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Editorial Policy

Guided by the Corporate Vision “Creating Future Values of Mobile Media”, Alpine is committed to developing an innovative motorized society. This booklet reports the initiatives we take in each of our corporate activity areas. In order to deliver a wide range of information regarding our activities, we have compiled the Corporate Profile and the CSR (Corporate Social Responsibility) Report into one comprehensive document. We hope to deliver information to our key stakeholders about how we value our interconnection with people, society and the environment in our business activities.

With strong determination to achieve our key principles, the context of this booklet is synchronized with the Alpine Corporate Philosophies: Respect for Individuality, Creating Value and Contribution to Society. At Alpine, all employees from management to new employees are required to work together to promote business activities, so we have included messages from a variety of diverse people. We sincerely hope that this report will assist all of our valued stakeholders in sharing Alpine’s current position and vision for the future.

Corporate Philosophy

Alpine values its members as individuals, and is committed to forming an energetic and attractive company where the quality of work is enhanced.

1. Respect for Individuality

Alpine seeks to foster the pride and enthusiasm of each employee, providing the means and opportunities for growth, and encouraging relationships built on mutual trust.

2. Creating Value

Alpine eagerly takes up the challenge of maintaining technical leadership in creating new values that will enhance the quality of human life.

3. Contribution to Society

Alpine is committed to providing superior products and thus contributing to a fuller, richer society.

Driving Mobile Media Solutions™

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Company Overview

Alpine Corporate Profile / CSR Report 2013-2014
making steady progress, and a functional connection between them and the vehicle’s interior is strongly demanded.

During these times of market changes, composite products of audio, visual, and information frequently tend to be equipped in vehicles as key functions, and a genuine product is equipped in a brand-new car at a higher rate. Besides, composite products are in strong demand to be adapted for each regional and user's characteristics by software replacement, and also to have connectivity to consumer electronic devices and cloud services.

Creating New Car Life

Alpine is carrying out its corporate activities with the vision of “Becoming a Mobile Media Solution Company that Creates Future Values” targeting the year 2015. We take daily changes in environment, vehicle, and lifestyle as a matter of course, and keep approaching creation of new values and manufacturing enthusiastically to enrich our corporate value with the core technologies we have perfected during our long time in the automobile audio and information devices industry.

To adapt ourselves for rapid changes in the market, we have employed a strategy of “Made in Market, Design in Market”. Alpine puts efforts to improve its brand and customer satisfaction through maintaining marketing, manufacturing, and development functions at the HQ in each of the Global Quad-Polar: Japan, USA, Europe, and China.

When it comes to research and development, software development structure was established in each of the Quad-Polar to ride the recent current of cloud computing, and also development of advanced technology is promoted through broad technological alliances. In particular, ALPINE ELECTRONICS OF SILICON VALLEY, INC., a new development center, commenced its operation to engage directly with advanced cloud computing companies in addition to the research and development centers of automobile manufacturers. Furthermore, we design automotive information security through cooperative studies with industry and university, resulting in innovative proposals that combine Alpine’s automotive total system solution technology and sensor-input devices. Alpine adapts to changes speedily, makes technological innovation to realize safe, environment-friendly driving, and develops together with automakers.

As Sustainable Company

Since its establishment in 1967, Alpine has approached its manufacturing of exciting products at all times with the spirit of “Creation, Passion, Challenge” that has been handed down from generation to generation. Alpine will continuously conduct its CSR activity globally to structure a sustainable society. We consider CSR activity as realization of our corporate philosophy “Respect for Individuality,” “Creating Value,” and “Contribution to Society,” that is, our corporate activity itself. It is realized by providing products and new values that please our customers and stakeholders who support us through their corporate activities. Besides, Alpine ensures risk management and compliance to strengthen the mutual trust with our stakeholders.

We commit to create new future values continuously with our knowledge, endeavor and spirit of challenge that have been inherited since our establishment.

June, 2013
Alpine sound reproduces the soul that artists poured into their music. We provide exhilarating, live-performance-like premium sound systems to the global market. With high awareness and knowledge of unique acoustic characteristics of the vehicle interior, Alpine pursues the most suitable acoustic environment for each customer and vehicle.

In the market environment of rapid technological innovation and diversification of end user demand, Alpine improves its automotive interior systems of visual, navigation, telecommunication and drive assist system. As an outcome, our ITS*1 device was introduced to the national project for expanding EV and PHV*2. Pursuing "First One," that is, the first in the industry and the world, Alpine puts a lot of effort to develop advanced technologies.

