



Table of Contents

Table	of Co	ntents		2
Forev	vord			3
1.	Organ	nisation,	Foundation Board, Auditor	4
2.	Activi	ity Repo	rt	5
	2.1	Visions	and Goals of the LIFE Climate Foundation Liechtenstein	. 5
	2.2	Project	s 2013	. 6
		2.2.1	Projects Supported by the Swiss Climate Foundation	. 6
		2.2.2	Selected Projects Supported Directly by the LIFE Climate Foundation Liechtenstein	
		2.2.3	Events in Liechtenstein	. 9
		2.2.4	Events Abroad	10
		2.2.5	Participation of Representatives of the LIFE Climate Foundation Liechtenstein in External Events	10
		2.2.6	Other Projects for Raising Public Awareness, Generating Knowledge and Expanding the Network	
		2.2.7	Publications	12
3.	Statu	s of the	Implementation of the Three-Pillar Strategy	13
4.	LIFE-C	Connect	/ Partnerships: Portraits	14

Foreword

"We are responsible not only for what we do, but also for what we fail to do."

(Molière)



Climate protection and adaptation to climate change are among the most important environmental, social and economic policy challenges of our age. This applies to all segments of our society, both globally and regionally. Diverse instruments are needed to master these challenges. With the amendment to the $\rm CO_2$ law that was adopted by Parliament on 6 September 2013, Liechtenstein underlined its commitment to the proactive continuation of a central instrument for local climate protection. Under the new law, the incentive-tax system has been established until 2020. The continuation of this incentive instrument also ensures the long-term funding of the activities of the LIFE Climate Foundation Liechtenstein and the partnership with the Swiss Climate Foundation. Therefore, I am especially happy that the successful support that small and medium-sized businesses were provided with last year can now be continued. Additionally, it will be possible to further develop other activities in line with the foundation's purpose, especially those that concern the financial centre.

In my capacity as Prime Minister, I am aware that the state plays a central role in the climate-protection-relevant energy reform, as it can pave the way for the energy reform by means of a suitable mix of support and requirements. Besides the regulatory framework, the participation of industry and commerce is also important. In its package of measures, the Energy Strategy 2020 has also committed itself to the support of private initiatives that are in line with the objectives of the strategy. As the President of the Foundation Board, this is where I see a key field of action for the LIFE Climate Foundation Liechtenstein for the future. By means of public outreach and project support, the LIFE Climate Foundation Liechtenstein can serve as an intermediary and incubator, making a valuable, all-encompassing contribution to the Liechtenstein energy reform and beyond through partnership.

Adrian Hasler

President of the Foundation Board
Prime Minister of the Principality of Liechtenstein

1. Organisation, Foundation Board, Auditor

The LIFE Climate Foundation Liechtenstein was founded on 15 January 2009 and is registered in the commercial register as a charitable foundation with an independent legal personality as defined in Articles 522 ff of the Liechtenstein Persons and Companies Law (PGR). It is supervised by the Foundation Supervisory Authority (STIFA) of the Office of Justice and operates on a non-profit basis.

As of the end of 2013, the Foundation Board comprised the following representatives of the government, financial centre associations and the University of Liechtenstein:

Function	Name	Representative of
President	Adrian Hasler	Government of Liechtenstein
Vice President	Adolf E. Real	Lie. Bankers Association
Member	Dr. Helmut Kindle	Office of Environmental Protection
Member	Lars Inderwildi	Lie. Investment Fund Association
Member	Clemens Laternser	Lie.Institute of Professional Trustees and Fiduciaries
Member	Prof. Dr. Martin Wenz	University of Liechtenstein
Member	Frank Häcker	Lie. Insurance Association

In the course of the 2013 reporting year, the Foundation Board held four Foundation Board meetings. The Foundation Board is supported by the Administrative Office of the LIFE Climate Foundation Liechtenstein, which is based at the Liechtenstein Bankers Association and bears operational responsibility for the management of the foundation and the coordination of the foundation's activities. As of the end of 2013, the following persons belonged to the Administrative Office:

Function	Name	Representative of
Executive Director	Simon Tribelhorn	Lie. Bankers Association
Deputy Executive Director	Sven Braden	Office of Environmental Protection
Member	Caroline Voigt	Lie. Insurance Association
Member	Dr. Richard Vögeli	University of Liechtenstein
Member	Sabine Langenegger	Lie. Bankers Association

All employees of the Administrative Office are made available by their employers for the work of the foundation by way of "corporate volunteering".

