



安利公益基金会  
Amway Charity Foundation



# ANNUAL REPORT

## Amway Charity Foundation

Gathering Love and Extending Warmth



## Preface

2015 is gone in the blink of an eye,

before we had the chance to bid farewell

to the moon and stars, mountains and rivers

that we admired on our journey of 365 miles.

This year, we continued to keep the promise that'll never change.

We made Spring Sprout Kitchens a paradise for children's healthy growth.

This year, we played a heart-warming melody.

White Rice Only 9.9 Charity Day, we gathered love from far and near.

This year, we won recognition from society.

4A-level certification, full marks in transparency, we've set a higher bar for the future.

This year, we set out on a brand new pursuit.

We launched the Power of 5 as another protector of healthy childhood.

We share to spread warmth.

We act to create hope.

The road of charity has never been a lonely one.

We support each other and kindle the light in our hearts.

We hold hands and grow together.

Looking back at 2015, thank you for walking this road with us.



# The Light of Charity Brightens the Future

This May, the Amway Charity Foundation celebrated its fifth birthday.

The Amway Charity Foundation (ACF) was established on May 31<sup>st</sup>, 2011 - the eve of Children's Day. We chose this date to express a simple wish: that we might accompany China's impoverished children as they grow and provide more children with an equal opportunity for development. Throughout the last five years, ACF has kept its original intentions close to heart as we continuously strive forward on the road of charity. As our charitable actions and results continue to expand, our hearts grow even more steadfast, and our steps grow even more confident.

We hope to be like a strong pair of arms, lifting up these children and giving them the strength to move forward. We focus on their greatest difficulties and the things they most urgently need for healthy growth. In five years, after a total investment of 246 million yuan; 1.06 million hours of volunteer service; and through programs like the Spring Sprout Kitchens, the Sunshine Project, and several other charitable projects; we have already helped benefit 2.54 million children, allowing them, at the critical stage in their growth, to receive help that can change their lives.

We hope to become a bridge, connecting all those people who have a passion for charitable work. To this end, ACF has created new methods, integrated resources, focused on needs, and established a platform for charitable development. During these last five years, we have established the China Volunteer Fund and launched the China Philanthropy Talents Development Program, and, with bright hope for the future, helped to train even more outstanding charity professionals. We have, through solid action, helped to promote the development of the charity and volunteer industries to even greater heights.

We also hope to become the kindling that lights the flame of charity and love in all people's hearts. We believe that charity is everyone's business, and that advocacy is an essential, vital force. In these past five years, programs like "Add 1 for Spring Sprout", "White Rice Only", and other open events have ceaselessly invited the public to join in, using new, original methods of participation and a positive charity experience to spread the spirit of charity and attract the power of the general public, injecting the development of the charity industry with life and vitality.

Five years is a milestone; an accumulation of experience linking us to the past; a way of thinking that opens up the future. As we advance farther on the road of charity, our understanding grows deeper, our direction becomes clearer, and our responsibility more urgent. We will summarize our experiences to continue our voyage towards a better tomorrow. The future ACF will persevere in these beliefs:

**Professionalism:** While maintaining our devotion to foundation transparency, standardization, and high-efficiency operations, make full use of corporations' advantages in terms of technology and resources in the area of nutrition, and accomplish even greater charitable returns through the power of this professionalism.

**Focus:** Continue to care for the children in China's impoverished regions by thoroughly and accurately solving the problem of nutritional poverty among children, using focused actions to create greater possibilities for their healthy growth and development.

**Dedication:** Help charity to take root in China and integrate deep into our culture. Work together with even more organizations and every sector of society so as to continue, with steadfast dedication, to pursue our dreams in this fertile land that is charity.

Looking to the future, China is entering into a new stage, comprehensively building up a well-off society. By providing improvements in nutrition, educational support, and development opportunities, ACF will dedicate itself to promoting equal opportunities for growth and development to impoverished children, thereby contributing to more harmonious societal progress and development.

Looking to the road ahead, we shoulder a heavy responsibility. It spurs us to come together with caring hearts and transmit our love and warmth to others. It makes our steps surer and steadier, and allows our dreams to fly to greater heights and distances.



Gan Chee Eng  
Chairman of the Amway Charity Foundation  
May 2016

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## Amway Charity Foundation

In 2011, Amway (China) donated RMB 100 million to found the Amway Charity Foundation. As the first non-public foundation with a multinational corporate background under the direct supervision of the Ministry of Civil Affairs, ACF focuses on two areas: childhood nutrition and childhood education. In the field of childhood nutrition, we have launched and operated the “Spring Sprout Project” and “The Power of 5” campaign, helping impoverished children receive the aid and support to prevent malnutrition. In the field of childhood education, we have set up the “Sunshine Project”, the “Friendly Community Project for Rural Children” and others, to help children integrate into communities and grow in safety and happiness. In addition, in terms of volunteer services, we have established the China Volunteers Association (CVA), to spread the spirit of volunteer service and to promote volunteer activities. Finally, in terms of industry development, we have set up the “China Philanthropy Professional Development Program”, to both help create and provide outstanding professionals for the charity industry, and to accelerate the growth of NGOs. ACF has always carefully observed the progress and development of Chinese society, and, through continuous, active communication and widespread cooperation with the government, charitable organizations, research institutions, donors, volunteers, media and the general public, strived to realize our goal of “promoting equal opportunity and development for children in China’s poverty-stricken areas.”

