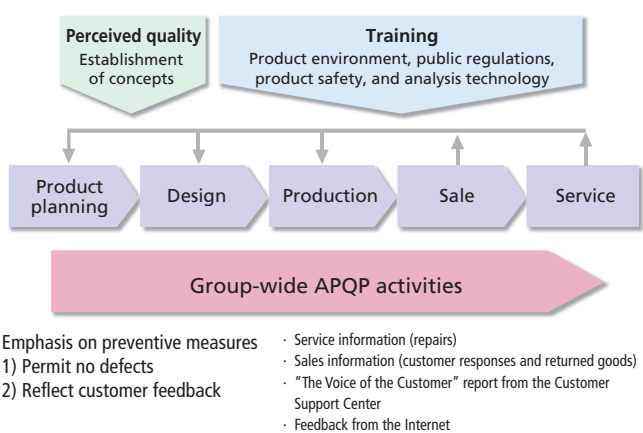
Approach to Activities in Fiscal 2011



Outline of Information Flow from Customers concerning Quality



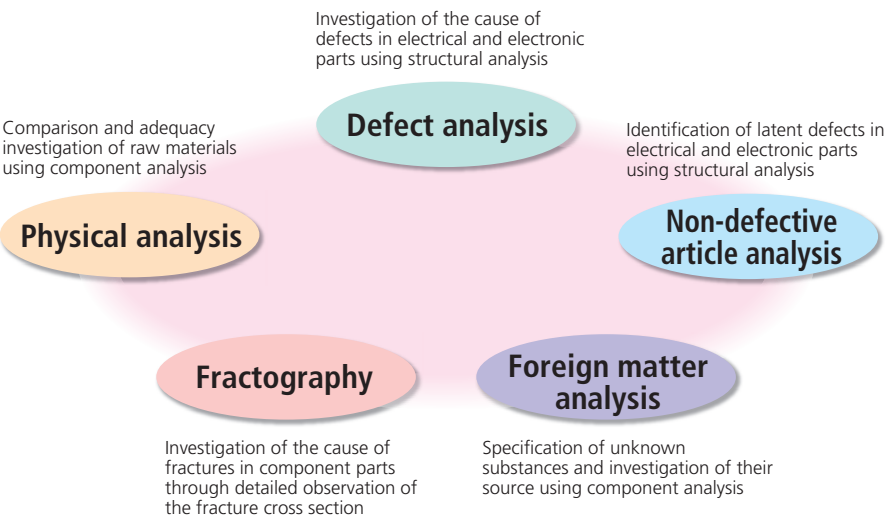
Establishment of a Process Framework Required for High-Quality Product Development



Preventive Measures Using Analysis and Evaluation

The Pioneer Group seeks to resolve quality problems in a timely manner, undertaking preventive measures and prompt and appropriate measures against the reoccurrence of problems. This is important for providing customers with products and services that win their confidence and satisfaction. Therefore, the Group aims to improve its analysis and evaluation technologies for quality problems caused by materials and components, or due to work practices and the working environment at the site of the development and production processes.

For example, the Analysis and Evaluation Center pinpoints the underlying issues and problems that cause defective products by examining market, domestic and overseas Group company, affiliated company and material supplier manufacturing processes utilizing sophisticated analysis evaluation technologies. Through an analysis and evaluation of non-defective articles, the Center obtains know-how that can be reflected in preventive measures in the development and production process to increase the long-term reliability of Pioneer products.



Initiatives for Improving Perceived Quality

In order to improve the usability, universal design, and perceived quality of Pioneer products, the Pioneer Group has established the Pioneer Human Centered Design Promotion Committee to share information, formulate guidelines and undertake other relevant activities.

The Pioneer Group aims to foster a consistent sense of quality based on the factors underlying perceived quality: vision (texture and sense of precision), touch (tactile sensation and operability), and hearing (operating noise and other sounds). The Group is enhancing its product evaluation using sensitivity check surveys, with an emphasis on reflecting customer opinions.



Barrier-free car navigation map that takes account of users with color vision deficiencies

Note: Typically human centered design is a process concept for product development based on the user's perspective, and it conforms to the international standard ISO 13407 for human centered design processes for interactive systems. ISO 13407 defines the concept, for which there are specific standards concerning usability, Internet accessibility and so on.

Customer Support and Service

The Pioneer Group is working to build a framework of the highest quality support and services everywhere around the world. Each year, the Company conducts a customer satisfaction survey concerning its support and services. The results of each survey are channeled directly toward further improvements of customers satisfaction. In this manner, the Group is endeavoring to expand the circle of Pioneer enthusiasts. The Group consistently makes decisions from the customer's viewpoint, building relationships of trust by providing service that appeals to customers and meeting their expectations everywhere around the world.

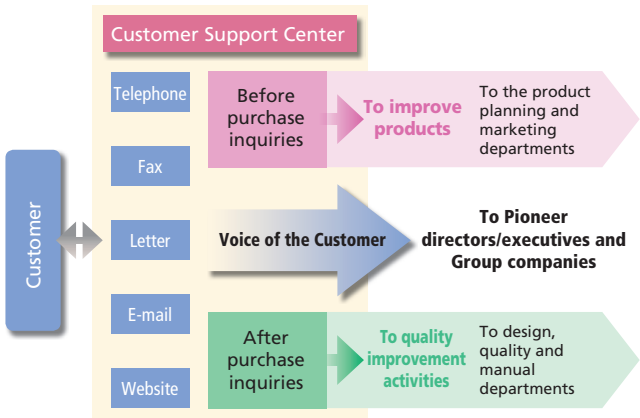
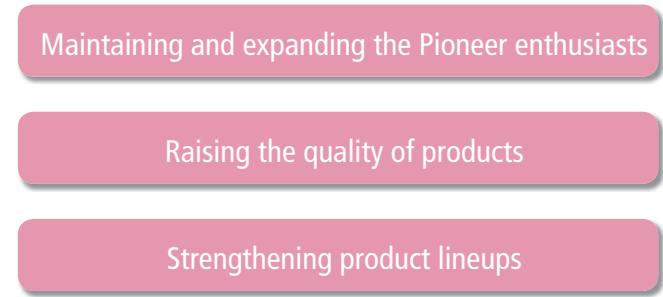
Results of the Independent Customer Satisfaction Survey for Japan

	2008	2009	2010
Overall satisfaction following repairs as reported by the survey	78%	79%	80%
Satisfaction with the Repair Desk	92%	93%	86%
Customer satisfaction with the Customer Support Center	91%	92%	92%
Customer satisfaction with the Parts Ordering Center	4.7 points	4.5 points	4.4 points

Responding to Customer Queries

The Customer Support Center in Japan integrates all the support operations for Pioneer products in the country with the aim of providing clear and effective service from the customer's viewpoint. Every year, the Center responds to approximately 400,000 before- and after-purchase inquiries by telephone and e-mail. The Center does not simply respond to inquiries, but also provides product information from the customer's standpoint, and offers value-added proposals in order to provide a higher level of customer satisfaction. In addition, information from customers including the inquiries and complaints received by customer support departments in Japan and overseas is accurately communicated to relevant divisions for use in sales support and quality improvements.

In fiscal 2010, the Customer Support Center again drew on an evaluation by an external agency to improve the quality of the responses of personnel, including their overall manner, first impressions and friendliness. In addition, the Repair Desk was integrated into the Customer Support Center to enhance operating efficiency.



Inquiries and Response Rate for the Customer Support Center in Japan

	2008	2009	2010
Number of inquiries	421,421	409,861	387,329
Response rate	87.9%	85.0%	80.0%

Inquiry Information Monitoring Experience System
Listening to customers directly at the Customer Support Center enables employees to develop their own insights and more effectively act based on the customer's viewpoint. To ensure that more employees have this opportunity, Pioneer has established an inquiry information monitoring experience system.