PriceWaterhouseCoopers, St. Gallen, officiated as auditor.

In early 2014, the University of Liechtenstein decided to appoint Martina Herberstein as a member of the Administrative Office of the LIFE Climate Foundation Liechtenstein. Martina Herberstein thus took over the position of Dr. Richard Vögeli, who had successfully represented the positions and interests of the University of Liechtenstein since 2010. The members of the Foundation Board and of the Administrative Office would like to use this opportunity to express their gratitude for the impressive services of Dr. Vögeli, which were characterised by professionalism and personal attachment to the goals of the foundation's activities.

2. Activity Report

2013 was an especially important year for the LIFE Climate Foundation Liechtenstein. With the amendment to the CO2 law in September 2013, Parliament underlined its commitment to the continuation of the incentive tax and thereby indirectly ensured the funding of the activities of the LIFE Climate Foundation Liechtenstein and the continuation of the partnership with the Swiss Climate Foundation. Back in 2012, the government promised that it would donate the refund amounts from the income of the CO₂ tax (to which it is entitled from the refund to the economy in its capacity as employer of state staff) to the LIFE Climate Foundation Liechtenstein if the country's three largest financial institutions also undertook to do the same and donate their refund amounts to the Climate Foundation Switzerland. Due to the willingness of LGT Bank, LLB and VP Bank to donate their refund amounts, the funding concept was successfully implemented in 2012. Now that the amendment to the CO₂ law has been adopted, the regulatory framework that is necessary for this cooperation has been established until 2020. With a view to the long-term planning of the activities of the LIFE Climate Foundation Liechtenstein, 2013 was thus pleasing and motivates us for the future. Personnel costs were again covered exclusively by volunteer services provided by the entire Administrative Office through corporate volunteering. This makes sure that the largest possible proportion of the funds allocated to the LIFE Climate Foundation Liechtenstein flows directly into the foundation's activities.

2.1 Visions and Goals of the LIFE Climate Foundation Liechtenstein

In February 2013, the Foundation Board of the LIFE Climate Foundation Liechtenstein defined its objectives and the measures to be taken in 2013 in order to attain these objectives. Among other things, the establishment and acceptance of the foundation in the country were to be further promoted. In the long run, the LIFE Climate Foundation Liechtenstein is to be seen as a driver of innovation and an incubator for relevant subjects from the broad field of sustainability beyond national borders. In this context, the foundation actively supports activities that convey the ideas of sustainability to an audience in Liechtenstein and abroad that is as broad as possible.

To reach these goals, concrete projects with a national and international impact had to and have to be successfully implemented according to the three-pillar strategy. Within this, the opportunities for Liechtenstein in general and the financial centre in particular are to be made visible. Guided by these

goals, the Administrative Office of the LIFE Climate Foundation Liechtenstein implemented the projects described below in 2013 with the assistance of the Foundation Board.

2.2 Projects 2013

Within the scope of the partnership with the Swiss Climate Foundation, numerous small and medium-sized businesses were again supported in 2013 in the field of energy savings. In 2013, Ursula Finsterwald (LGT Bank) and Sven Braden (LIFE Climate Foundation Liechtenstein) served as Liechtenstein's representatives on the Advisory



Board of the Swiss Climate Foundation. As the representative of Liechtenstein's three largest banks, Ursula Finsterwald also served as a member of the central decision-making committee, the Foundation Board of the Swiss Climate Foundation. In the reporting period, the Foundation Board of the Swiss Climate Foundation granted funds amounting to almost CHF 180,000 to 10 SMEs from Liechtenstein (see 2.3.1 below for project details).

The LIFE Climate Foundation Liechtenstein has also directly supported some remarkable projects. Alongside the public arena (e.g. support of the "Umweltputzete" in Liechtenstein and Werdenberg), financial-centre-related subjects were focused on in 2013 and funding amounting to almost CHF 30,000 was granted to projects in this area (see 2.3.2 for project details).

Further events in Liechtenstein and abroad and the ongoing network development of the LIFE Climate Foundation Liechtenstein round off the activity report for 2013 (see sections 2.3.3 to 2.3.7).