### Objectives

Gather love, extend warmth, and promote equal opportunity for development to children in poverty-stricken areas

### Mission

Work to promote the harmonious development of society, help people to be able to live a beautiful life that encourages participation, contribution, and sharing.

Bring together the strengths of multiple areas to help impoverished children gain a better quality of life, a better education and better opportunities for growth and development, thus providing these children with a future of unlimited possibility.

Through holding volunteer events and spreading the spirit of volunteer service, promote an attitude of responsibility in everyday life.

Through research, cooperation, and communication, guide charitable organizations to strengthen their capabilities and effectively promote the sustainable development of philanthropy in China.

## ACF Profile

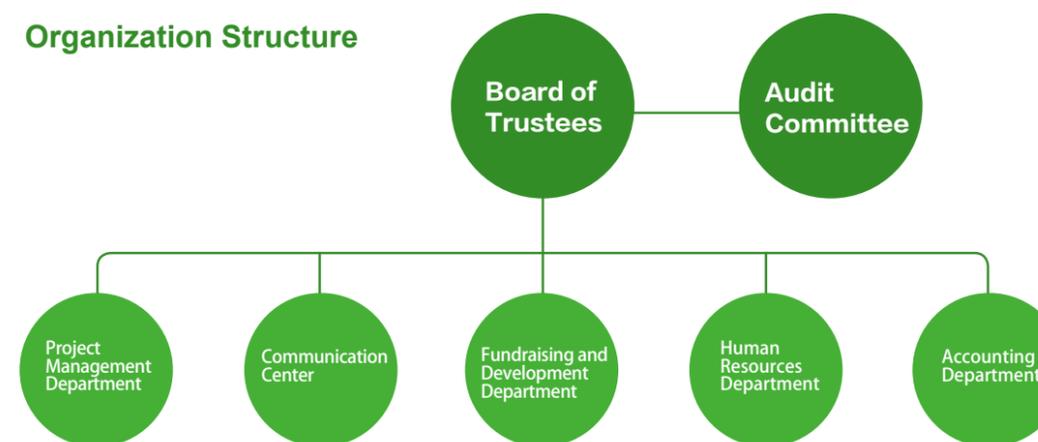
### Registration Information

**Name:** Amway Charity Foundation  
**Organization Code:** 71782872-9  
**Registered with:** Ministry of Civil Affairs of the People’s Republic of China  
**Registered Capital:** RMB 50 million  
**Founding Date:** January 24, 2011  
**Registry Number:** Organization No. 1081  
**Taxpayer’s ID Number:** 110101717828729  
**Supervising Organization:** Ministry of Civil Affairs of the People’s Republic of China  
**Legal Representative:** Frances Yu  
**Business Scope:** Aid vulnerable children, manage volunteer service, establish charitable funds, provide specialized aid, and carry out cooperation and communication.

### Organization Structure

**Sponsors:** Doug DeVos, Steve Van Andel  
**Honorary Chairman:** Eva Cheng  
 Board of Trustees  
**Chairman:** Gan Chee Eng  
**Vice Chairmen:** Audie Wong, Patrick Chang, Vincent Hwang, Steve Chan  
**Director-General:** Frances Yu  
**Trustees:** Gan Chee Eng, Audie Wong, Patrick Chang, Vincent Hwang, Steve Chan, Francis Yu, Angela Keung, Steven Cheng, Liza Cheung, Rachel Luo, Todd Woodward, Jenny Zhai, Paula Peng, Wang Zhenyao, Wang Ming, Peng Jianmei, Jia Chen  
**Vice Director-General:** Jenny Zhai  
**Secretary-General:** Paula Peng  
**Audit Committee:** Patrick Hau, Scott Balfour, Cheng Gang

### Organization Structure



# Overview of the past five years



## 2011

### May 31<sup>st</sup>

The Amway Charity Foundation was formally established in Beijing and launched the Spring Sprout Project along with three other projects.

### September

The first Spring Sprout Kitchen was established in Guangxi

### November

The Sunshine Project was launched in Hangzhou. In three years, it helped 88 pairs of urban and rural schools establish over 10,000 Sunshine Group events.

## 2013

### March

“Caring Communities” received RMB 1 million in financial support from the Central Ministry of Finance. The project established Caring Communities in 21 cities, covering 370,000 people.

### August

Provided financial aid to the China Development Research Foundation in Guizhou Province’s Zhijin County, launching the ‘Village Preschool Program’ research project and recruiting volunteers to teach village pre-school children.

### September

The Spring Sprout Project released part of segmented results. The research showed that students at Spring Sprout Project schools had obvious increases in their physical and mental capabilities.

### September

ACF attended the annual Clinton Global Initiative in New York City, promising to establish an additional 2,000 Spring Sprout Kitchens.

## 2012

### May

The Spring Sprout Project launched its volunteer supervisor program. Every year nearly 1,000 volunteers go on-location to supervise the established Spring Sprout Kitchens.

### December

Rainbow Rooms were launched, with 20 centers established in 9 provinces.