<http://pioneer.jp/support/index-e.html>

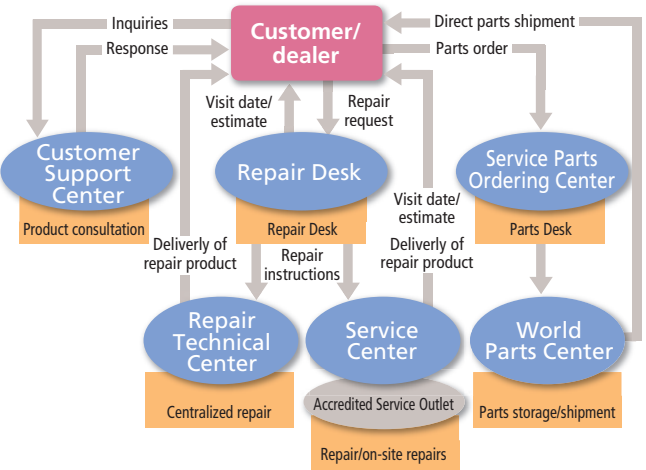
Product Repair Service

Customers in Japan have praised Pioneer's efforts to respond to their expectations and requirements for improved speed of repairs, as well as for clear explanations from the Repair Desk, the courtesy of responses, and the adequacy of repairs and explanations.

In fiscal 2010, the Pioneer Group took steps to strengthen and expand its automotive OEM product service network and

systems worldwide. Carrying on from the previous year, every effort was made to bolster and augment the service network and systems that target such newly emerging growth markets as the BRIC nations (Brazil, Russia, India and China).

Response to Inquiries and Repair Requests in Japan



Number of repairs (in Japan)

2008	2009	2010
390,000	350,000	302,000

Offering Peace of Mind and Satisfaction

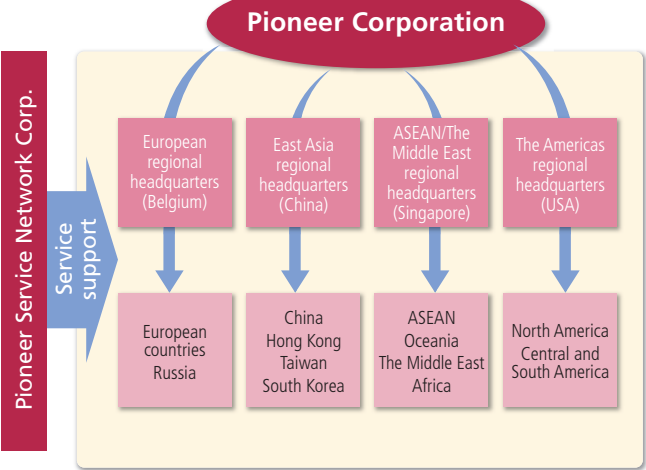
Since its product launch in October 1981, Pioneer has continued to market its laser disc player for close to three decades. Taking into account recent difficulties in procuring specialized parts necessary for manufacturing, the Company decided in April 2009 to cease production. In this context, Pioneer will maintain supplies of component and repair parts for a minimum period of eight years commencing from the date of final production for each model. At the end of this eight-year period, the Company will continue to undertake

laser disc player maintenance and repairs until all supplies of component and repair parts are exhausted. (Replacement parts may, however, be used for requirements other than performance components.)

While the Pioneer Group withdrew from the display business at the end of fiscal 2010, it is continuing to provide the same maintenance and repair services as those proposed for laser disc players in its efforts to offer uninterrupted peace of mind and satisfaction for customers.



Worldwide Service System



Environmental Management Philosophy and Initiatives



Environmental Policies

Philosophy of Environmental Preservation

The Pioneer Group will make efforts to always contribute to maintaining and realizing the rich and safe global environment through our corporate activities, based on the general understanding that it is one of our corporate missions to maintain, improve, and hand over the global environment to the next generation.

Basic Policies of Environmental Preservation

1. Compliance with Laws and Regulations

The Pioneer Group will comply with all applicable laws and regulations, and agreed requirement items in connection with environmental protection, and when necessary, establish voluntary control standards to reduce the negative impact of its activities on the environment.

2. Preservation of Environment

Ozone depleting substances and hazardous substances of environmental concern should be banned from use, switched with a substitute substance, and its discharge restrained. Business activities should consider effects on the ecosystem to reduce such environmental impact, and prevent contamination at the same time. Furthermore, efforts to reduce greenhouse gas emissions and saving of natural resources should be taken into account.

3. Eco Design Product Development

From the designing stage of products, reduction of hazardous chemicals containment, as well as in parts, materials procurement stage, and until the disposal of the product on a total life cycle basis, attention to environmental evaluation and promotions in saving resources, energy, and recycling points for the "product assessment" should be made. Efforts to develop new eco-friendly technologies shall also be implemented.

4. Objectives Management

The Pioneer Group will set goals with subjects and targets to reduce environmental impact by compliance to regulations and preservation of the environment in its products development, making best efforts to achieve these targets.

5. System Promoting Environmental Protection

An All-Pioneer system that contributes to the promotion of environmental protection will be established under the leadership of the officer in charge of the Environmental Management Group of Pioneer Group Headquarters. For such purpose, each division will establish corresponding organizations and optimize the environmental management system.

6. Educational Training

The Pioneer Group will promote to cultivate environmental protection and its policies to all its employees and business partners, including specialized education when necessary.

7. Continuous Improvement

The Pioneer Group will continuously maintain and improve its environmental management system and protection activities performance, by understanding its activities and conducting appropriate measures in accordance with the environmental audits and management reviews.

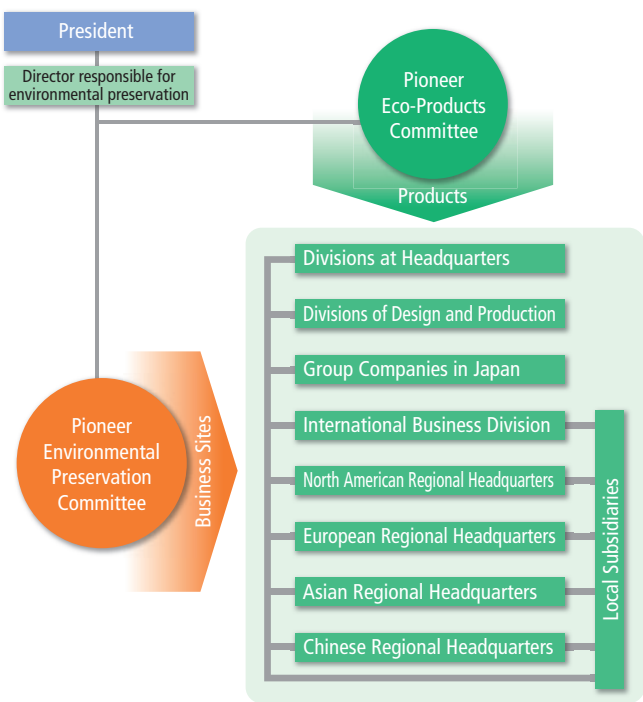
8. Disclosure and Communications

The Pioneer Group will continuously disclose environmental information actively, in every field of its products and corporate activities, to improve environmental activities communicating with the stakeholders.

Organization of Pioneer Environmental Preservation Activities

In 1991, Pioneer launched the Pioneer Environmental Conservation Committee to serve as a group-wide organization to discuss and take action on environmental issues related to business activities at Pioneer facilities, and moreover to enhance the group's efforts to produce environment-friendly products, focusing particularly on reducing the toxic chemicals contained in products. In 2006, the Company inaugurated the Pioneer Eco-Products Committee, which cross-divisionally controls those environmental preservation activities related to products. This current two-committee structure serves as horizontal and vertical axes in promoting overall activities of Pioneer's environmental preservation system to cover both facilities and products.

Structure of Environmental Preservation Activities



Pioneer Environmental Mark

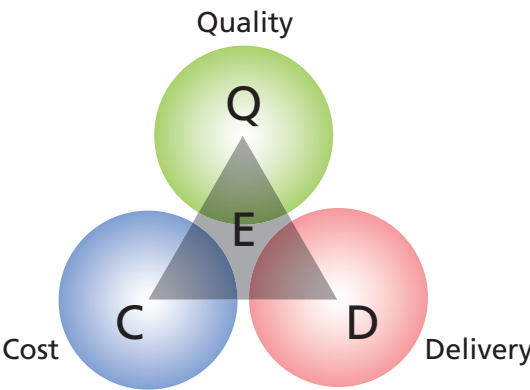
The Pioneer Environmental Mark, a motif of the Earth and two leaves, represents the Earth, the environment and living in harmony. Displayed in Pioneer catalogs, environmental education posters and related materials, the Company's environmental symbol is used throughout the world as both an education tool to raise environmental awareness within the Group and a promotion tool to advance Pioneer's green credentials externally.



Environmental Vision: "True Integration of Corporate Activities and Environmental Preservation Activities"

The Pioneer Group has adopted environmental preservation activities as a corporate mission and an important business challenge. The Group makes every effort to reduce the environmental impact in every process of the product lifecycle, from research and development to planning, design, manufacturing, sales, servicing and disposal.