2.2.1 Projects Supported by the Swiss Climate Foundation

Milchhof AG, Schaan

Funding by the Swiss Climate Foundation: CHF 50,000



For the implementation of climate-protecting measures, Milchhof AG is receiving financial support in the amount of CHF 50,000. Liechtenstein's largest milk processor is expanding its production site and switching from natural gas to district heating. In this way, the company's CO₂ emissions will drop by about 300 tonnes a year.

Fix AG, Balzers

Funding by the Swiss Climate Foundation: CHF 50,000



An amount of CHF 50,000 was awarded to the textile cleaning enterprise Fix AG in Balzers. With this amount, the connection of the company to the Balzers district heating network is financially supported.

Wohlwend AG, Ruggell

Funding by the Swiss Climate Foundation: CHF 18,000



CHF 18,000 was awarded to the frozen-food specialist Wohlwend AG for the installation of efficient and economic production systems. In this way, up to 180 MWh of power can be saved every year.

Bruba AG, Balzers

Funding by the Swiss Climate Foundation: CHF 25,000



Bruba AG from Balzers also received funding in the amount of CHF 25,000. The manufacturer of stainless steel fireplaces is abandoning the use of oil and gas in favour of a connection to a district heating network, thereby saving about 80 tonnes of CO_2 a year.

Vacor AG, Balzers

Funding by the Swiss Climate Foundation: CHF 15,403



In the future, coating specialist Vacor AG from Balzers will also use district heating, thereby reducing its CO_2 emissions by 50 tonnes a year. Vacor AG was awarded funding in the amount of CHF 15,403.

ITW AG, Balzers

Funding by the Swiss Climate Foundation: CHF 10,395



By connecting to the Balzers district heating network, the building company ITW can save about 35 tonnes of CO_2 from fossil emissions. The connection was supported with an amount of CHF 10,395.

Restaurant "zum Löwen", Schellenberg

Funding by the Swiss Climate Foundation: CHF 3,663



Henceforth, the operators of the restaurant "zum Löwen" in Schellenberg will use the restaurant's waste heat for water heating purposes, thereby saving fossil fuels. For this project, the restaurant operators received funds amounting to CHF 3,663.

Ländle Markt Eschen Est., Eschen Funding by the Swiss Climate Foundation: CHF 3,600



Ländle Markt Eschen was given funding in the amount of CHF 3,600. This was done to support the commissioning of new, efficient equipment for business operations.

Moreover, the metal processing company Stellemad from Bendern (bulb replacement) and CNC Mechanik AG from Ruggell (participation in the costs of energy consulting in the SME model of the Swiss Energy Agency for Industry (EnAW)) received total funding of about CHF 2,700.

2.2.2 Selected Projects Supported Directly by the LIFE Climate Foundation Liechtenstein

Kenya Improved Cooking Stoves Programme Funding by the LIFE Climate Foundation Liechtenstein: CHF 20,000



In Kenya, in the region of the Lake of Naivasha, many Maasai still light cooking fires in their huts. Apart from the health risks that this poses, women who need to gather firewood away from their village are often faced with violent attacks. Gathering wood is also time-consuming, and purchasing firewood is very expensive. In the project, efficient cooking stoves are produced locally and made available to the Maasai. The project is to create jobs and, in a further step, support the local economy through the award of eco-loans (help for self-help). The free provision of 2,000 cooking stoves over two years should reduce CO₂ emissions by 6 tonnes a year. Alongside the LED, the LIFE Climate Foundation Liechtenstein now also supports the project, which was initiated by the Swiss company South Pole.

Umweltputzete 2013, Vaduz

Funding by the LIFE Climate Foundation Liechtenstein: In-kind donation worth CHF 3,000



In March 2013, about 200 people participated in the waste collection campaign "Umweltputzete" in the municipal area of Vaduz. As reported by the responsible environment protection commission, the volunteers collected more than 300 kilograms of waste on paths and meadows. Every year, municipalities in Liechtenstein and Werdenberg join the campaign.

Event series AlpEnMat at the Institute for Architecture and Planning of the University of Liechtenstein

Funding of the event by the LIFE Climate Foundation Liechtenstein: CHF 5,000



Within the scope of the "Alpine Energy Meetings on Advanced Technology" (AlpEnMat) EU project, the university held an event for industry and service enterprises with a focus on the field of sustainability in June 2014. The LIFE Climate Foundation Liechtenstein participated in the planning and funding of the event.