### December

The China Philanthropy Talents Development Program was launched. In three years, the program trained 150 charitable industry professionals and provided financial aid for organizational development to 50 top talents.

## 2014

### May

The Sunshine Project set “Get Home Safe” as its annual theme. Over the course of the year, 77 cities in 20 provinces held child safety education events.

### August

The Nutrilite Child Nutrition Research Institute was established. This was the first specialized project and research platform in China to focus on children’s nutrition.

### September

The 3,000<sup>th</sup> Spring Sprout Kitchen was established in Xinjiang. The online communication campaign, “Add One for Spring Sprout kitchen” was launched and attracted participation from 150,000 netizens.

## 2015

### May

Launched the “White Rice Only” online communication campaign, leading to 38,000 netizens donating RMB 900,000 to the Spring Sprout Project and establishing 14 Spring Sprout Kitchens in Hebei province.

### August

Joined “The Power of 5” project Amway has launched in countries around the globe, providing nutritional support to children of 3-5 years old in China’s impoverished regions.

### December

In collaboration with the Chinese Nutrition Society, developed nutritional supplements suitable for China’s impoverished children – Little Bits chewable.

### December

The Spring Sprout Project completed a total of 3,835 Spring Sprout Kitchens across the country, benefiting 1.93 million children.



# Important Awards

## 2012

The Spring Sprout Project was honored with the Most Influential Charitable Project Award at the Ministry of Civil Affairs 7th China Charity Awards.



## 2013, 2014, 2015

Placed on Forbes’ “China Best Charitable Foundation List” three times in a row



## 2014

Honored with CCTV’s “Light Up Hope Charity Ceremony Charitable Organization of the Year” award



## 2014 & 2015

The Spring Sprout Project and the China Philanthropy Talents Development Program were honored as “Outstanding Projects in Chinese Corporate Citizenship”



## 2015

Awarded the 4A foundation certification by the Ministry of Civil Affairs



## 2015

Named “National Progressive Social Organization” by the Ministry of Civil Affairs



## 2015

Received full points on the China Foundation Center’s Foundation Transparency Index, placing first in the country



## 2015

Named one of the “Top 10 Non-Public Charity Foundations in the Country” by the China Philanthropy Times



# In five years, there have been stories shared, and many

The successful implementation of the Spring Sprout Project was the result of the combined efforts that came together to further this social project. That is an amazing thing.

**Gu Xiulian**  
Director of the China National Committee for the Care of Children

Building kitchens for schools is an incredibly important thing. It is an example of multi-domain collaboration.

**Director-General of the World Health Organization Margaret Chan on the Spring Sprout Project**

The China Philanthropy Talents Development Program is an important channel for the development of charity industry talents, a perfect example, and I hope it will continue to deliver one batch after another of talented charity professionals for the sake of societal development.

**Dou Yupei, Deputy Secretary of the Ministry of Civil Affairs**

There is plenty of rice. We can have as much as we want; all we have to do is ask. The dishes are delicious too. We get three for lunch and four for dinner and they are different every day of the week.

**Liu Yao, a student in Grade 5 at Wuyang Central School, Enshi City, Hubei Province**

Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime. This is a good form of education that changes students' habits and way of thinking, providing an effective safeguard.

**Xu Yun, Principal of Fuzhou Xiyuan Primary School**

For the food to get to the kids' plates, it has to pass over 20 tests. It's just as important for them to eat safe food as it is for them to eat well.

**Lao Qin, Spring Sprout Kitchen Administrator Zhongning county, Ningxia province**

For Amway, the decision to establish the Amway Charity Foundation was immeasurably important. As a corporation with a long history and tradition of charitable work, Amway recognized that a charity foundation could help children have a brighter future. During this process, we were honored to have our incredibly caring ABOs and members of society join the foundation in its charitable work.

**Chairman of Amway Corporation, Sponsor of the Amway Charity Foundation Steve Van Andel**

In the last few years, the success that the Amway Charity Foundation has achieved has often made all of us very proud. The foundation has not only continued Amway's tradition of caring for children, it has also promoted and developed ABOs' love and support of those children.

**President of Amway Corporation, Sponsor of the Amway Charity Foundation Doug DeVos**

Continuing forward on the journey that is charity, it doesn't matter how far you go, or how fast, only that each step is heartfelt and steady. I am a volunteer and my dream is to make the world a better place.

**Amway Volunteer Feng Jie from Henan Province, China**

Even though I am not one of the left behind children and I haven't felt what it's like to be away from my parents most of the year, from these children's every word and every action, I can feel in the depths of my heart how much they miss their parents and how much their parents miss them. I can feel how much they want to see their parents.

**A netizen on seeing the children impacted by the project**

# many things said, many changes have occurred.

## A Dream of Not Having to Carry Rice



Ban Mingchao, an elementary school student from Tiandong County, Baise, Guangxi Province has to walk 3,500-4,000 meters every Sunday from his home to his boarding school carrying enough rice and firewood to last an entire week. At that point, his dream was to "not have to carry rice to school and be able to eat hot meals."

In September 2011, a Spring Sprout Kitchen was established in Ban Mingchao's elementary school and he ate a meal that he would remember for years to come.