*1 ITS : Intelligent Transport Systems  
*2 EV / PHV : Electric Vehicle / Plug in Hybrid Vehicle

With no half measures to achieve premium acoustics, Alpine is advancing to the top of Mobile Media Sound. Alpine sound reproduces the soul that artists poured into their music. We provide exhilarating, live-performance-like premium sound systems to the global market. With high awareness and knowledge of unique acoustic characteristics of the vehicle interior, Alpine pursues the most suitable acoustic environment for each customer and vehicle.

Global automobile manufacturers are pursuing a creative, exclusive in-car devise, system, and cockpit. Drivers have a strong preference of audio and visual. Alpine provides all of them with mobile media solutions.
More comfort, safety and pleasure in driving. Alpine has been developing since its establishment in 1967 to satisfy customer's fluid demands in this mutable world.

### Alpine History

#### 1967—
**Alps Motorola Era**

**Better Car Life in Japan**
In the period when cars started spreading in Japan, Alpine took its first step to bring more fun to driving with high-quality car stereo players and cassette decks.

- **1969** 8-track cartridge players
- **1975** Cassette deck

### 1978—
**Beginnings of Alpine**

- **1980** 1980SK-800 (Manual-FM cassette deck)
- **1981** Gyrocator
- **1982** Cassette deck, Tuner, Electronic equalizer

### 1988—
**Growth of Alpine**

**Proposing Brand New Value of Vehicles**
Honda Motor Co., Ltd. and Alpine developed Gyrocator, the origin of car navigation systems, that provided a new driving experience. Gyrocator brought an entirely new value that a driver could see where they were driving on a map.

- **1989** CD shuttle 5SH2
- **1991** AV Shuttle 2SH3 / 3D Shuttle 5SH2

### 1995—
**Alpine Vision 2005 Era**

**Impressing society in our main business domain of Mobile Media**

- **1995** NVE-N055 (Car navigation)
- **1999** World population over 6 billion

### 2005—
**Alpine Vision 2015 Era**

**Creating future values by expanding business to drive assist system**

- **2005** DVD player introduced to market
- **2006** 1st Q4 sales

### Social Affairs

- **1967** EC (European Community) establishment
- **1972** Sapporo Winter Olympics
- **1973** The First Oil Crisis
  - The floating exchange rate system of JPY at

### 1978

- **New Tokyo International Airport (Narita International Airport) open**
- **Automotive telephone service start**
- **CD player come on the market**

### 1992

- **UNCED (United Nations Conference on Environment and Development) in Rio de Janeiro, Brazil**
- **World population over 6 billion**

### 1994

- **NAFTA (North American Free Trade Agreement) execution**
- **2001** S-11, US

### 2008

- **The population of smartphone users explodes (iPhone 3G release)**
- **Lehman Brothers bankruptcy**

### 2009

- **Popular word Eco-car spread**
- **Greek economic crisis**

### 2010

- **The Great East Japan Earthquake**
Meeting Obligations to Stakeholders
To fulfill our social responsibilities, Alpine is continually strengthening its CSR organization.

Alpine CSR is the corporate governance itself that embodies its principles

CSR Committee Chairman and Managing Director
Seishi Kai

In recent years, many companies and other organizations have carried out a variety of CSR activities all over the world. Alpine believes that CSR activity does not mean doing something special, but fulfilling our social responsibilities through our usual corporate activities. Therefore, we define Alpine CSR as the corporate governance itself that embodies our principles; (1) Respect for Individuality, (2) Creating Value, and (3) Contribution to Society.

Alpine has set up a CSR committee to respect our corporate philosophies and fulfill our social responsibilities as a member of the Alps Group. The CSR committee consists of 8 subcommittees who make the most of each specialties, consider how to meet demands of our stakeholders, and carry it out. Our attitude towards CSR activity, that is, fulfilling our social responsibilities through our usual corporate activities, leads to a new philosophy called CSV (Creating Shared Value) that means creating economic values in parallel with fulfilling social responsibilities.

There is a large variety of images of CSR depending on countries and regions. Alpine conducts its corporate activities globally at 42 bases in 15 countries. Therefore, we take an international standard called ISO26000 as our guidance. Based on it, Alpine’s original CSR guideline was established, and global CSR activities are ongoing.

During times of rapid and dramatic changes, we cannot fulfill our social responsibilities with an idle attitude towards changes. We believe that we can meet demands of our stakeholders by carrying out our corporate activities by regarding a change as an opportunity. Moreover, we are assured that voices from our stakeholders lead to our growth as a company. Alpine conducts its corporate activities transparently to be a trusted company continuously. We truly appreciate the extensive and continuous support from our stakeholders.
Respect for Individuality

Alpine seeks to foster the pride and enthusiasm of each employee, provides means and opportunities for growth, and encourages relationships built on mutual trust.

Voice

We are creating an organization and an atmosphere where employees can work lively.