Reducing environmental impact, i.e. improving environmental quality, is just as important as product quality such as QCD measures in manufacturing. Pioneer has established the concept of environmental quality in its business processes as a contribution to the creation of a sustainable society and actively promotes the true integration of corporate activities and environmental preservation activities. Restoring the precious and irreplaceable Earth will move the hearts of many people.



Integrated Environmental Management System

With the growing importance of environmental preservation activities, particularly measures to combat global warming, it is essential to promote strong, efficient environmental management in order to achieve good results. At such a time, enhancement of the environmental governance of the Pioneer Group is a major issue. As the first step, the ISO 14001 environmental management systems at Pioneer Corporation's four sites (Head Office, Kawagoe, Kawasaki and Corporate Research & Development Laboratories) were integrated in August 2007. Integration enables the business sites to

rigorously carry out Plan, Do, Check and Act (PDCA) activities, and ensures that all these sites work together toward more ambitious targets. In addition, integration has been extended to group companies in Japan in 2009. This is an opportunity to unify the Pioneer Group's environmental policy for an integrated environmental management system. Looking forward, integration will be extended to group companies worldwide, thereby further enhancing the results of the entire Group's environmental conservation activities.

Environmental Risk Management

At every business site of the Pioneer Group, facilities and processes that have the potential to impact local communities are assessed for environmental risks. As a part of these assessments, the sites take steps to scrutinize measures aimed at preventing environmental contamination, and conduct periodic emergency drills and equipment tests. Furthermore, the Group maintains a reporting structure linked directly to local government authorities.

There was no instance of a legal violation by or a complaint or request submitted to any business site in fiscal

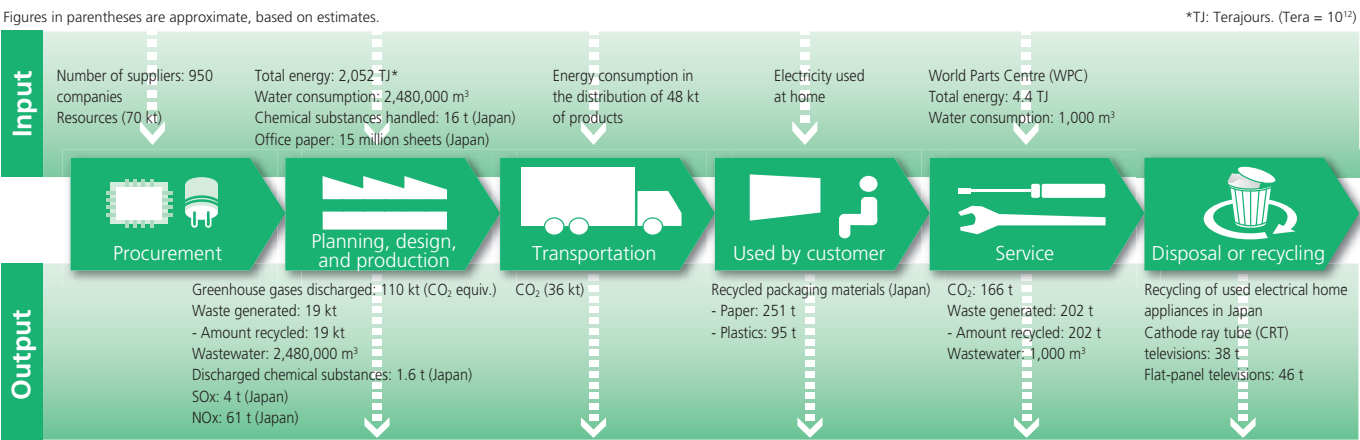
2010. One incident of soil contamination at a closed business site was reported to the appropriate government office. A subsequent inquiry confirmed the absence of any adverse groundwater or off-site damage. There was also one emergency incident in which a small amount of chemicals leaked into a container wall during painting at a chemical tank yard. Appropriate action was immediately taken.

The Group currently stores 36 items of equipment containing polychlorinated biphenyls (PCBs). The items are properly stored and awaiting orderly disposal.



Pioneer’s Environmental Impact

Pioneer products go through various planning, design and manufacturing processes before they are delivered to the customer, used and then disposed of or recycled at the end of their useful life. Various impacts on the environment are unavoidably generated in each process. Pioneer continues to devote every effort to reducing such environmental impacts.



Main Targets and Results in Fiscal 2010

Category	Objective	Target	Results	Self assessment
Eco products	Global warming prevention	Strengthen CAR NAVI eco-drive support functions and performance	Reduced CO ₂ emissions by approximately 15%, through an improved traffic congestion avoidance system that accesses traffic information covering a greater area	○
		• Deliver products compliant with Lot 6 EuP directives	Introduced products worldwide that meet energy-saving regulations in each country, such as standby power consumption	○
		• Achieve compliance with various countries' energy-saving regulations	• Super Advanced Eco-Models: No models applicable	△
		• Attain a cumulative total of three or more Super Advanced Eco Models	• Advanced Eco-Models: 31% attainment	○
Eco factory	Resource recycling (3Rs)	Promote efforts to reduce the size and weight of automotive products	Five key models announced on the Company's website	○
		• Achieve a new product ratio of 20% or more for Advanced Eco Models	• Approximately 53% size and weight reduction achieved with the GM-D6400 Digital Power Amp compared with previous model.	◎
		Post LCA data for major models on the Company's website	• Packaging volume for Raku-Navi reduced by approximately 18%	◎
		Expand the use of VOC-free adhesives in such products as car speakers	VOC-free adhesive introduced on all OEM models planned for this fiscal year	○
Eco distribution	Global warming prevention	Reduce greenhouse gas (GHG) emissions after a review of the reduction plan according to changes in the production system	Achieved 66% reduction, on track to achieve reduction targets for the 2008 to 2012 period	○
		• Reduce emissions per unit of actual production ¹ by 36% or more compared with fiscal 1991, averaged over the period of the Kyoto Protocol; formulate a mid- to long-term reduction plan		○
	Resource recycling (3Rs)	Reduce the volume of paper used by office equipment, and continue the previous fiscal year's reduction of 28.9 million sheets (A4 equivalent)	Achieved 40% reduction compared with previous fiscal year	◎
	Reduction of environmentally hazardous substances	Continue to meet target in Japan and achieve zero emissions overseas	Achieved targets at all domestic operating bases and overseas operating bases	○
	Green purchasing	• Expand green purchasing for items other than production materials	Achieved green purchasing ratio of 87%	×
Environmental communication	Public relations activities	• Achieve a green purchasing ratio of 95% or more		×
		Improve product distribution and emissions per unit of sales	Emissions per unit of sales ² deteriorated 5.8%	×
	Continue activities according to the policy for social action programs	Reduce energy used in distribution by 1% compared with the previous fiscal year, in line with the Act on the Rational Use of Energy	Published and distributed three environmental comic series on website	○
	Environmental and social activities	Provide environmental lectures and general education at all business sites	Conducted a series of environmental lectures, general environmental education and training	○
		Contribute locally by participating in zero garbage measures at all business sites, environmental events, and forest protection activities	Contributed locally through participating in zero garbage measures at all business sites, environmental festivals, and forest protection activities	○

Notes: Self-evaluation standards (broad estimates)
◎ Significantly exceeded the target: 110% or more △ Fell slightly short of the target: 95% to less than 100%
○ Achieved the target: 100% to less than 110% × Failed to meet the target: less than 95%

1 Emissions per unit of actual production: CO₂ emissions ÷ Real output (calculated by dividing the production output for each fiscal year by the Bank of Japan Domestic Corporate Goods Price Index for electronic products, with fiscal 1990 as the base year). The Goods Price Index for fiscal 2009 was 0.419.
2 Emissions per unit of sales: CO₂ emissions ÷ Sales (calculated by dividing the sales for each fiscal year by the Bank of Japan Domestic Corporate Goods Price Index for electronic products, with fiscal 2006 as the base year). The Goods Price Index for fiscal 2009 was 0.884.

Pioneer’s Environmental Accounting

Pioneer calculates data in accordance with its Group-wide Environmental Accounting Guidelines, based on the *Environmental Accounting Guidelines (2005 Edition)* published by Japan’s Ministry of the Environment. From an environmental accounting perspective, in fiscal 2010 the Company undertook investments totaling ¥309 million and incurred expenses of ¥1,909 million, for an economic effect amounting to ¥284 million. Investments and loans¹ relating to the environment were zero.