In 2014, fifteen-year-old Ban Mingchao was accepted into the county's leading middle school. His little brother and sister have started elementary school, but, unlike their brother, they will never know the hardship of having to carry a week's worth of rice to school.

## A Special Bowl of White Rice



On May 20<sup>th</sup>, 2015, China's Student Nutrition Day, ACF launched the White Rice Only with Huang Lei. It asked people to eat a bowl of white rice with no side dishes to accompany it so that they could experience the everyday lives of children in impoverished areas who have to eat this every day. They are then asked to donate the leftover money they would have spent on side dishes to the impoverished children. Close to 40,000 netizens donated RMB 900,000.

## A Life-Changing Scholarship



Aheshiwu is a 16-year-old girl of the Yi minority from Zhaojue County in Sichuan province. She resolutely put off the marriage her parents had arranged for her, and, with the scholarship provided by ACF, completed high school.

In 2014, Aheshiwu was admitted into university, becoming the first Yi girl in her hometown to attend university. The path to her dreams was unfolding before her feet.

In 2015, Aheshiwu registered for a teacher's license. She says that when she graduates she wants to return to her hometown and help more Yi girls get an education and see the world outside their hometown.

## A Moving Donor Letter



Zhu Yiqin is an average ABO from Guangdong. She is in the later years of her life, with both children and grandchildren. She has decided to donate her entire earnings from her Amway business to the Amway Charity Foundation. In her donor letter she wrote: After 20 years running an Amway business, I have benefited greatly. Now it's time for me to give back to society. So I've decided to donate my monthly earnings, for as long as I'm earning them.

## A Special Lunch



In 2014, ACF invited three parents who had been away from home for many years to return to the Spring Sprout school their children attended and cook a meal for their lunch. This story was filmed as a documentary and received over 3 million clicks. One netizen left a comment that moved the hearts of countless viewers: "By taking up this burden I cannot be with you, by leaving it I cannot provide for you."

## A Journey of 500 km Over Mountain Roads



Cheng Shuyuan, a volunteer supervisor from Chongqing, has volunteered for three consecutive years as a Spring Sprout Kitchen supervisor, inspecting twenty Spring Sprout Kitchens, performing on-site inspections of the kitchen equipment and operations, the management of the kitchen, and the satisfaction of the students.

## A Football Team in the Mountains



With the support of the Spring Sprout Project, students from Zhonglianchuan Primary School in Yuzhong County in Gansu province not only became healthier, they also established the Spring Sprout football team and placed fourth in the nation. Now some members from the team are going to study in England.

## A Promise that Stretches 22,000 km



In 2015, during the time that Amway held Leadership Seminars in South Africa and San Francisco, ABOs donated a total of RMB 5.93 million to the Spring Sprout Project, which covers the cost of 100 Spring Sprout Kitchens, benefitting 50,000 children.



## Nutrition to Alleviate Poverty: Striving for a Fair and Equal Starting Line

Of the children 0-15 years old living in China's urban and rural areas, 16.7% are living in conditions below the relative poverty line. This amounts to 40.08 million children. Of those, 10.08 million children are living in absolute poverty. The rate of stunted growth among children in rural areas is 3-4 times that of those living in urban areas, and the rate among children in impoverished rural areas is twice that of the average rural area.

Poverty leads to malnutrition, which delays or prevents physical and mental development. This not only affects children's health, it also limits their opportunities for growth and development, creating a new kind of poverty, leading to a vicious circle of poverty creating poverty.

In 21<sup>st</sup> century China, as we continue to comprehensively progress towards a well-off society, eliminating absolute poverty cannot wait any longer. The Amway Charity Foundation has placed its focus primarily on the issue of children's health, on severing the links that form the vicious circle of "nutritional poverty", and helping Chinese society to eliminate poverty.



## The Spring Sprout Project

**Time period:** 2011 – 2015

**Partner:** China National Committee for the Care of Children (CNCCC)

**Project Introduction:** By equipping rural schools in China's impoverished regions with "Spring Sprout Kitchens" and training kitchen administrators, the Spring Sprout Project helps ensure kids have reasonably portioned, nutritionally balanced meals in the hope of improving the malnutrition suffered by many children in China's impoverished regions.

To the children living in the numerous impoverished regions, if their school doesn't have a decent kitchen, it means that, long-term, their only option is to carry rice and soybeans from home to the school and hastily heat them on crude stoves for their lunch every day. Because of this, the nutritional subsidy offered by the government often is used instead to subsidize living expenses and, as this continues and becomes the norm, the nutrition that children so vitally need during their growth years is lost forever. In order to turn "financial aid" into "safe meals", the Spring Sprout Project emerged just at the time it was needed. Because, when faced with the plight of these innocent children, truly "nothing is more important than a good meal."



## A Bridge on the Road to Growth

In 2011, from the establishment of the first Spring Sprout Kitchen in Guangxi, this bridge built out of love has crossed mountains and rivers, connecting 1.94 million children with the outside world. The pier at the end of the bridge is health, and it leads to the future. It accompanies them every day as they grow, over the mountain paths they walk, and through the streams that they wade, bringing more possibilities to realize the dream of changing their fate.