Together with the locals

Companies should consider their employees as assets, because they cannot be loved in the society without the workers’ cooperation. Alpine treats not only employees but also their family and the locals with great respect. For example, we have Open Office Day for families and make a donation to local educational funds. It is the respect for individuality that brings passion for Alpine’s policy “Only One, First One.”

Support for our dreams

When I was a student, I thought working means doing what I do not want to do without my own will. Now I am on an intern at Alpine, and I realized that this company always gave an opportunity to express their own opinion to even younger workers. In addition, Alpine gives us huge support to achieve our dreams as respect for individuality. I have a dream to be a company’s lawyer, and Alpine gave me an offer of a job in the legal department. I am looking forward to expressing my ideas as a member of Alpine continuously.

Tough organization with respect for individuality

I believe that “Respect for Individuality” means accepting each uniqueness that makes our products and service different from that of our competitors. I learned how to accept others in the communication lesson on the curriculum for new recruits, which was a trigger to change my attitude to my co-workers. It is important to choose words carefully to work efficiently and productively. Now, I am a member of an organization where each opinion and belief is respected.

Bond between company and employees

Alpine’s training system shows that Alpine treats the employees with great respect. A variety of programs are provided, for example, courses in business skills and foreign languages. Furthermore, Alpine sets a high value on workers’ health to support their bright life, and we often have a sports events like badminton and tenpins for our physical and mental health. Alpine has a culture of “study hard, work hard, play hard” and it strengthens the bond between the company and the employees.

Focus

Global Network of Individualities

Alpine has been organizing a global system of production and development on a basic policy of “Made in Market, Design in Market.” The employees have various backgrounds and senses of value and are working actively together all over the world.
Individuality

for individuality each other and show their spirit of “Creation, Passion, Challenge”.

We put an effort to make a system and environment where the employees can respect each other and show their spirit of “Creation, Passion, Challenge”.

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Employees Satisfaction Survey

Alpine carries out “General Attitude Survey” once every three years in the offices in Japan, UK, Germany, etc. to elicit opinions of the company from the employees. The survey in 2012 concluded that the satisfaction had been generally improved since the last survey in 2009.

Based on this result, Alpine is building better working environment where the employees get higher satisfaction.

Flexible Working

Giving birth is an important turning point of life, and also the demand for support in elder care will get higher and higher. Alpine has a variety of systems to support the employees’ life plan flexibly, e.g. maternity leave before and after birth, parental leave, elder care leave, and flexible working hours.

In addition, the system was revised in 2012 so that the workers can take leave by the hour for various purposes like nursing care for family, self-development, and volunteer activity.

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Building Educational Environment

A variety of training systems is provided depending on the working period and the post of the employee. In particular, Alpine has put more effort to train international workers in recent years, e.g. exchange program between Japan HQ and foreign subsidiaries.

Although the period is limited to one or two years, quite a few workers can join this program and it will be expanded by high demand.

Moreover, Human Resources Development Conference takes place twice a year to discuss optimal job rotations and training schemes to train the next generation. In addition, Alpine established Global Human Resources Conference in 2012, where curriculum for executive candidates are discussed by the management of human resources of main corporate centers.

Cross-culture Study

Alpine’s employees have diverse nationalities and races. For example, 260 workers in three German offices are from 27 countries. The offices in Europe have Cross-culture Lunch once a month to make the most of the multiple backgrounds. At this occasion, they introduce and discuss their cultures and deepen their understanding of different characteristics and roots to make their communication smooth and also to build a tough company with a strong advantage of a variety of thoughts.

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Workers Association Activity

Alpine Workers Association and the management discusses revision of labor regulations, promotion of job efficiency and taking holidays, bonus negotiation, etc. in the equal position to maintain and improve the working conditions and economic status of the employees.

Labor and management are communicating actively in China, too. The workers association is trying to improve the working conditions by reporting employees’ opinions about the environment to management six times a year and discussing the company’s direction and salary directly with management on a monthly basis. Their earnestness impressed the Beijing Foreign Affiliated Company Labor Association, and they received “Excellent Labor Association Award” in 2011 and 2012 in a row.

Safety-consciousness after Earthquake

Fukushima is still under the impact of the Great East Japan Earthquake and the nuclear accident. Companies are responsible to support employees and their family to live with safety.

Alpine takes measures to show the nuclear effect visually, e.g. radiation monitoring post in the office, radiation dosage displays outside and also on the menu of the office cafeteria. To improve the accuracy of measurement, an inspection was carried out by a foreign third party who has a specialty in radiation examination.

For more safety, Alpine provides employees with a device that measures radiation exposure of their family in a bath. They can be assured based on an analysis of the results by a professor of radiation. Alpine believes that continuation is important in these activities, and puts an effort continuously to bring more safety into work.
Creating Value

Alpine eagerly takes up the challenge of maintaining technical leadership in creating new values that will enhance the quality of human life.