Energy contracting for enterprises Funding by the LIFE Climate Foundation Liechtenstein: CHF 6,800



In connection with the CO_2 incentive tax, valuable experience with regard to the funding of efficiency measures has been gained in Switzerland and Liechtenstein. For this purpose, the University of Liechtenstein has launched a research project together with the Liechtenstein energy consultancy Lenum AG. The project is to develop a funding model that is part of the CO_2 incentive system. The basic idea is based on "energy saving contracting", according to which the project funding is to take place via the monetary valuation of the cost savings over a specified period. The LIFE Climate Foundation Liechtenstein supported the project with a total of CHF 6,800.

2.2.3 Events in Liechtenstein

Public event, Liechtenstein art museum [22 March 2013] "Every litre counts" – Day of Water



In March 2013, more than 200 visitors of all age groups found out about the subject of water in the energy city of Vaduz on the occasion of the UN World Water Day. The invitation was extended by the LIFE Climate Foundation Liechtenstein, the Miss Earth Switzerland organisation and the climate protection organisation myblueplanet. Highlights of the event included a special mission for the current Miss Earth candidates. At various locations in Vaduz, they installed water saving attachments. This alone allows CO₂ savings of 5,428 kilograms a year.

2.2.4 Events Abroad

Climate conference in Warsaw, Poland [21 November 2013] Climate Finance as the enabler for a 2015 deal?



As part of the UN climate conference in Warsaw in November 2013, the LIFE Climate Foundation Liechtenstein and the University of Zurich organised an event on the topic of climate finance. International experts from Switzerland, the USA and Taiwan discussed how international climate financing in developing countries can efficiently and transparently lead to project rollouts. The well-attended event opened with a speech by Marlies Amann-Marxer, Minister of the Environment.

2.2.5 Participation of Representatives of the LIFE Climate Foundation Liechtenstein in External Events

2nd Impact Forum Zurich, House of Philanthropy Solutions, Zurich [15 October 2013] **Focus on Foundations**



On the occasion of an event in October 2013, the "2nd Impact Forum Zurich" focused on the role of foundations in the field of philanthropy. In a lively discussion, representatives of MIL, LGT and the LIFE Climate Foundation Liechtenstein examined the role and ways for new and modern forms of philanthropic activities.

2.2.6 Other Projects for Raising Public Awareness, Generating Knowledge and Expanding the Network

Establishment of energy efficiency platform



The energy network offers businesses in Liechtenstein a platform for the practical exchange of experiences in connection with the topic of energy efficiency. Events are held every six months at companies in Liechtenstein. Information on energy consulting specifically for companies and on financial incentives is available here. Apart from the LIFE Climate Foundation Liechtenstein, the energy network is supported by LKW, LGV, energiebuendel.li and the Liechtenstein Chamber of Commerce. In 2013, the first two events were held on the company premises of Hoval AG (June 2013) and at the UrbanPlant presentation area (Light Energy Systems AG), a property of the municipality of Balzers (November 2013).

Photography Competition of the LIFE Climate Foundation Liechtenstein on the Occasion of the Submission of the 6th UN Climate Report



In November 2013, the LIFE Climate Foundation Liechtenstein launched a photography competition. The objective was to find a suitable title image for Liechtenstein's 6th climate report, which is prepared every four years and comprises national climate protection measures. The competition wanted images that reflect the power and vulnerability of our environment, that show a beneficial or detrimental combination of man and nature or that portray impressive weather conditions. In December 2013, a jury consisting of government representatives and representatives of the LIFE Climate Foundation Liechtenstein selected a total of 15 images from more than 130 submissions. The prizes: shopping vouchers from "einkaufland liechtenstein" worth CHF 1,500. The prizes were awarded by Marlies Amann-Marxer, Minister of the Environment, and Adolf E. Real, Vice President of the LIFE Climate Foundation Liechtenstein, at the end of January 2014 in the café of the art museum. (Photo).

1st place



Severin Wachter, Triesen

2nd place



Peter Marxer, Schellenberg

2nd place



Lisa Hermann, Schaan (title image)

Further event and project details can be found at www.klimastiftung.li.

