

Annual Report 2012

Foundation Goals

The Hirschmann Foundation is based in Zug, Switzerland, and has been operating in its present form since 2001. It aims to support basic and advanced education, scientific research, and the accomplishment of social goals.

Main Goals

In the reporting year 2012, the Hirschmann Foundation has mainly focused on the following:

1. Support of Scientific Research

On May 7/8, 2012, Prof. Dr. Gerd Folkers, Dr. Beatrix Rubin, and Prof. Bruce McEwen, Ph.D., organized a scientific conference for internationally leading brain researchers at the Rockefeller University in New York. The conference was the final event terminating the collaboration of the Hirschmann Foundation and the Collegium Helveticum.

The Hirschmann Foundation is evaluating various possibilities for the purposeful support of scientific research. Interdisciplinary research remains to be at the center of interest.

2. Support of Integration Projects at Swiss Vocational Colleges since 2008

The Foundation has been supporting integration projects at Swiss vocational colleges since 2008 by donating a yearly amount of approximately CHF 350,000.-. The foundation has therefore partnered with the Swiss conference of vocational school directors (SDK-CSD), which in turn has mandated a project group. The foundation board would like to thank all project group members, Francesco Franchini, Roberto Valaperta, Werner Roggenkemper, Claude-Alain Vuille, and Maja Zehnder for their excellent cooperation.

The Hirschmann Foundation has been supporting specific projects at Swiss vocational colleges since 2008. The goal is to overcome cultural and linguistic barriers, prejudices and mentality differences among students of various origins.

In 2012, the foundation board has staged 26 projects upon request of the SDK-CSD project group, providing funds of approximately CHF 346,300.—. The idea has increasingly started to establish itself at Swiss vocational colleges. Projects that had been successful in former years are being repeated at the same or at different schools. The goal of all projects is to make students experience mutual respect and tolerance and teach them that these values help them in achieving a common goal with their team.

In 2012, the foundation board approved of another two-year continuation of the project until 2014. In order to secure the project's sustainability, the SDK-CSD will directly

Annual Report 2012 2/5

send its requests for financial aid to the Federal Offices for Education, Research and Innovation and the Federal Office for Migration.

To promote the project, the President of the foundation board has been collaborating with representatives of both Federal Offices in the reporting year. Thanks to legal regulations, both Federal Offices dispose of public funds to support integration at vocational colleges. This offers real opportunities to students to reach integration goals in a real business context. The foundation board and the SDK-CSD are convinced that the support of vocational colleges is of public interest.

On the basis of previous project work, the SDK-CSD is going to create a module that contains the most fundamental empirical knowledge for a successful conduct of integration projects at vocational colleges. This module is to be made accessible to the Swiss vocational colleges. Furthermore, the foundation board agreed with the SDK-CSD that the knowledge gathered during the first five years will be presented at an information event in March 2013.

3. Hirschmann Scholarships for University of Applied Sciences Students since 2008

Since 2008, the foundation has been granting scholarships to university of applied sciences students providing a total amount of around CHF 300,000 yearly. Project partner is the KFH, the Rector's Conference of the Swiss Universities of Applied Sciences.

The Hirschmann Foundation has informed about their scholarships on their website www.hirschmann-stipendium.ch, as well as at the universities through flyers and posters. The KFH has assigned all administrative work to Peter Wieser. Ms. Prof. Wohler and her team at the University of Applied Sciences in St. Gallen are responsible for the website and the electronic mailbox. The foundation board would like to thank the KFH and everyone that has been involved for their excellent cooperation.

The objective of the Hirschmann scholarship program is to sponsor promising students with extraordinary performances in their Bachelor's program, who are about to enter a Master's program at one of the universities of applied sciences that are recognized by the KFH. Not only the applicants' performances, but also their social commitment is considered when awarding a scholarship. Applicants must be recommended by two professors of a Swiss university of applied sciences in order to be granted a scholarship.

On October 5, 2012, the Hirschmann Foundation and the KFH organized another "Get Together" for all scholarship holders. The event at the HSR in Rapperswil offered an opportunity to the university representatives to talk to their students, to exchange opinions and to network. The scholarship holders were given the opportunity to get to know each other beyond the borders of their universities and talk about their individual experiences. The event was supported by artistic performances and interesting presentations.

The foundation board is confident about the program's effectiveness and has decided to continue the project for another three years.

Annual Report 2012 3/5

In 2012, 159 students applied for a scholarship. 150 applications were submitted to the foundation board, 42 of which qualified for a scholarship. The scholarships range between CHF 5,000.- and CHF 10,000.-. 113 applications had to be declined.

The students who have been granted a Hirschmann scholarship are being introduced on the Hirschmann Foundation website (<u>www.hirschmann-stiftung.ch</u>).

4. Supporting Small Businesses in Mali since 2010

The Hirschmann Foundation has been supporting the savings and micro credit project in Mali since 2010, committing with approximately CHF 100,000.- per year. The Hirschmann Foundation's partner is Swisscontact that assigned the operative project leadership to Ulrich Stucki. The foundation board would like to thank Mr. Stucki for his professional work in Mali.