Voice

We are creating new values through every work and function.

Values Beyond Customer’s Demands

We must make strenuous efforts to add lots of values to our products and service. We must afford a surprise to customers by extraordinary values and provide pleasure by innovative ideas and technology. Through working for Alpine, I learned that it was extremely important not only to fulfill customers’ demands but also to create values beyond them. It is Alpine’s strength to provide a result exceeding expectations.

Leading Markets by Combining New Technologies

Alpine is bringing values to the world through cost, efficiency, and reliable products to live up to customers’ expectations. Today, the trend of markets is switching to navigation connectivity, and many functions like music, information, and navigation is concentrated in the dashboard that is becoming the information center of the vehicle. Following this trend, Alpine leads markets by combining new technologies and creates values that afford great satisfaction to our customers. The unique vehicle life nobody has ever experienced is just around the corner.

Creating Future Vehicle Society with Customers

Now I am in charge of new sound system business for an important customer of our OEM business. I am seeing it with my own eyes that our technology combines with that of the vehicle manufacturer and mutual business expands larger and larger. I believe that it is one of Alpine’s missions that make people smile all over the world together with our impressive customers through pursuing the potentiality of future vehicle society.

Focused

Pursuing What Does Not Exist in the World

Alpine makes a great effort all the time to create new values and afford a surprise and pleasure to the society.

Progress of Patent Award

- 2008: 268
- 2009: 232
- 2010: 251
- 2011: 238
- 2012: 238

(Sum of cases)

Year

268 232 251 238 238

Alpine Corporate Profile / CSR Report 2013/2014
Creating Value

Alpine focuses on technology and quality, and proposes safer and more comfortable car life for the future.

Know-how and Technology to Create Future Values

- Generality to Design Vehicle Interior
  Alpine provides not only car audio and navigation system, but also rear camera systems and rear seat displays that support you to drive safely and comfortably. The combination makes the most of each vehicle’s features and realizes a universal coordinate.

- Technology to Exceed Premium Sound
  Alpine adds new values to premium acoustic systems, for example, Fresh Air Sub-woofer solves the difficulty in realizing sound of quality, lightweight, and compactness at once.

- Concern for Global Environment
  Alpine puts a variety of functions into car navigation system to support eco-driving. The 'Eco-route' function calculates the energy consumption to arrive at your destination based on topographical data and traffic information, and proposes the route of the least energy consumption. Compared with Alpine's recommended route, gas consumption (CO2 emission) is reduced by 16% on average. In addition, the 'Eco-guide' function displays the fuel efficiency, and moreover analyzes and marks driver's acceleration work and warns the driver against sudden acceleration and deceleration.

Alpine has reliable technologies to supply the greatest values, and have answered to customer's voices with these technologies. As a result, Alpine was awarded the number one in the car navigation category of Consumer Satisfaction Survey carried out by a third party.

Proposal of New Car Life

In 2012, Alpine released a smartphone application called "Tunelt" in the US. Tunelt makes it possible not only to adjust the acoustic setting of Alpine products, but also to share the self-setting with your friends and other Alpine users on SNS.

Safety Driving with Drive Assist System

A combination of multiple cameras of high sensitivity and wide view are used to remove the vehicle's blind spots. Warning against places where a lot of traffic accidents have frequently happened based on massive data. Alpine provides such drive assist system to support safe driving.

Propose a Cockpit of the Next Generation

Alpine’s technology development is targeted at the future vehicle society. One of the activities is "Premium Cockpit" being developed with Alps Electric Co., Ltd. The system sensors the driver's eye movement and pupil condition, and assists drivers depending on their attention, mood, and condition. Drivers do not have to adapt themselves for the car, but the car is adjusted to the driver. This future-oriented cockpit will reduce the stress of driving and improve safety.

Lesson of Quality Learned From Experience

In the Alpine Museum located inside our HQ office, there is an exhibit of a product that was previously returned to Alpine from one of our valued customers. The product caused a malfunction, and the ejection of the customer's cassette tape became impossible. In 1981 the product was shot by a 45 magnum and returned. Today, it is a symbol for all Alpine employees of our obligation to offer premium quality products and services. It is a reminder that each and every Alpine product we deliver to the market is special from the end user's perspective and the foundation of Alpine's reputation in the market.

Impressive Quality

We believe that excitement and delight are derived when the value of a product exceeds the customers' expectations. Alpine has defined such a value as "fascinating quality", and puts great efforts to achieve it.