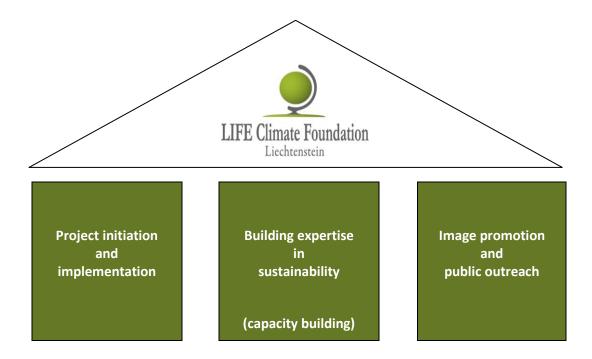
2.2.7 Publications

As part of its public outreach, the LIFE Climate Foundation Liechtenstein has issued several publications. In addition to publications in specialist magazines and several media reports about the activities of the LIFE Climate Foundation Liechtenstein, the following articles were published:

July/August 2013	Innovations and investment potential (in: Bankenmagazin, issue 27, page 28/29)
September 2013	One-year cooperation of LIFE Climate Foundation Liechtenstein and Swiss Climate Foundation – an asset for SMEs in Liechtenstein (in: Unternehmer Magazin 9/2013)

3. Status of the Implementation of the Three-Pillar Strategy

As in 2012, the foundation's activities in 2013 again focused on the consistent implementation of the three-pillar strategy that was adopted in 2010.



The activities mainly focus on the implementation of the requirements from the first pillar, i.e. project initiation and implementation in Liechtenstein and abroad. The project initiation and implementation relate to the sustainable development of Liechtenstein as a financial centre in particular and as a business centre in general. However, the first pillar also comprises activities that address the general public. 80 per cent of the budget to which the foundation has access is available for the first pillar. The use of funds for project initiation and implementation in the first pillar is as follows:

Target group: Financial centre	Target group: Business centre
80 per cent of funds used	20 per cent of funds used

The overweighting of budget appropriation in favour of the financial centre reflects the fact that the business centre (SMEs) has access to an extensive incentive system on the basis of the partnership with the Swiss Climate Foundation.

The activities according to pillars 2 and 3 each have access to funds amounting to 10 per cent of the budget.

4. LIFE-Connect / Partnerships: Portraits

Here is an overview of all current partnerships:

Company		Description	Form of cooperation / mutual contribution
MIL Microfinance Initiative Liechtenstein	Microfinance Initiative Liechtenstein e. V. Herrengasse 11 FL-9490 Vaduz www.microfinance.li Tel.: +423 235 03 99 Fax: +423 235 03 90	The Microfinance Initiative Liechtenstein (MIL) is a true public-private partnership: private and public institutions jointly promote microfinance, thereby lending effective entrepreneurial support to the war on poverty in developing countries. Liechtenstein positions itself as an active and expert player in the area of microfinance.	Support for initiatives that are both socially responsible and entrepreneurial in nature represents a common goal of MIL and the LIFE Climate Foundation Liechtenstein, with which it engages in regular exchange.
Klimastiftung Schweiz	Swiss Climate Foundation CH-8022 Zurich www.klimastiftung.ch Tel.: +41 43,285 44 80	The Swiss Climate Foundation was established as an independent charitable foundation. It is subject to federal supervision and welcomes all companies interested in supporting climate protection efforts by using the refunds from the CO ₂ incentive tax in an efficient and targeted manner.	
SWISS CLEANTECH	swisscleantech Association Thunstrasse 82 P.O. Box 1009 CH-3000 Bern 6 www.swisscleantech.ch Tel.: +41 58 580 08 08 Fax: +41 58 580 08 01	The goal of swisscleantech is to enable Switzerland and Liechtenstein to assume an international leadership position in cleantech (i.e. companies thinking and acting sustainably).	been a member of the swisscleantech Association from the beginning and serves as the