1 Investments and loans relating to the environment take into consideration the environment in accordance with Japan’s Environmental Consideration Law.

		(Millions of yen)	
Environmental Conservation Costs		Investment	Expenses
Business area cost	Pollution prevention costs	10	201
	Global environmental conservation costs	47	152
	Resource recycling costs	0	152
Upstream/downstream cost	Environmental conservation cost to control environmental impacts that results from production and services operations upstream or downstream	0	76
Administration cost	Environmental conservation cost stemming from administrative activities	8	509
R&D cost	Environmental conservation cost stemming from R&D activities	244	802
Social activity cost	Environmental conservation cost stemming from social activities	0	17
Environmental remediation cost	Cost incurred for dealing with environmental degradation	0	0
Total		309	1,909

		(Millions of yen)	
Economic Benefits			
Type		Monetary Benefit	
Benefits attributable to environmental conservation, including energy conservation and pollution prevention		194	
Benefits attributable to resource recycling	Reduction in expenses related to industrial waste disposal	53	
	Gain on sales of valuables	23	
Upstream and downstream benefits, including procurement, production, logistics, and green purchasing		14	
Total		284	

Environmental Communication

As a responsible company and member of both local and global communities, Pioneer works diligently to protect and improve the global environment. To this end, the Company recognizes the need to maintain the highest ethical standards. In addition, Pioneer continues to promote environmental preservation activities while maintaining wide-ranging relationships with stakeholders.

The Company participated in the Eco Products 2009 exhibition, where it introduced a variety of environmental technologies and products including the Raku-Navi car navigation system, which further strengthens eco-drive functions and performance, and Pure Malt Speakers, which are housed in speaker cabinets made from recycled whiskey barrels.

As a part of ongoing volunteer activities, a large number of Pioneer employees regularly participate in cleanup efforts around business sites, parks and tourist facilities both in Japan and around the world. Group employees also take part in events put on by local schools and governments. Through these and other endeavors, each and every employee of the Pioneer Group strives to raise his or her level of environmental awareness and to foster environmental communication with local residents.



Pioneer’s booth at Eco Products 2009

The Pioneer Environmental Contribution Award and COCO-chan Campaign

The Pioneer Group has established the Pioneer Environmental Contribution Award to honor business sites, groups, and individuals that have made contributions through their environmental preservation activities. Similarly, the Environmental Patent Award is given for patents deemed to have made a particular contribution to environmental preservation. In fiscal 2010, the Pioneer Environmental Contribution Award was commended to nine groups and individuals from 48 entries. One Environmental Patent Award was also commended from selected patents filed during the previous fiscal year, in recognition of outstanding contributions to environmental preservation. The award ceremony was televised to distant business sites across the Group via Pioneer’s remote Cyber Conference System Prime (CCS-Prime).

In addition, the Company presented awards to employees who participated in the COCO-chan campaign, an initiative

driven by the Japanese Electrical Electronic & Information Union that calls on labor and management to come together in efforts to reduce electric power consumption at employees’ homes. With the ultimate goal of cutting back CO₂ emissions, one of the main causes of global warming, the campaign is held over the four months from June to September every year. Pioneer presented awards to those employees who recorded excellent results from a total of 802 participants in fiscal 2010.

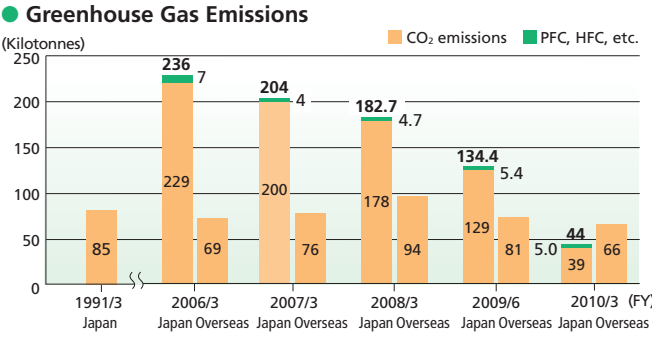


Members of Group companies located in far-away locations were presented with the Pioneer Environmental Contribution Award via CCS-Prime.



Reducing CO₂ Emissions

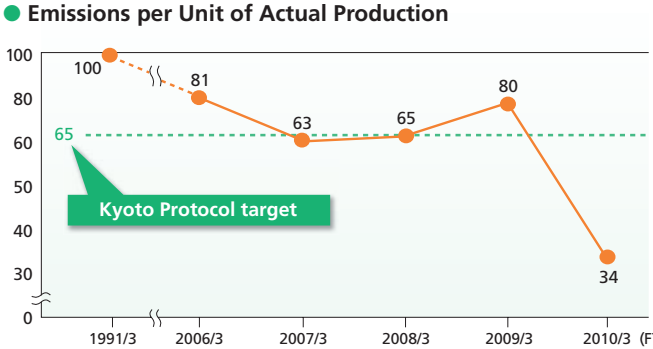
The Pioneer Group is an active participant in the Nippon Keidanren (Japan Business Federation) Voluntary Action Plan on the Environment. As such, the Group engages in activities aimed at achieving the voluntary target for the electrical and electronic equipment industry of reducing CO₂ emissions¹ (per unit of actual production) by 35% averaged over the commitment period of the Kyoto Protocol (fiscal 2008–2012),



¹ CO₂ emissions presented in the graph were calculated using CO₂ emission coefficients as follows: Figures for Japan in FY2010 were calculated using the FY2008 credit adjustment of 0.373 kgCO₂/kWh; Figures for overseas have been released by the Greenhouse Gas Protocol Initiative.

compared with the base year of fiscal 1990. In this context, the Group has identified a target of 36% as its own voluntary standard, while at the same time focusing significant efforts on achieving an overall reduction in emissions.

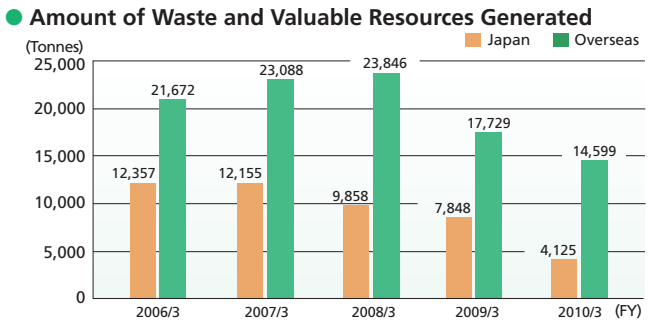
Until fiscal 2006, CO₂ emissions increased over fiscal 1990. In the ensuing period, they have since fallen as a result of successful energy conservation efforts and reduced production.



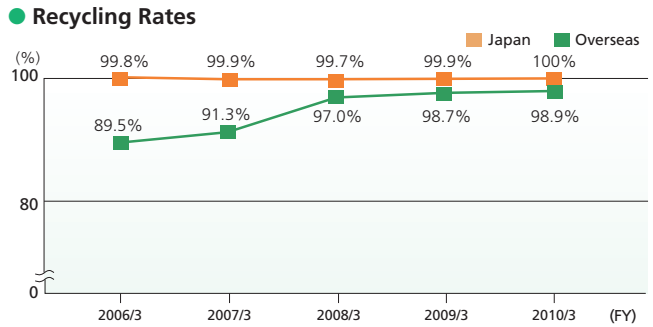
Recycling Resources with the 3Rs

The Pioneer Group is promoting environmental activities with the aim of achieving the zero emission of waste¹ at its production bases in every country where it operates. Group companies in Japan achieved this goal in fiscal 2006, and all targeted overseas Group companies achieved the same goal in fiscal 2010. Looking ahead, the Group will make every effort to continue improving its performance further.

¹ Pioneer defines the zero emission of waste as follows: in Japan, recycling more than 99.5% of the waste generated at business sites so that landfill disposal is reduced to virtually zero; and overseas, recycling more than 99% of the waste generated at plants.



In fiscal 2010, Pioneer maintained a recycling rate in excess of 99% in Japan, and raised its rate year on year at overseas sites to 98.9%. (Recycling rates are calculated based on the methods of waste management stipulated under the laws and regulations of each country.)