Pursuing Reliable Products

Automobiles run in a wide range of environments, e.g. constant vibration, high temperature, and shock. To assure the reliability of our products to work in any situation, Alpine conducts tests and evaluations in severe environments. In our reliability and evaluation centers located in each of the main global bases, the robustness of our products against sunlight, dust, etc. are tested and analyzed accurately under various strict evaluation criteria, which leads to the assurance of stable quality and high reliability. Furthermore, the HQ in Iwaki, Fukushima, has a test circuit where a variety of severe road conditions is replicated and the operation of products is tested practically.

Extensive After-sales Service

I n the event that the quality of our product causes trouble and inconvenience to customers, the analysis centers located in five countries analyze the cause and repair the product speedily and accurately with advanced facilities. In Japan, 90% of the repaired products are returned to the owners in a week. What is more, the customer service center compiles customers’ opinions and answers to questionnaires in our database to make the most of them in our product development and improvement. For example, we have received voices from some regions that our car navigation system does not receive the signal of terrestrial digital broadcasting. In that case, we visited all the areas, carried out tests and improvements over and over, and then our car navigation system acquired a reputation for great sensitiveness to the broadcasting signal.
Alpine is committed to providing superior products and thus contributing to a fuller, richer society.

Focus

For Vehicle Life in Low-carbon Society
Alpine supports the creation of an eco-friendly automotive society through reducing bad influences our products may have on the environment.

Voice

Each employee considers the relationship between the society and Alpine.

Continuous Contribution Activity
Alpine UK
OEM Product Quality
Shelly Dhund

It is the essence of contribution to society to exhibit the best behavior towards society. Also, if we get a profit from society, we must give feedback to others, and then they will also give us feedback. This idea will assure the continuity of contribution activity. If I wish Alpine’s growth in the future, I should do good things for society first. That is the motive for me to continue contribution activities.

To Change the Reality
Alpine Asia Pacific
Senior Executive Administrator
Pinthita Sutthiprapa

It is our style of contribution to support each other and team up to make society better. For example, compared with Japan, Thailand does not have satisfying welfare system, so it is common to provide parents with money. However, people often cannot earn enough to do so because they did not have proper educational opportunities. We actively carry out a support activity for children, e.g. scholarship support, to change this reality step by step.

Expected as Manufacturer
Alpine
OEM International Marketing Dept. 1
Tatsunori Suzuki

It is certainly important not only to have a mind to contribute to the society, but also to have a measure to realize this thought. Alpine has built up technologies and know-how since its establishment, which makes it possible to achieve our ambition of contributing to society. For example, Alpine has made efforts to reduce harmful influences on the environment and to prevent traffic accidents. We are expected as a manufacturer to create technologies to solve social problems.

Responsibility for Next Generation
Alpine Manufacturing Europe
OD Leader
Kitti Horvath

‘Contribution to Society’ means having responsibility for the next generation as a member of the society, in my opinion. I adopt a harmonious life with the environment and willingly take part in volunteer activities like a forestation and picking up litter. In recent years, Alpine products and technologies are getting more environment-friendly. I believe it is because all the workers share the same spirit. I would like to stay eco-friendly for long as an individual and also a member of a company.

Examples of Eco-development
- The ‘Eco-route’ function that was newly released for Alpine brand car navigation system cuts down 16% of gas consumption. (Based on a driving investigation from Ohta-ku, Tokyo, to Wako-shi, Saitama.)

- Compared with an old model, our Fresh Air Sub-woofer reduces 86% of the size with the same quality of sound.

Contribution to Society

Alpine is committed to providing superior products and thus contributing to a fuller, richer society.

Alpine supports the creation of an eco-friendly automotive society through reducing bad influences our products may have on the environment.
**Environment Principle**

**Basic Policy**
- We protect the global environment through environment-friendly products and corporate activities as a member of the global society.

**Action Guideline**
- We improve environment consciousness of each employee, produce an environment-friendly atmosphere in the organization, and enhance the coordination with society through the following activities.

1. **Environment-Friendly Product**
   - We develop environmental technologies and provide products that are environment-friendly across their life cycle.

2. **Environment-Friendly Corporate Activity**
   - We promote minimization of harmful influences on the natural environment through reducing waste, recycling, and energy saving.

3. **Environmental Preservation System and Operation**
   - We improve environment consciousness of each employee, produce an environment-friendly atmosphere where each and every employee can actively take part in an activity of environmental management.

**Continuous Improvement**
- Environmental education and enlightenment
- Information disclosure etc.

**Management System**
- Environmental audit
- Environmental accounting
- ISO14001 certification etc.

**Minimization of Burden on the Natural Environment on a Global Basis**

The main global bases, especially manufacturing plants, have a global standard called ISO14001 to carry out environment-friendly corporate activities efficiently. The bases in various countries and regions share their environmental preservation activities and the performance data, and are trying to improve each other.