Areas covered by the Project

### Results of the Project as of 2015:

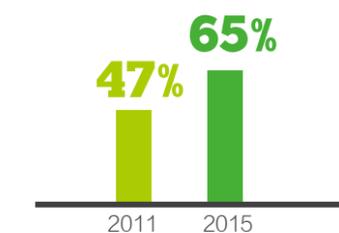




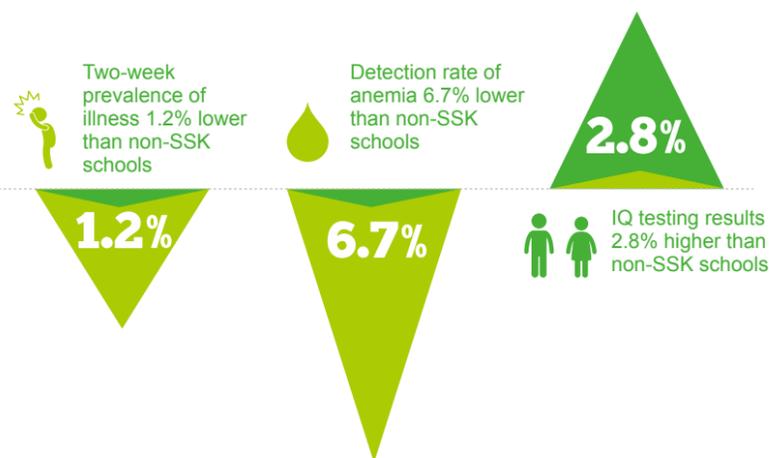
Our charitable achievements have supported our confidence in the growth of the Spring Sprout Project. Ever since the Project was launched, experts from the National Working Committee on Children and Women (NWCCW) under the State Council, the Chinese Nutrition Society (CNS), the International Life Sciences Institute (ILSI) and other organizations have provided us with professional guidance, and developed a scientific evaluation model tailored to the project, which covers project operations, the state of nutritional education, the improvements in students' nutrition and other dimensions. According to the Institute of Child and Adolescent Health of Peking University's research into the health and physical condition of the students in schools with Spring Sprout Kitchens:

### Effective Improvements in Children's Health

Rate of Satisfaction with Spring Sprout Kitchens  
**97.8%**



Promotion of greater rate of investment by the country in improving school's cafeteria meals



### An Interlocking Method of Looking After Children

Ensuring children get nutritious, healthy meals is not only about providing state-of-the-art, modern equipment. It's even more important to have a good system to guarantee the administration and operations of the kitchen. The Spring Sprout Project created an eight-piece administration system with four levels of supervision. Through training kitchen administrators, establishing regulations for kitchen operations, the network of volunteer supervisors, and other methods, this entire linked management system provides a safety net to ensure the food the children eat every day is healthy.





### A Lever that Draws Out Multiple Forms of Participation

Nutrition improvement is a long-term engineering project, if you rely only on your own strength, what you accomplish may be small and slight. But since it first launched, the Spring Sprout Project has relied on a grand concept: gather together the strength of a large group, making Spring Sprout everyone's project. As such, we have treated Spring Sprout like a lever, with children's nutrition as its focal point. Through multiple forms of cooperation, such as add-on construction, collaborative building and independent building of the Spring Sprout Kitchens, we have mobilized all manner of resources from the government, media, and social institutions, together establishing our homeland as a place of love and warmth.



The Spring Sprout Project

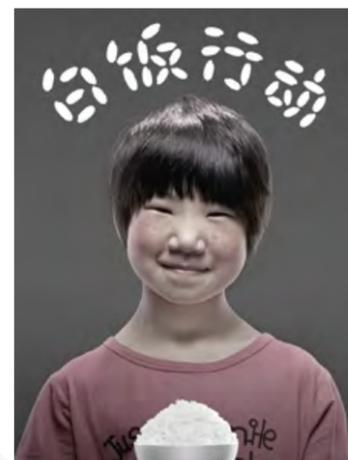
1.7 million

8.6 million

The Spring Sprout Project invested RMB 170 million, attracting RMB 860 million in investments by the government, schools, corporations, and the public.

### A Connection Point that Ignites the Power of the People

The launch of the Spring Sprout Project was not only well implemented and meticulously managed, starting from a tiny kitchen, it connected the influence and power of all those who care about impoverished children. In these last few years, communication campaigns like "Add 1 for Spring Sprout" and "A Special Lunch" have attracted the attention and participation of millions of people. In 2015, by using the power of new media and creating an innovative form of the Spring Sprout Project, once again ignited the passion of the people. This had a widespread impact. At the same time that it allowed people to "experience charity", it also brought real support to the fight against children's malnutrition.



#### White Rice Only:

On May 20<sup>th</sup>, China's Student Nutrition Day, people were asked to eat just one bowl of white rice, and donate the money they would have spent on other dishes to impoverished children to fight malnutrition.