Reducing Environmentally Hazardous Substances

In order to reduce the impact on the environment from environmentally hazardous substances used in production processes, the Pioneer Group has set internal targets and is making efforts to reduce emissions. In line with the industry's voluntary action plan, the Group targeted a 30% reduction of volatile organic compounds (VOCs) by fiscal 2011 compared

with emission levels in fiscal 2001. In fiscal 2010, the Group achieved a total reduction of 70%. In addition, the Pioneer Group fully phased out ozone-depleting specified CFCs in 1992, and eliminated the use of hydro chlorofluorocarbons (HCFCs) in 1996, well in advance of the total ban from 2020 as stipulated in international regulations.

Green Purchasing in Japan

The basic concept underlying green purchasing is not to buy unnecessary items, only buy required items, and ensure all items bought are environmentally friendly.

The Pioneer Group promotes green purchasing based on a list of items with a 100% green purchasing target. In FY2009, Pioneer achieved its 100% green purchasing target for ten out of thirteen items.

Green purchasing was not achieved for the other three items, as they did not include green-compliant products in terms of functionality and performance.

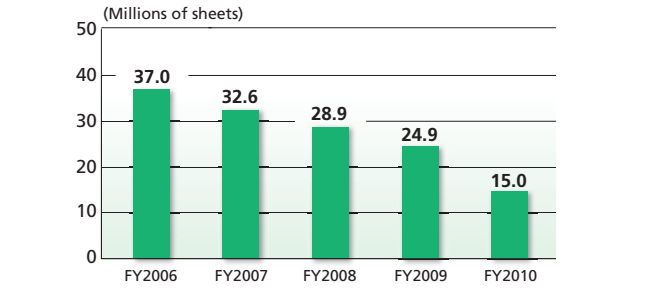
Approximately three-quarters of the company's car fleet has been replaced with Low Emission Vehicles,¹ with Super Low Emission Vehicles comprising 58% of them. Initiatives to reduce office paper usage compared to the previous fiscal year were promoted, resulting in an approximate 40% reduction in FY2010.

¹ Low Emission Vehicle (LEV) Environmental Performance Certification: System of indicating how much hazardous substances have been reduced from exhaust gas emissions from the reference value.
Super Low Emission Vehicles (4-star ranking): Reduced by 75% or more
Low Emission Vehicles (3-star ranking): Reduced by 50% or more

● Items Targeted for 100% Green Purchasing (○ indicates 100% green purchase)

- | | | |
|----------------------|--------------------|--------------------------|
| ○ Fax machines | ○ TVs | ○ Printers |
| ○ Company vehicles | ○ Toilet paper | ○ Refrigerators |
| ○ Office paper | ○ Uniforms | ○ Copiers |
| ○ Multi printers | ○ Office furniture | ○ Electronic chalkboards |
| ○ Personal computers | | |

● Office Paper Purchases (Equivalent to A4-sized paper)



Combating Global Warming

Pioneer is striving to reduce its CO₂ emissions by actively engaging in efforts aimed at curtailing energy consumption at its production plants in Japan. As a part of these endeavors, the Company has introduced the use of photovoltaic power as well as NaS batteries, which can store electricity during nighttime hours when energy use is low, and then discharge it in response to daytime usage peaks.

In addition, various measures to reduce energy consumption were incorporated into the construction of

Pioneer's Kawasaki Plant, completed in April 2007 and currently the Company's head office. Such measures included the use of LEDs to illuminate the Pioneer logo on the north and south sides of the building. This reduced energy consumption to one-third of the amount compared with fluorescent lighting.



The Pioneer logo is illuminated using LEDs at the head office.

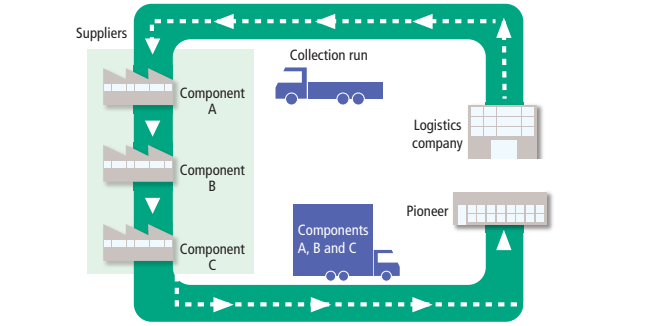
Logistical Initiatives

Modal shift refers to shifting transportation methods from trucks to railways or marine transport. Pioneer has been promoting such a shift for many years. In fiscal 2010, the volume of freight handled by railways and marine transport amounted to 2.98 million tonne-kilometers¹ following a decline in sales. This represented an 11% decrease over the previous year. As a percentage of total transport tonne-kilometers, it represented an increase of 4.3% to 26.1% due to efforts that included transport aggregation.

To ensure the efficient transportation of materials from multiple component suppliers, Pioneer employs "milk run" system of one truck visiting several suppliers to pick up the required components. In fiscal 2010, 22 component suppliers were incorporated in the milk runs, resulting in a reduction of 1,078,000 kilometers in the cumulative traveling distance for two-tonne and four-tonne trucks. This

corresponds to a fuel saving of 19.4 kiloliters and a reduction in CO₂ of 50.8 tonnes.

● Milk Run Concept



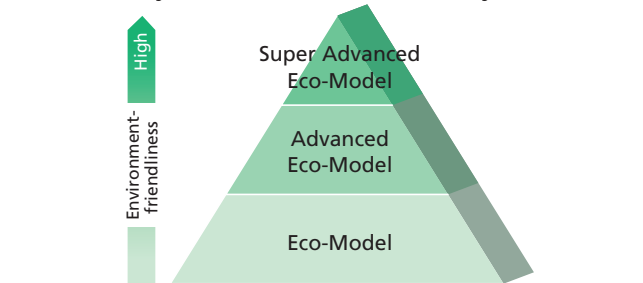
¹ Tonne-kilometer (tonne-km) is the unit used to indicate volume of freight transport. For example, if 1 tonne of freight is transported 1 kilometer, this is expressed as 1 tonne-kilometer.

Eco Product Creation Initiatives

Pioneer considers the delivery of environment-friendly products to customers around the world to be one of its most important missions. The Company focuses on “Prevention of Global Warming,” “Recycling of Resources,” and “Reduction of Environmentally Hazardous Substances” as primary environmental challenges, aiming to reduce environmental impact through promotions of environment-friendly designs.

Making All Products Environment-Friendly

Evaluation System for Environment-Friendly Products



Super Advanced Eco-Model	Products that exhibit industry leading environmental performance Examples of certified products: • CYBER NAVI AVIC-VH9990, AVIC-ZH9990, AVIC-H9990 • Pure Malt Speakers S-A4SPT-PM, S-A4SPT-VP, S-PM300
Advanced Eco-Model	Products that substantially exceed the environmental performance of conventional products Products that have undergone product assessment and comply with critical requirements of Pioneer's environmental standards Examples of certified products: • Raku-Navi AVIC-HRZ900 • CDJ Player CDJ-2000 • Cyber Conference System CCS Prime
Eco-Model	Products that exhibit basic environmental performance Products that have undergone product assessment and comply with the essential requirements of Pioneer's environmental standards

<http://pioneer.jp/environment-e/ecoproducts/index.html>

Combating Global Warming

For its in-car products, Pioneer works diligently toward reducing weight while enhancing eco-friendly driving support functions in an effort to improve fuel efficiency. The Company also contributes to the reduction of CO₂ emissions by developing home appliance products that consume less power during use.

Cutting-edge Technology and the Wealth of Information Unique to CYBER NAVI Is Giving Rise to the Truest Form of Eco-driving

The CYBER NAVI (AVIC-VH9990/ZH9990/H9990) supports true eco-driving, as a car navigation function that proposes the most fuel efficient route.



AVIC-VH9990

Environmental impact and product assessment through the Life Cycle Assessment (LCA) enable the Company to continuously enhance the environmental friendliness of its products. In addition, Pioneer stimulates development of environment-friendly products by evaluating compliance with strict company standards relating to environmental friendliness.

Super Advanced Eco-Model certified products



CYBER NAVI
AVIC-ZH9990



Received the Judging Committee Special Award as a part of the Green IT AWARD 2010
Received the Special Award from the Board of Review as a part of the 12th Green Purchasing Awards for 2010



Pure Malt Speaker
S-A4SPT-PM



Received the METI Industrial Technology & Environment Bureau Director General's Award, in 2009 for the Resource Recycling Technology & System Awards
Received the fiscal 2009 3R Promotion Council Chairman's Award in the Awards for Achievement in Promoting Reduce, Reuse, Recycle Activities
Pioneer contributes to efforts to protect and beautify the forests of Japan by donating a portion of the sales of this product to the National Land Afforestation Promotion Organization's Green Fund.