Company		Description	Form of cooperation / mutual contribution
myblueplanet	myblueplanet Turnerstrasse 1 P.O. Box 2125 CH-8401 Winterthur http://www.myblueplanet.ch info@myblueplanet.ch Tel.: +41 52 203 02 32	myblueplanet is a citizens' initiative and a non-profit organisation aimed at making a concrete and measurable contribution to climate protection. For this purpose, myblueplanet is building a climate protection network, the members of which will be involved at all levels in reducing CO ₂ emissions. myblueplanet was founded in November 2006 and receives support and funding from renowned organisations and companies.	The LIFE Climate Foundation Liechtenstein has been a member of myblueplanet since the end of May 2009 and enjoys active exchange with the organisation. The LIFE Climate Foundation Liechtenstein and myblueplanet are united in the philosophy that they can help to bring about great changes in small ways.
Ccssp	CSSP – Center for Social and Sustainable Products AG Herrengasse 11 9490 Vaduz Liechtenstein info@.cssp-ag.com www.cssp-ag.com Tel.:+ 423 235 03 99 Fax: + 423 235 03 90	cssp is an independent consultancy specialising in the issues of strategy and sustainability inherent in socially responsible investments and corporate social responsibility. CSSP places special emphasis on sustainable investments, which are increasingly growing beyond pure asset aspects into a new generation of specific strategies and communities – referred to as SRI 2.0. The focus is on new business models for capital investments (e.g. social business and philanthropic finance), web-based platforms for distributing information and non-listed investment securities with a direct connection to investors or capital objects (non-listed SRIs such as microfinance or climate protection investment products).	While CSSP focuses particularly on consulting, research and education relating to sustainable investments, the LIFE Climate Foundation Liechtenstein views its role as primarily one of providing impetus and building awareness. The goal of the cooperation is to link and supplement the competence centre and public outreach in a meaningful way.

Company		Description	Form of cooperation / mutual contribution
BENEFACTUM	Club Benefactum Gebhardstorkel 10 9494 Schaan www.benefactum.li contact@benefactum.li Tel.: +41 78 742 11 44	for the promotion of social engagement in Liechtenstein, the Lake Constance region and beyond. Club Benefactum is a nonpartisan, non-denominational charitable organisation. It works closely with representatives from the region's political, business and academic	Benefactum and the LIFE Climate Foundation Liechtenstein view themselves as instigators and as a networking platform. The collaboration between Benefactum and the LIFE Climate Foundation Liechtenstein is aimed at strengthening the networking aspect. Through joint events, the two organisations work together towards an eco-friendly and sustainable environment.
nachhaltigkeit.org Das Infoportal für nachhaltige Wirtschaft & Politik	Foundation for Global Sustainability (FFGS) Minervastrasse 99 8032 Zurich www.nachhaltigkeit.org redaktion@nachhaltigkeit.org Tel.: +41 71 67 110 71	sustainable business and politics. The portal aims to provide an overview of ongoing activity across the entire spectrum of sustainability issues. nachhaltigkeit.org is produced by the Foundation for Global Sustainability (FFGS) in Zurich. The agency Café Europe in	Protecting the climate is a key concern both for the web platform nachhaltigkeit.org and for the LIFE Climate Foundation Liechtenstein. Both are therefore deeply committed to raising and building awareness in this area. In August 2009 the two organisations decided to support each other in the field of communication with important messages in order to reach a wider audience.

Company		Description	Form of cooperation / mutual contribution
Liechtenstein Innovation	Liechtenstein-Innovation.li Published by: Café Europe. Textagentur GmbH, Köschenrütistrasse 109, CH-8052 Zurich redaktion@liechtenstein-innovation.li Tel.: +41 44 306 47 60	Liechtenstein's economy is small, but it is multi-faceted and innovative. In addition to its strong financial centre, Liechtenstein boasts a strong industrial sector. In terms of its per capita production, it is one of the most industrialised nations in the world. As a small country with few natural resources — apart from hydropower and solar power — it must produce things in an energy-and resource-efficient manner and care for its environment. Liechtenstein-Innovation.li aims at raising the profile of the country's innovative strengths and output. Through news items and background articles, the site highlights what innovations are occurring on the financial market, in industry, in trade and on the academic front.	The LIFE Climate Foundation Liechtenstein is a founding partner of this new news platform.
© climanativo	Clima Nativo R. Prof. Lucinda Alves de Carvalho, São Paulo, Brazil http://www.climanativo.com.br info@climanativo.com.br Tel.: +55 11 5686 68 66	Clima Nativo is a non-profit initiative dedicated to preserving natural resources and advancing the aims of the Kyoto Protocol through the development of tools and incentives. Clima Nativo focuses on promoting and supporting local Brazilian projects that further these goals.	Foundation Liechtenstein have joined forces in the reforestation of cleared, derelict forest land in Brazil. The projects will be financed via the financial centre of Liechtenstein, an estab-