Proactive men and women in Mali (mainly in the Sikasso region) who are qualified craftsmen or farmers are given the opportunity to make a living for themselves and their families by establishing their own businesses.

The project has successfully evolved between 2010 and 2012. There have been 134 savings and credit groups counting 3,079 active members in the Sikasso region that have been accompanied by local instructors who had been trained by Swisscontact. 29 out of 58 instructors have created at least one WASA group and are directly being paid by the group. It is the members who provide the means to grant credits to other group members for investments in hand crafts, agricultural and sales businesses. The financial means provided by the Hirschmann Foundation are solely used to organize, educate, and accompany the group. However, the foundation's support is still indispensable for the project to progress. There are still new groups being created. Despite the unstable political situation in Mali in 2012, the project has never been in jeopardy.

At the beginning of the reporting year, Geneviève Federspiel, SDC Depuy Country Director in Mali, reported on her visit of the WASA project. She praised the new approach of saving and micro credit groups of counteracting the essential development problem of having access to capital on a very low level with a minimal risk,.

In order to establish synergies with other developmental projects in Mali, the President of the foundation board has had discussions with the SDC. In particular, a cooperation with the SDC's educational and infrastructural programs in the Sikasso region should be considered.

The foundation board has decided to continue the project for another three years. Swisscontact has committed to develop solutions for the project's sustainability during the course of these three years.

5. Solar Impulse: educational program

The foundation board has decided to not prolong the project "programm éducatif" with Solar Impulse, as the goals that had originally been set turned out to be unrealistic.

Annual Report 2012 4/5

6. Swiss Youth Music Contest

The foundation board has been supporting the Swiss Youth Music Contest for three years from 2012 on with a yearly amount of CHF 50,000.—. For this purpose, the Hirschmann Foundation has formed a partnership with the Swiss Youth Music Contest Foundation.

The Youth Music Contest offers young talented musicians the opportunity to perform publicly, and to participate in national international contests.

The regional contests (Entrada) were conducted in different Swiss locations from March 23 to 25, 2012. The finals took places on May 13, 2012 at the Conservatory in Winterthur. The members of the foundation board who attended the contests were pleased with the young musicians' extraordinary musical performances.

Swiss youth music should be promoted more actively. The 2012 national referendum about an according constitutional was an important step therefore.

7. SAD Swiss Academy for Development

The foundation board has decided to extend the SAD project "Move 4 New Horizons" for another three years (2012-2014) with a yearly fund of CHF 30,000.-.

The project aims at a holistic early intervention for disadvantaged children in Nepal. Children between the age of three and five who do not attend school and are thus marginalized, as well as school children between the age of five and seven should be given easier access to elementary education through games, sports and interaction. The project is a successor of the pilot project that the SAD successfully conducted in Nepal from 2008 to 2011.

8. Stiftung "Die Chance" – Hirschmann-Förderstipendium für Lehrlinge

The foundation board has decided to fund a scholarship program for apprentices for two years. The foundation therefore partners with "The Chance" that organizes the granting of the scholarships amounting to a total of CHF 100,000.-.

Apprentices who have difficulties in finding employment or finishing their apprenticeship program due to their school performance or their social environment are to be supported individually.

Smaller Projects

The foundation board has decided to fund several social projects in order to meet the foundation goals, such as:

- An association that supports small farmers' businesses in the Amazonas region
- A foundation that supports practical developmental aid for young people in Romania
- A project that supports extracurricular tutorials and integration
- An institution that supports the proper handling of clean water at Bolivian schools

Annual Report 2012 5/5

Website

The Hirschmann Foundation provides regularly updated information about its work on its website www.hirschmann-stiftung.ch.

Foundation Organization

As in the previous year, the foundation board has consisted of the following members in the reporting year:

Dr. Eugen David, St. Gallen, President Dr. Gret Haller, Bern Carl M. Hirschmann, Zurich Dr. Barbara Rigassi, Zurich Dr. Ulrich Siegrist, Lenzburg

Ms. Gret Haller has resigned from her position as a member of the board. The foundation board would like to thank Ms. Dr. Gret Haller for her excellent work and her great dedication to the foundation's concerns.

Since January 2013, Ms. Prof. Dr. Ursula Renold has been a new member of the foundation board.

The foundation's legal framework consists of the deed of foundation, dated November 20, 2001; the organizational regulations, dated April 21, 2010; the asset regulations, dated March 20, 20012; and the procurement directives, dated April 21, 2010.

The annual financial statement and the annual report 2012 were approved on April 3, 2013 by the foundation board, after the acknowledgement of the audit report by the auditors, dated February 18, 2013.

In the reporting year 2012, the office has been managed by Ms. Martina Schmid, Marktgasse 20, 9000 St. Gallen. Auditors of the foundation have been Trösch Partner AG, St.Gallen. Responsible regulating authority has been the Pensions and Trusts Supervisory Authority for Central Switzerland, Lucerne.

Zurich, April 3, 2013