The Industry's First¹ Eco-route Search Function

CYBER NAVI estimates fuel consumption for all possible routes in advance, based on Smart Loop Congestion Information and Pioneer's proprietary fuel estimation technology. It then proposes the route with the lowest fuel consumption.

Eco-route driving reduces CO₂ emissions by about 20%² compared with car navigation systems that do not take into account traffic congestion (such as the FM-VICS). When the cost of gasoline is taken into account, eco-route driving delivers an approximate annual savings of ¥20,000.

1 For car navigation systems sold in Japan as of May 2010 (study conducted by Pioneer)
2 According to a study by Pioneer (based on the results of a January 2010 comparative driving test on a Pioneer-specified course using 1500cc-class passenger vehicles by Japanese manufacturers).
Based on the Family Income and Expenditure Survey, conducted by Japan's Statistics Bureau of the Ministry of Internal Affairs and Communications in 2008.

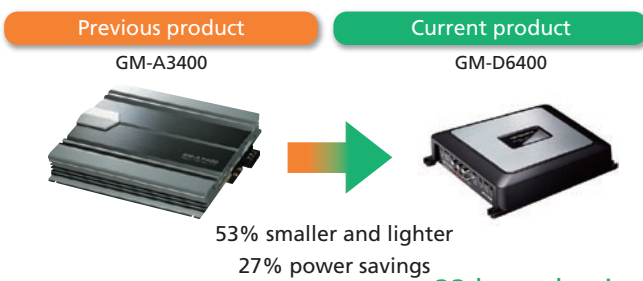
A Variety of Eco-driving-related Features and Services

The Eco-status feature employs Pioneer's proprietary fuel estimation technology, so drivers can enjoy checking their level of eco-driving via ten user-friendly graphic displays and voice messages.

<http://pioneer.jp/environment-e/ecoproducts/prevention.html>

Digital Amplification Technology Realizes More Compact, Lighter and Energy Efficient Power Amplifiers

Pioneer achieved significant reductions in size and weight for the GM-D6400 power amplifier by utilizing the high amplification efficiency of Class D amplifier circuits as well as low heat-generating and simplified heat-radiating parts such as heat sinks. In this manner, the Company is playing an active role in improving automotive fuel efficiency and reducing CO₂ emissions.



Supervisor's comment



Kazuyuki Kudo
After Market Car Electronics
Business Division, After
Market Designing Division

With eco-cars currently in demand worldwide, car audio must also be environmentally friendly, which is why we developed this product. We succeeded in reducing the size and weight of the heat sink for cooling the product, and decreased power use by switching to digital technology. The product offers high output and high efficiency; I'm completely satisfied with its performance, power and sound quality.

<http://pioneer.jp/environment-e/ecoproducts/prevention.html>

Car Navigation with Increased Transport Efficiency Achieved through Reduced Size and Volume Capacity

Pioneer successfully reduced the size of the cardboard box used in the packing of product accessories. This was achieved by reviewing the configuration of the accompanying antenna while shortening the cable to a more appropriate length. Through these means, the Company cutback overall packaging size.

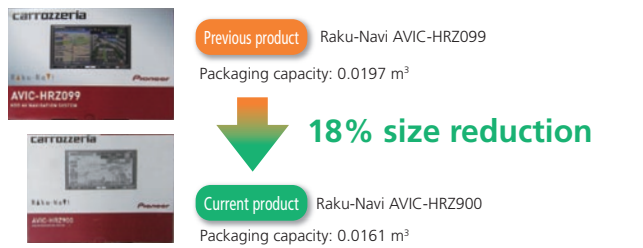
Reducing package size increases the number of packages that can be loaded onto trucks and containers during shipment. A higher number of packages raises transport efficiency, which effectively reduces overall fuel consumption during delivery.

Supervisors' comment

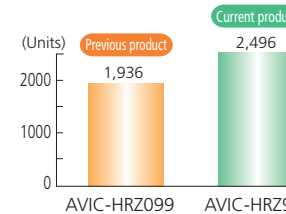


Yoshifumi Takahashi
After Market Car Electronics Business
Division, After Market Designing Division
Emiko Uehara
Engineering & Production Center,
Engineering Division

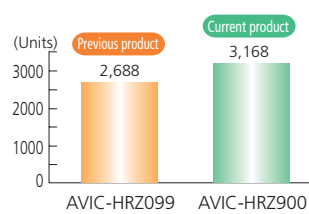
The size of the cardboard box for the product's accessories (indicated in the photos) was reduced by improving the included antenna and shortening the cable. This enabled a reduction in the overall package size.



Comparison of Units Loaded
10-tonne truck



40-foot container



<http://pioneer.jp/environment-e/ecoproducts/prevention.html>

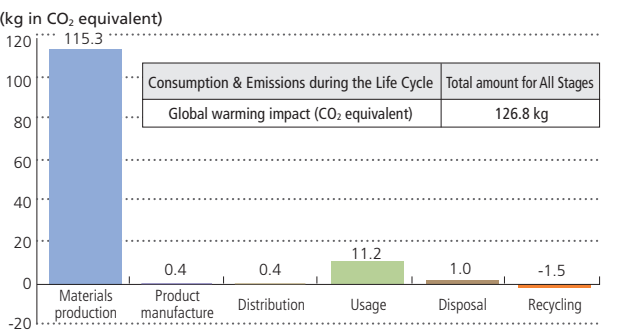
Environmental Data

Pioneer employs a life cycle assessment (LCA) method to quantify the environmental impact of the product by assessing the entire lifecycle from production of the materials, product to distribution, use, disposal, and recycling. Key LCA data is posted on the Company's website.

Alleviating Environmental Impact across the Entire Product Life Cycle

In the development of the Raku-Navi AVIC-HRZ900, Pioneer discovered that a considerable burden was placed on the environment particularly at the materials production stage following an LCA evaluation. As a result, the Company placed priority on improvement countermeasures including a review of packaging specifications.

Global Warming Impact at Each Life Cycle Stage of the Raku-Navi AVIC-HRZ900



<http://pioneer.jp/environment-e/ecoproducts/data.html>

To Work Energetically with Mutual Respect for Each Other



Realizing the Group Vision

Pioneer Group employees endeavor to infuse their work with passion and enthusiasm. Their personal and professional growth is an essential contribution to the growth of the Group. Employees make difficult decisions with conviction and professionalism, and welcome challenges to achieve higher goals. Pioneer encourages its diverse employees around the globe to foster creativity and communicate openly. Through these means, the Group is striving to realize its

overarching vision: "Spread the smiles. Feel the vibes. Share the passion. Pioneer engages you anytime, anywhere."

- Pioneer places value on:
- Mutual trust
 - Efforts toward innovation
 - Horizontal communication that extends across organizations and segments
 - People who think, learn, and grow continuously on their own initiative
 - The determination to accomplish tasks

From the Pioneer Corporation Employee Code of Conduct

Respect for Human Rights

"We aim to pursue corporate activities with the utmost respect for humanity" is a key commitment espoused under the Pioneer Group Charter for Corporate Operations. In an effort to ensure a safe and comfortable working environment that allows each and every employee to go about his or her duties with energy and vitality, the Group also places considerable emphasis on fair treatment with regard to both recruitment procedures and actual working conditions. Based on a

sense of mutual trust and respect, the Pioneer Group is endeavoring to build and develop a highly transparent organizational framework, based on the following principles:

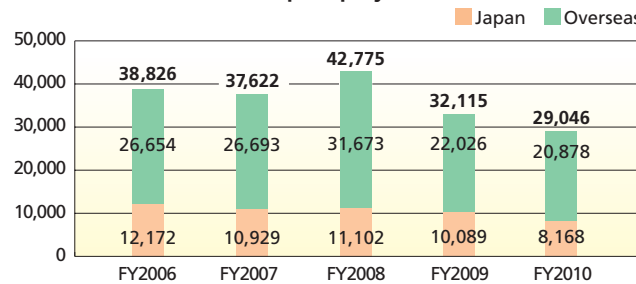
- Prohibition of discrimination
- Prohibition of harassment
- Prevention of industrial or other accidents
- Prohibition of child labor and forced labor
- Respect for privacy
- Strict adherence to all laws and regulations

From the Basic Rules for the Management of Personnel of the Rules of the Pioneer Group

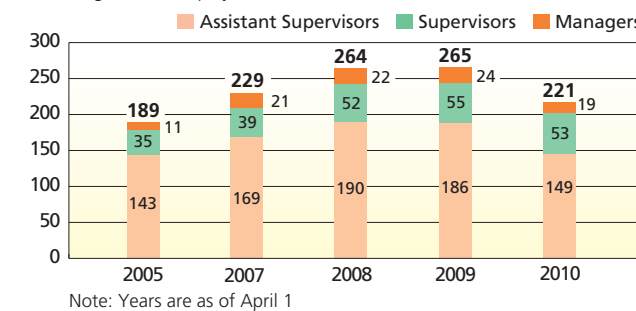
Workplace Diversity

In an effort to realize its Group Vision, Pioneer seeks to create a corporate culture in which diverse personnel can exercise their capabilities, irrespective of gender and other differences, and work enthusiastically and energetically to fulfill the mission of their respective workplaces. To this end, career development for women has been positioned as a key management strategy and issue in Japan.