**Environment-friendly Products**

Alpine develops products taking into consideration the bad influences on the environment across the products’ life cycle. In particular, we focus on the weight of products that has a big effect on the fuel efficiency of vehicles. We are pursuing downsizing and lightening through improvement of electric circuits and the products' structure, and, what is more, careful selection of material and parts.

In addition, Alpine conducts a variety of activities to minimize the burden on the natural environment, e.g. elimination of harmful chemical material that a product contains, reduction of the number of parts with regard to recycling.

As an indicator of the result of this environment-friendly development, Alpine operates LCS (Life Cycle Assessment) that quantitatively evaluates the load on the environment.

**Continuous Improvement of Burden on Environment**

Environmental problems like global warming and resource depletion transcend the boundaries of countries, regions, companies, and families. Alpine put an emphasis on training to produce an environment-friendly atmosphere where each and every employee can actively take part in an activity of environmental improvement.

Furthermore, Alpine willingly joins environmental activities held by the government and NPO as a member of regional society. In Japan, Alpine Giken and Alpine Technology Manufacturing were awarded the first prize in the office category of Fukushima Protocol that is a global warming prevention project held by the administration of Fukushima. (In 2012 Alpine Giken was awarded the prize three years straight.)

Alpine put efforts on not only development of environment-friendly products, but also reduction of the burden on the environment caused by our corporate activities. We especially focus on CO2 emission that is said to be the main cause of global warming. We promote eco-friendly activities through the whole business, e.g. design of products that are easily assembled, energy saving by optimization of manufacturing process, and reduction of shipping frequency by improving carrier efficiency. Moreover, Alpine performs activity from various points of view, such as reduction of VOC use in manufacturing process, reduction of industrial waste, prevention against noise and bad smell for the purpose of realizing “environment-friendly corporate activity”.

**Status of ISO14001 Acquisition**

- ALPINE ELECTRONICS DE MEXICO, S.A. DE C.V. (registered on 10.5.2012)
- CANADIAN ALPINE ELECTRONICS CO., LTD. (registered on 11.22.2001)
- TAIWAN ALPINE ELECTRONICS CO., LTD. (registered on 12.27.1996)
- ALPINE ELECTRONICS INC. (Iwaki) (registered on 5.5.2005)
Enhancement of Presence as Plant

The beginning was a thought shared among employees that “We would like to enhance the presence as plant.”

Onomachi plant had produced an atmosphere where the employees willingly carry out activities to have a great presence in Alpine group and the local community as much as possible. We considered an activity plan concretely and reached a consensus that we would start with conveying to our visitors the unforgettable attraction of the products that our plant manufactured and the area where the plant was located. Then, our activity began in April 2012 with a slogan of “Greatest Impressive Plant.”

Forming Attractive Plant

As the first step, Onomachi plant started changing itself from “a manufacturing plant” to “a plant visitors can enjoy looking around.” First, Alpine products were displayed at the entrance. Then, a brochure was released about the history of Onomachi plant and a record of the Great East Japan Earthquake. Also, the interior of the plant was decorated, e.g. with imitation flowers of “Thousand Cherry Trees” that Onomachi is well-known for.

Participation in Food Supplying Support Campaign

American office participated in a support campaign for people who live in a region suffering from severe economic problems. They collected and donated 100 portions of food and worked as volunteer in the warehouse of the campaign organization.

Protection of Wild Animals

Thai office conducts an activity to protect wild animals around them every year. This year, they sprinkled mineral on the soil that did not contain well-balanced nutrients in Khao Yai National Park.

Donation of Facility to School

Hungarian and Mexican office donate needless equipment like PC to local schools and colleges.

To Make Memorable Plant

Challenge of Alpine Manufacturing Onomachi Plant

Chinese office offers “Alpine Class” for university students of science and engineering every year from 2004, and introduces Alpine’s technology and knowledge. We make the most of our knowledge as a manufacturer, and are aiming at training human resources that broadly contribute to the society.

Christmas Present for Children

American office collects toys and presents them to disabled and disadvantaged children for Christmas.

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Corporate Governance

We believe that it is our basic obligation to enhance the corporate viability and transparency, and to fairly carry out corporate activities. Therefore, Alpine is strengthening our corporate governance through enlightenment of the employees, information disclosure for our stakeholders, and cooperation with our customers.

Corporate Governance Structure

Alpine appoints a Board of Directors that oversees and supervises managerial decisions. Each director is assigned with a specific corporate function. By incorporating an organization with clear managerial responsibilities, optimal and efficient progression of duties are assured. Alpine has established an internal auditing structure, and empowers the Board of Auditors. The board assures the clarity and transparency via monitoring from managerial, accounting, and legal perspectives.