**38,000** people donated RMB **900,000**, establishing **14** Spring Sprout Kitchens in Hebei province.

The campaign got **45** million hits on Weibo  
**180** WeChat accounts reported on the campaign, with **1** million hits  
**200** traditional and online media reported on it, generating **100** million hits



## The Power of 5 —— Project to improve the nutrition of pre-school children

**Time period:** Launched in 2016

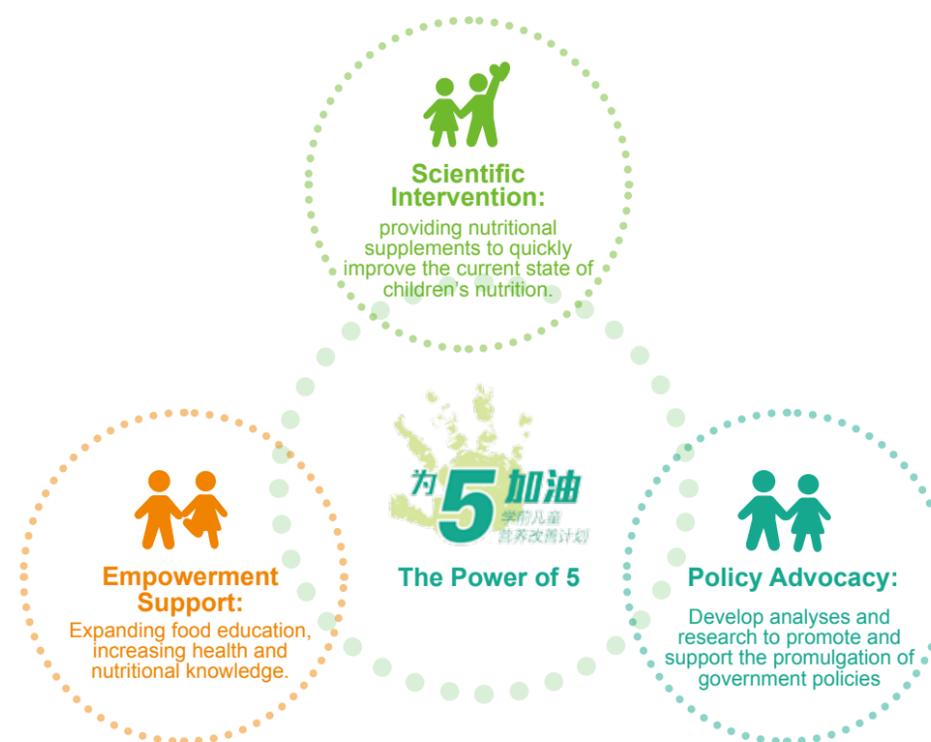
**Partners:** China Development Research Foundation, China Children and Teenagers' Fund, China Nutrition Society

**Project Introduction:** Deliver "Little Bits" chewable nutritional supplements to children aged 3-5 in China's impoverished regions and launch nutritional health education in order to help impoverished children grow up healthy.

Every year, 3.1 million children around the world do not live to celebrate their 5<sup>th</sup> birthday because of malnutrition. Five years of age is a critical point in children's growth. If they do not receive adequate nutrition during this period, it will cause irreversible, serious damage to the child's future physical and mental health. In China, an estimated 10 million children five and under are facing the threat of malnutrition and stunted growth. This is especially prominent in impoverished regions, where 20% of children five and under suffer from stunted growth.

Impoverished children between the ages of three and five are an often overlooked group. Today, as the country increasingly gives weight to the importance of early stage nutritional intervention, children under three years of age can benefit from the assistance of the 1,000 Days Care for Moms and Infants project and children over six years of age receive the necessary care from the nutrition improvement plan for rural compulsory education students. However, children between the ages of three and five are now in the awkward position of having no one to look out for their nutritional needs. This gap in adequate nutrition may end up causing the efforts invested in children's nutrition to result in only half the results for twice the effort.

## Providing Comprehensive Nutritional Support to Poor Children 3-5 Years Old





## Change Starts with Basic Aid

In China, this is the first step in a completely new direction: using micronutrient supplements to help malnourished children. “Little Bits” Children’s Nutritional Chewable were jointly developed by the Chinese Nutrition Society and the Nutrilite Children’s Nutrition Charitable Research Center. It is the first domestic charitable nutritional product that is based on new national standards and that has received Quality Standard certification. Little Bits contains the 17 types of micronutrients that pre-school children need to grow and develop healthily. Once a day, for three years, by using this basic nutritional supplementation, Little Bits will accompany poor children with love during this important growth period, as they grow from three to five years old.



## Guidance Begins with Food Education

The Power of 5’s innovation, in terms of nutritional education principles, was putting “food education” into the curriculum of pre-school classrooms. By training pre-school teachers in children’s nutrition and healthcare, allowing them to teach correct dietary habits and hygiene, the project gives children something that will benefit them for the rest of their lives.