Number of Pioneer Group Employees



Number of Pioneer's Female Staff in Management Positions (Including Loaned Employees)



Initiatives to Support Work-Life Balance

Pioneer has continued to implement initiatives aimed at promoting a balance between employees' work and family life since April 2005. In May 2007, the Company acquired the Next Generation Certification "Kurumin" mark from Japan's Ministry of Health, Labour and Welfare. Pioneer completed its second-stage five-year action plan for work-life balance initiatives in March 2010, and launched its third-stage action plan in April 2010. This current action plan sets three principal themes for further supporting work-life balance: enhancing awareness of the various systems and next-generation development support activities available; continuing to promote increased consciousness and to build a positive climate; and reinforcing support structures that help secure improved work and family life balance.

Number of Employees Who Utilized Work-Life Balance Systems (Excluding Loaned Employees)

	Fiscal 2008	Fiscal 2009	Fiscal 2010
Childcare leave system	81 (4)	84 (4)	75 (0)
Caregiver's leave system	1 (0)	1 (0)	3 (2)
Shortened working hours for care of children or family members	59 (0)	84 (3)	53 (4)

Note: Figures in parentheses indicate use by male employees; employees on leave are for the period identified; shortened working hours refers to employees as of the end of the fiscal year

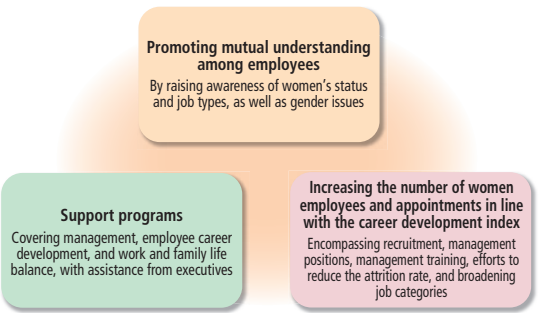
Achievements under the Second Stage Action Plan (April 2007–March 2010)

- Women's career development support
 1. Extended the registration period for employee re-employment systems; relaxed age restrictions; expanded eligibility for registration
 2. Extended the applicable period of shortened working hours for child care; introduced a flexible shortened working hours system
 3. Introduced teleworking on a trial basis
- Promotion of understanding in the workplace and increasing the awareness of individual employees raising children
 1. Implemented childcare leave reporting and conducted courses for employees before and after returning to the workplace
 2. Implemented e-learning, set up a childcare-related bulletin board and conducted managerial training
- Establishment of an environment where both men and women can easily participate in childcare
 1. Established leave systems that both men and women can freely use

Mentor System

Pioneer continues to actively promote meaningful and worthwhile relationships within its organizational structure. As a part of these endeavors, the Company introduced a mentor system from September 2007 in an effort to promote employee career planning and positive growth. The initial system covered 21 female managers and is currently being expanded to include candidates for executive positions.

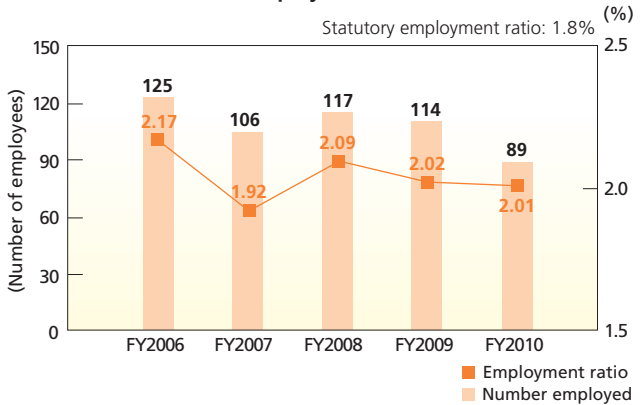
Three-Pronged Women's Career Development Support Plan



Promoting Employment of People with Disabilities

In order to fulfill its corporate social responsibility and to employ a diverse workforce, Pioneer has consistently undertaken initiatives to employ people with disabilities. Pioneer will continue to take active steps in this direction, expanding the range of occupations available to people with disabilities throughout the Group as a whole.

Number of Pioneer Employees with Disabilities



Mental Health Care

Health management of employees is more than just a matter of health and safety, and Pioneer regards the development of both the Company and its people as an important management issue. Therefore, Pioneer takes a preventive approach to mental health care, holding seminars for employees, distributing promotional materials to raise awareness of the issue, improving its Health Care Section, and building a counseling service system. In addition, the Company has developed a program for helping employees who have experienced mental health issues to return to the workplace.



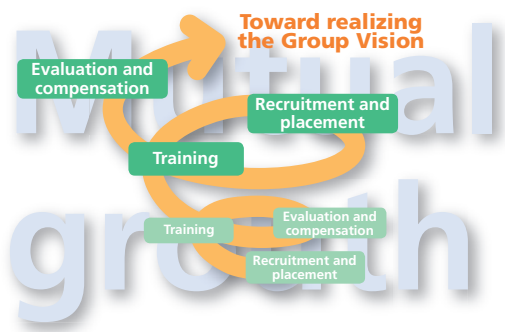
Pioneer's basic policy is to provide support to prevent mental health problems and intervene at an early stage

Preventing Work-Related Accidents

In preventing work-related accidents, Pioneer believes that maintaining and improving a workplace environment that takes into account the safety and health, both mental and physical, of employees is important to ensure that they can carry out their work with peace of mind. At each business site, the Health and Safety Committee develops and implements accident prevention and safety improvement measures that are relevant to each workplace.

Personnel Development

Based on a personnel development philosophy of "mutual growth," under which the individual and organization grow together, Pioneer follows a personnel system and policy that fully integrates recruitment, placement, training, evaluation and compensation.





Audio and Visual: “Listen through the Body” Concerts

Pioneer has designed a system for changing sound into vibrations that can be felt by the body, enabling people with hearing difficulties to enjoy the pleasures of music. Invented by the Company’s founder, Nozomu Matsumoto, the system is an exemplary example of Pioneer’s social contribution and volunteer activities.

With the support of volunteering employees and their families, Pioneer has continued to run a series of regular Listen through the Body concerts, inviting performers from wide-ranging genres since 1992. Following the relocation of the Company’s headquarters in 2009, the venues for subsequent concerts were shifted from the lobby of Pioneer’s former head office to public facilities in Kawasaki and Tokyo. These most recent concerts have attracted a new audience in large numbers in addition to loyal patrons.

Along with the concerts it sponsors directly, Pioneer offers opportunities for people with hearing difficulties to enjoy concerts at other venues. The Company provides its body

sensory system equipment to orchestral concerts held at large halls throughout Japan and overseas, gaining wide acclaim from audiences.

As a product of the collective efforts of people with hearing difficulties, their families, performers and employee volunteers, Listen through the Body concerts bring pleasure and enjoyment to all participants.

Together with the support of all parties involved, Pioneer will continue through these concerts to bring the joy of music to an increasingly wider audience.



A tap dance performance was held at Musa Kawasaki, one of the wide varieties of genres featured in regular concerts.



A Baroque Music program was featured at Matsumoto Memorial Music Guest House, bringing the pleasure of music to a growing number of people.



At Listen through the Body concerts, sign language and subtitles are used to support audience members with hearing difficulties.



A cushion and pouch containing a vibrating unit that conveys sound directly to the body are installed at the concert halls.