Corporate Governance Organizational Structure (as of June 2013)

In the recent stream of deregulation and legal system reformation, company’s responsibility for self-management is heightened. To remain a trusted company, strict legal compliance is practiced in Alpine. We have laid down our Ethical Guidelines (“Alpine’s Ten Commandments”), the basic code with which each and every employee within the Alpine group across the world is required to comply. In Japan, USA, and China, Alpine has established an “Ethical Hotline” for Alpine employees and suppliers to talk over ethical and moral issues. A whistle-blower protection clause is included in our internal regulations. This system acts to help detect potential problems in advance and enable prompt action.

Corporate Governance

Alpine is making great efforts to create internal control systems, based on the belief that such systems should be created not only for the sake of compliance with relevant laws, but also to effect positive change. We promote improvement of internal control system to strengthen our business structure.

Internal Control System

Compliance Structure

In the recent stream of deregulation and legal system reformation, company’s responsibility for self-management is heightened. To remain a trusted company, strict legal compliance is practiced in Alpine. We have laid down our Ethical Guidelines (“Alpine’s Ten Commandments”), the basic code with which each and every employee within the Alpine group across the world is required to comply. In Japan, USA, and China, Alpine has established an “Ethical Hotline” for Alpine employees and suppliers to talk over ethical and moral issues. A whistle-blower protection clause is included in our internal regulations. This system acts to help detect potential problems in advance and enable prompt action.

Compliance Education

Alpine established a legal department at each corporate center in Japan, USA, Europe, and China, and conducts compliance training according to each department and each regional characteristics.

Training Report of 2012

<table>
<thead>
<tr>
<th>Country</th>
<th>Training Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>Legal lecture on antitrust legislation, regulation of driver distraction, etc.</td>
</tr>
<tr>
<td>USA</td>
<td>Legal lecture on antitrust legislation, regulation of driver distraction, etc.</td>
</tr>
<tr>
<td>Europe</td>
<td>Legal lecture on antitrust legislation, regulation of driver distraction, etc.</td>
</tr>
<tr>
<td>China</td>
<td>Release of newsletters for the management about antitrust legislation, and regulation of automobile rental and its operation</td>
</tr>
</tbody>
</table>

Alpine improves the corporate transparency by appropriate information disclosure. We actively offer an opportunity to share our corporate status, activities and strategies with our stakeholders, e.g., biannual corporate report meeting for our partners, biannual account statement meeting for investment analysts and institutional investors, and other periodic meetings.

In addition, we disclose a variety of information timely on a website and SNS. Especially on our investor’s information website, the contents met a favorable reception and were awarded a prize.

Risk Management Initiative

To ensure sustainability and reliability of our corporate activities, Alpine analyzes a wide range of factors of possible risks. The risks are categorized into “Disaster risk,” “Infection risk,” “Business risk (finance, labor, government)” and “Information risk,” and countermeasures have been planned for a possible crisis in order to minimize damages. Alpine has established Business Continuity Plan to ensure the safety of employees and their families, and to reduce post-disaster impacts on our customers given any emergency situation. In 2012, based on the experience of the Great East Japan Earthquake, we expanded and supplemented the business continuity plan related to IT infrastructure, and completed a support manual for people having trouble returning home.

CSR Activities Across Our Supply Chain

Alpine expands purchasing activity worldwide based on “Alpine Purchasing Policies.” Conforming to the “Supply-chain CSR Development Guidebook” of JEITA, we are promoting Corporate Social Responsibility with our partners. In 2012, Alpine sincerely requested cooperation to our partners on three topics: information security, minimization of burden on the natural environment, and handling of conflict minerals. Especially regarding handling of conflict minerals, we fully understand and agree on its purpose from the perspective of respect for fundamental human rights, and conduct purchasing activity under the cooperation with our partners, JEITA, and each group company.

Alpine’s Purchasing Policies
Below is a report about Alpine’s activities on 7 main subjects of ISO26000.

### Main Activities of 2012

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<td>Discoloring and lightenning</td>
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<tr>
<td>Environment-friendly logistics</td>
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<tr>
<td>Green Purchasing</td>
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<tr>
<td>Reduction of CO2 emission in the logistic area by improvement of carrier efficiency</td>
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<td>Reduction of use of electricity by solar power generation and energy saving</td>
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<td>Electricity saving according to the characteristics of each corporate center</td>
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<td>Compliance education</td>
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<td>Fair compliance</td>
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<td>Communication with customers</td>
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<td>Improved evaluation and articulate analysis</td>
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Company Overview

Alpine Electronics, Inc.