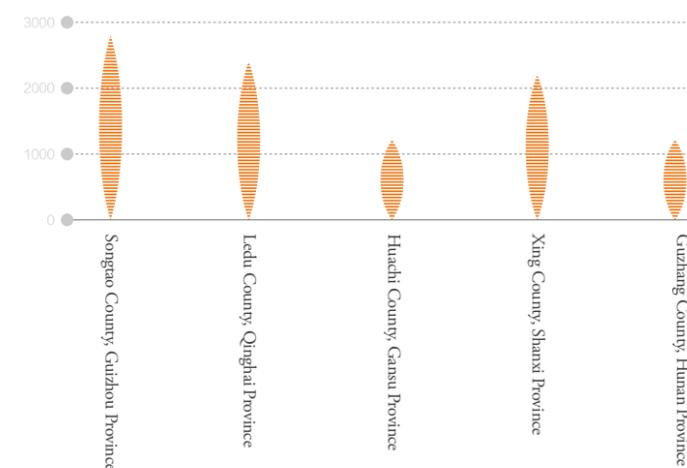
## Advocacy Starts with Expert Research

Behind all nutritional intervention lies a professional research team. Experts from the China Development Research Foundation and the China Center for Disease Control and Prevention’s Nutritional Policy Office will be tracking the children who receive the supplements in groups, with the goal of finding a plan for providing nutritional supplement effectively. The results of this research will not only help impoverished regions to better focus on children’s development in the future, it will also provide a beneficial theoretical basis for the nation’s next step in poverty relief policies.

Charity is about raising up the power of the people, establishing a certain kind of society harmony. At the same time that ACF is doing its best to promote this project, we are also strengthening our efforts to work together with all areas of society, especially with government organizations, to provide nutritional aid and support to pre-school children ages 3-5, so that they will no longer be forgotten in a dark corner, but able to enjoy the sunlight of a splendid childhood.



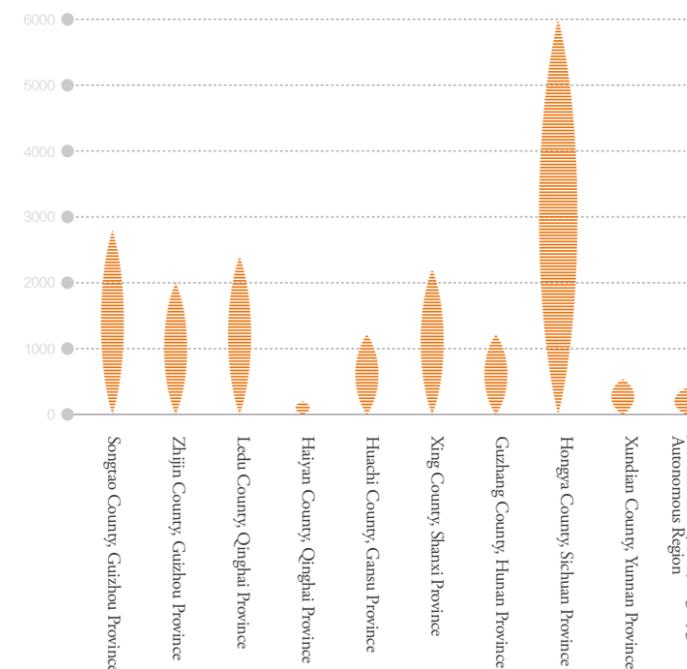
### Provinces covered in 2016



Total number of pre-schools: **545**

Total number of children: **9,800**

### Provinces covered in 2017



Total number of pre-schools: **790**

Total number of children: **18,950**



**6100**

Left Behind Children

+

**3600**

Migrant Children

=

**1/3**

Total Number of Children in the Country



## Caring for the Body, Mind and Soul: In Pursuit of a Childhood of Sunshine and Rainbows

Migrant children and left behind children are a unique product of China's current economic development. As the agricultural population entered towns and cities in large numbers during the "Migrant Worker Wave", 61 million left behind children and 36 million migrant children were created, accounting for almost 1/3 of the nation's total number of children. These numbers are still increasing. Compared with the difficulties they face due to poverty, for these children, the lack of communication, love, sense of stability and sense of safety and wellbeing are an even greater difficulty during their childhood years.

**Research Report on the Status of Our Nation's Left Behind Children in the Countryside and Migrant Children in Towns and Cities**





For children's education and growth, they need more than just classrooms, textbooks, teachers and parents. They need love and accompaniment to give them inner confidence and external respect. In order to provide love and care for left-behind children and migrant children, ACF launched the "Sunshine Project". Through pairing schools, the project created opportunities for urban and rural students to interact, eliminating barriers between the two. The Rainbow Project established Rainbow Rooms for students. Starting from constructing schools and training teachers, the Rainbow Project provided comprehensive character education solutions. The Friendly Community Project for Rural Children helped project villages establish charity service centers with family education as their core purpose. The centers provided care and protection to children and helped to advance their growth and development. They also worked to increase left-behind children's parents and temporary caregivers' capabilities in term of family education, improve relations between children and their parents, and promote the healthy growth of those children.



- Launched the Rainbow Project, investing a total of RMB 5.21 million over two years and establishing 105 Rainbow Rooms. The project also supported the rural tutoring activities of 9 colleges and universities, covering 135 schools in 17 provinces, benefitting 220,000 children.
- Launched the Sunshine Project, investing a total of RMB 9.35 million yuan over four years. The project was implemented in 88 urban and rural schools in 31 provinces and set up 1,030 Sunshine Groups, benefitting a total of 140,000 migrant children.

2011

2012

- In 2012, ACF worked together with the Shanghai Adream China Education Fund to launch the centers, starting from establishing the centers and training teachers. searching for a complete set of character education solutions. "Rainbow Rooms", "Rainbow Courses", "Rainbow Leaders", "Rainbow Bank", all of these fresh, appealing, and mysterious names are filled with the laughter of children and the thought and considerations of educators.