Environmental Conservation: Pioneer Forest

As a company that manufactures speakers made with wooden materials, Pioneer undertakes activities to protect forests. Pioneer has undertaken regular management of 2.4 hectares of cypress forest near Kamakita Lake in Saitama Prefecture through an agreement with the Saitama Prefectural Forestry Public Corporation, executed in 2005. The forest has been designated as the “Pioneer Forest,” and management work is carried out twice per year in spring and fall, when employees and their families volunteer to prune and thin trees. What was originally a dark forest that blocked out sunlight has been cultivated as a bright and leafy forest. Pioneer will continue with these management activities and develop further activities using its forest for nature exploration classes for children, among other initiatives.



Volunteers prune trees in the Pioneer Forest.

Supporting Education: Hands-on Craft Workshops

Pioneer actively undertakes educational activities to show the next generation the technologies of manufacturing and introduce them to the pleasure of making things. As a part of this effort, the Company holds Hands-on Craft Workshops for elementary school children. After learning about the principles of sound and the workings of speakers, employees lead classes where children themselves make speakers out of paper. The children experience the pleasure of creating through the joy of hearing sounds from the first speakers they themselves have made. In addition, Pioneer dispatches lecturers and holds seminars covering a host of topics that address the needs of government agencies and schools.



A student assembles a speaker in the Hands-on Craft Workshop.

Social Action Programs of the Pioneer Group

Both in and outside of Japan, the Pioneer Group is committed to efforts that contribute to society. Taking into consideration the needs of local communities and society as a whole, the Group is active in a wide-range of fields, implementing programs across a number of fields with a particular focus on audio and visual, environmental conservation and education support activities. In addition, the Pioneer Group carries out activities and donation programs in such areas as sports, entertainment, social welfare, and disaster relief. Furthermore, the Pioneer Group harnesses its business-related know-how and technological capabilities to promote activities with a strong emphasis on employee-led participation. Its goal is to encourage each and every employee to contribute to society in an enthusiastic and positive manner.



Employees plant mangroves in Thailand.

Please visit Pioneer’s Corporate Citizenship web page for more information on the Group’s various social action programs: <http://pioneer.jp/citizen/index-e.html>

Shareholders, Investors and Society

Pioneer regularly conducts briefings on its financial results for the benefit of investors and the mass media. Moreover, every effort is made to disclose accurate information in a timely and appropriate manner on the Company's website.

With the goal of improving its overall corporate conduct, each Pioneer division addresses the wide range of inquiries it receives from customers and external parties by e-mail. The Company's website features a page for these users to submit their enquiries, opinions, and comments on an anonymous basis.



A Company briefing held in May 2010

Material Procurement Suppliers

Pioneer's materials procurement division regularly holds business policy meetings for the benefit of suppliers. In addition to explaining the Company's business plans and fostering deeper understanding, the Company works diligently to gain the cooperation of suppliers in fulfilling a broad spectrum of corporate social responsibilities across the entire supply chain.

Local Communities

The Pioneer Group seeks to engage with local communities as a responsible corporate citizen. Group companies and business sites invite local students and residents to attend environmental presentations, and actively participate in local community events.



The 5th Environmental Communication Meeting was held at the Company's Kawagoe Plant in November 2009.

Customers

Pioneer holds a variety of events and campaigns to provide customers with opportunities to try Pioneer products. At events held throughout the world, Pioneer demonstrates the merits of its products and helps customers discover new ways of enjoying them.



Pioneer exhibited at AMICOM 2010, held in Germany in April 2010

Dealers

Pioneer conducts a variety of surveys and market research to better understand its customers and markets. This information is reflected in the Company's business operations and product development. Pioneer establishes product development teams comprising staff from planning and creative design, design development, quality and other departments, who visit product dealers with sales representatives in order to gain a direct understanding of what dealers and customers value and hope to see in products.

Labor Unions

Pioneer works to maintain good relationships with Pioneer Group labor unions¹ representing Pioneer employees with an emphasis on conducting dialog in good faith. The Company takes part in a central labor-management conference with the Pioneer Workers Union every six months and as required, as well as in meetings on personnel issues. In addition, Pioneer works with the unions to boost employee morale and promote social programs.

¹ The labor unions are active at Pioneer and eight Group companies. These unions combine to form the Federation of Pioneer Group Workers Unions, which is associated with the Japanese Electrical, Electronic & Information Union.

Pioneer's group companies all share the common approach of putting people and society first. Each Group company is fulfilling its duties as a team of highly skilled professionals in R&D, production, sales, or other operations by realizing outstanding collective capabilities.

Japan

Tohoku Pioneer Corporation Mogami Denki Corporation TSE, Inc. Pio Tec, Inc. TPS Corporation Towada Pioneer Corporation Pioneer System Technologies Corporation	Pioneer Communications Corporation Pioneer FA Corporation Pioneer Finetech Corporation Increment P Corporation Global Survey Corporation Pioneer Marketing Corporation Pioneer Solutions Corporation	Pioneer Sales & Marketing Corporation Pioneer Service Network Corporation Pioneer Tokyo Service, Inc. Pioneer Media Creates Corporation Technical Audio Devices Laboratories Inc. Pioneer Digital Design and Manufacturing Corporation	Pioneer Micro Technology Corporation Technoaccess Corporation Tech Experts Inc. Pioneer Investment Corporation Fukuin Corporation Pioneer Welfare Services Co., Ltd.
--	--	---	---

The Americas

United States Pioneer North America, Inc. Pioneer Electronics (USA) Inc. Pioneer Automotive Technologies, Inc. Discovision Associates Pioneer Research Center USA, Inc. Pioneer International (Miami) Inc.	Canada Pioneer Electronics of Canada, Inc. Mexico Pioneer Electronics de Mexico S.A. de C.V.	Panama Pioneer International Latin America S.A. Brazil Pioneer do Brasil Ltda.
---	---	---

Europe

Belgium Pioneer Europe NV United Kingdom Pioneer GB Ltd. Pioneer Digital Design Centre Ltd. Germany Pioneer Electronics Deutschland GmbH France Pioneer France SAS	Italy Pioneer Italia S.p.A. The Netherlands Pioneer Benelux BV Spain Pioneer Electronics Iberica SA Denmark Pioneer Denmark A/S	Norway Pioneer Norge A/S Sweden Pioneer Scandinavia AB Russia Pioneer RUS Limited Liability Company
--	--	---

Asia and Oceania

China Pioneer China Holding Co., Ltd. Pioneer Technology (Dongguan) Co., Ltd. Pioneer Technology (Shanghai) Co., Ltd. Pioneer Electronics (Shanghai Export Zone) Co., Ltd. Pioneer (HK) Ltd. Pioneer Digital Design And Manufacturing (Hong Kong) Ltd. Dongguan Monotech Electronic Co., Ltd. Dongguan Monotech Pai Yue Electronic Co., Ltd. Shanghai Pioneer Speakers Co., Ltd. Mogami Hong Kong Co., Ltd. Mogami Dongguan Electronics Co., Ltd. Pioneer Suntec (Shanghai) Electronic Technology Co., Ltd. Pioneer Media Creates (Shanghai) Co., Ltd. INCREMENT P Shanghai Co., Ltd.	Singapore Pioneer Electronics Asiacentre Pte. Ltd. Taiwan Pioneer High Fidelity Taiwan Co., Ltd. Malaysia Pioneer Technology (Malaysia) Sdn. Bhd. Thailand Pioneer Electronics (Thailand) Co., Ltd. Pioneer Manufacturing (Thailand) Co., Ltd. Tohoku Pioneer (Thailand) Co., Ltd.	Vietnam Tohoku Pioneer (Vietnam) Co., Ltd. South Korea Pioneer Korea Corporation India Pioneer India Electronics Private Ltd. Australia Pioneer Electronics Australia Pty. Ltd. United Arab Emirates Pioneer Gulf, Fze.
--	---	---

(List of principal consolidated subsidiaries)

Corporate Profile

Company Headquarters	Pioneer Corporation 1-1 Shin-ogura, Saiwai-ku, Kawasaki-shi, Kanagawa 212-0031, JAPAN	Number of employees	4,167 (non-consolidated) 29,046 (consolidated)
Founded	January 1, 1938	Consolidated subsidiaries	103 (31 in Japan and 72 overseas) (As of March 31, 2010)
Established	May 8, 1947		
Capital	¥87,257 million		

Address for opinions and inquiries about this report:

PIONEER CORPORATION

Social Responsibility Department
General Administration Division

1-1 Shin-ogura, Saiwai-ku, Kawasaki-shi, Kanagawa
212-0031, JAPAN
Tel +81-44-580-3211