- **Date of Establishment**: May, 1967
- **Paid-in Capital**: ¥25,920 million
- **Number of Employees**: 10,058 (30 companies consolidated. As of end of March 2012)
- **Description of Business**: In-car Audio Products/In-car Information & Communication Products
- **Stock Exchange Listing**: Tokyo Stock Exchange
- **Common Stock**: 160,000,000 shares
- **Total Issued Stocks**: 69,784,501 shares
- **Headquarters**: Iwaki: 20-1 Yoshima-Kogyodanchi, Iwaki, Fukushima 970-1192, Japan
  - Phone: 81(246)36-4111
  - Fax: 81(246)36-6898
- **Tokyo**: 1-1-8 Nishi-Gotanda, Shinagawa-ku, Tokyo 141-8501, Japan
  - Phone: 81(3)3494-1101
  - Fax: 81(3)3494-1109

Number of Employees (Consolidated)

- **Head Count**: (As of June 2013)

Committee Members

President & CEO: Toru Usami (right)
Managing Director: Hitoshi Kajiwara (left)
Managing Director: Shuji Taguchi (right)
Directors:
  - Masataka Kataoka
  - Satoshi Soma
  - Toshihiro Kobayashi
  - Koichi Endo
  - Naoki Miura
  - Shuji Taguchi
Statutory Auditors:
  - Toji Tanaka
  - Hideo Kojima
  - Taisuke Hinoemori
Auditor:
  - Taisuke Yonemori

Committee Members (As of June 2013)

Net Sales (Consolidated)

- **(in 100 mil JPY)**
  - 2013: 1,966
  - 2012: 2,012
  - 2011: 2,029
  - 2010: 2,223

Ordinary Income (Consolidated)

- **(in 100 mil JPY)**
  - 2013: 1,685
  - 2012: 1,542
  - 2011: 1,723
  - 2010: 1,751

Number of Employees (Consolidated)

- **(Head Count)**
  - 2013: 11,107
  - 2012: 11,573
  - 2011: 11,913
  - 2010: 11,909

Overseas Subsidiaries/Overseas Affiliates

- **North and Latin America**
  - ALPINE ELECTRONICS OF AMERICA, INC.
  - ALPINE ELECTRONICS OF SAN DIEGO, INC.
  - ALCOM AUTOMOTIVE, INC.
  - ALPINE ELECTRONICS OF CANADA, INC.
  - ALCOM ELECTRONICS OF MEXICO, S.A. DE C.V.

- **Europe**
  - ALPINE ELECTRONICS (EUROPE) GmbH
  - ALPINE ELECTRONICS GMBH
  - ALPINE ELECTRONICS FRANCE S.A.R.L.
  - ALPINE ELECTRONICS OF U.K., LTD.
  - ALPINE ITALIA S.p.A.
  - ALPINE ELECTRONICS DE ESPAÑA, S.A.
  - ALPINE ELECTRONICS MANUFACTURING OF EUROPE, LTD.

- **Asia and Oceania**
  - ALPINE ELECTRONICS OF AUSTRALIA PTY. LTD.
  - ALPINE ELECTRONICS HONG KONG, LTD.
  - ALPINE ELECTRONICS OF AUSTRALIA PTY. LTD.
  - ALPINE ELECTRONICS OF ASIA PACIFIC CO., LTD.
  - ALPINE ELECTRONICS OF ASIA PACIFIC PRIVATE LIMITED
  - ALPINE ELECTRONICS OF MIDDLE EAST FZCO

Domestic Subsidiaries/Domestic Affiliates

- **North and Latin America**
  - ALCOM ELECTRONICS DE MEXICO, S.A. DE C.V.
  - ALCOM AUTOMOTIVE, INC.
  - ALPINE ELECTRONICS OF CANADA, INC.
  - ALPINE ELECTRONICS OF SILICON VALLEY, INC.
  - ALPINE ELECTRONICS OF AMERICA, INC.

- **Asia and Oceania**
  - ALPINE ELECTRONICS OF ASIA PACIFIC CO., LTD.
  - ALPINE OF ASIA PACIFIC INDIA PRIVATE LIMITED
  - ALPINE ELECTRONICS OF AUSTRALIA PTY. LTD.
  - ALPINE ELECTRONICS OF AUSTRALIA PTY. LTD.
  - ALPINE ELECTRONICS OF AUSTRALIA PTY. LTD.

Data on Alpine’s business and CSR activities can be found in this booklet and on our Website.

Website:
- http://www.alpine.com
- http://www.alpine.com/e/csr/

Note: This report includes forward-looking statements about the future performance of the Alpine group, based on its management’s current plans, estimates, and policies, as well as factors concerning the Alpine group both past and present. These plans, estimates, and projections are based on management’s assumptions and beliefs in the information available to it as of this writing, and therefore the actual results or events of future business undertaking could materially differ from those contained in these forward-looking statements, as a result of changes in conditions.