2013

- Launched the "Friendly Community Project for Rural Children" project, providing left behind children with safe caregiving, a scientifically-based education, and a good environment to grow up in. A total of RMB 2.5 million was invested in the project, covering 26 rural communities in the area of 6 cities in Guangdong province. 46 volunteer teams were put together for the project, along with 83 tutoring teams. A total of 100,000 people benefitted from the project.
- Launched the "Community Youth Work Station" project in Shanghai. The main target of the project was to help 15-18 year old migrants in the city and establish a work organization that would effectively promote their studies, search for jobs, and integration into city life. About 300 community youths participated in the classes. The project also provided the community youth library with 1,000 books.
- In total, ACF invested RMB 2 million, establishing 20 Rainbow Rooms in nine provinces including Beijing, Hunan and Hubei; training nearly 100 teachers in the Dream curriculum; and benefitting 20,000 children.

2014

- The Sunshine Project selected "Get Home Safe" as its annual theme. Programs were launched surrounding the three areas that are most relevant to children and also most easily overlooked by both children and their parents: "Household Safety", "Travel Safety", and "Protecting Oneself". These programs helped children learn about safety, master safety skills, and strengthen their knowledge of how to protect themselves, all through games that combined education with play. Events were held in 77 cities in 20 provinces across the nation, benefitting 36,000 children.

2015

- ACF held a total of over 400 events including Spring Sprout extension events, child safety education events, events for the care and support of children facing hardship, and many other themes. These events benefitted 100,000 children.



### “Love Through Music” Children’s Musical Therapy Volunteer Service Project

From 2014 to 2015, ACF volunteers worked with the Shanghai branch of the Youth League of China, the Shanghai Charity Foundation, and the Children’s Hospital of Shanghai to launch the “Love Through Music” project. The project sought to lessen anxiety, regulate emotions, and promote the treatment and recovery of children suffering from severe illnesses in the Children’s Hospital through musical therapy and musical flash mobs. In two years, this project has impacted 125 people, with a total of over 150 instances of participation in events by young volunteers.



### “Little Chefs” Children’s Cooking Mobilization

From April to June, 2015, ACF cooperated with local women’s federation, TV station, nutrition society in Tangshan, launched “Little Chefs” children cooking mobilization. This activity was to involve whole family to increase the children’s nutrition knowledge, understand the importance of reasonable dietary collocation. There were 70 families participating. In the activity, children picked up knives, pots and bowls, cooking dinner personally. They understood nutritional knowledge, exercised the life skills, and experienced their parents’ hard work, enhance the feelings of the family.



### “Dream Forests” Make Children Limitless

Over the last few years, ACF has provided financial aid to 273 Spring Sprout Kitchens in the mountainous regions of Henan’s Nanyang, Xinyang and Sanmenxia. In order to get more people to pay attention to left-behind children and discover their special talents, ACF partnered with the Henan branch of the China National Committee for the Care of Children and the Zhengzhou TV station to provide children with dreams of becoming artists a stage on which to showcase their talents. After tryouts, 10 children attended a week-long “dream forest” camp accompanied by teachers and volunteers. At the camp, they were taught by professional artists and took the dream stage to perform. There was a fifteen-year-old girl named Fang Zhen from Sidian Village in Xinxian County, Xinyang City. She was raised by her grandmother and has never known the love of a father and mother. Singing lets her heart fly to far off places. Accompanying her through the tiny roads of the village, through the paddies and fields, by the stove and the table, singing has always been part of her life. This time, Fang Zhen is stepping onto a real stage at Zhengzhou TV’s broadcasting studio and her rendition of “Limitless” rings throughout the studio, touching hearts and moving some to tears.



### “Explore for Love” in the City

Accompaniment is the best way for migrant children to integrate into city life. One day at the end of 2015, an ACF volunteer held an “Explore for Love” event at the Chengdu AEC, bringing along 43 students from the Honghua Migrant School. Mysterious games like “Eagle Eyes”, “Throw a Stone to Clear the Road”, and “Vanish into Thin Air” captured the children’s curiosity. They formed small groups, searched their minds, solved puzzles, and, while finishing the games, won donations for the charity projects that help children in impoverished areas. “Explore for Love” is held once a month, letting children help other children, all the while having fun playing games.



## Volunteer Action: In Pursuit of an Excellent Volunteer Life

Volunteers are a declaration of youth, brimming with sincerity and confidence, seeking a wondrous ideal and individual value. The Amway Volunteers Association was established in 2003. ACF relies on and mobilizes this capable and experienced team to actively invest themselves in all kinds of charity work, leaving their footprints in every area of social work including educational assistance, project supervision, event support, and emergency and disaster relief. Through their actions, they let shine the brilliant light of their youth.

④ **215** Amway Volunteer Teams

④ Accumulated volunteer service hours exceeding **120,000** hours  
**91,000** volunteers

④ ACF organized **1,192** volunteer events in 2015

④ The value of cash and material donations totaled RMB **290,000**

## Seeing the Love in Community Service

Small communities are units of the larger community, and so they are naturally the first place that volunteers go to. Volunteers believe in using perseverance to express their love and care, and doing small things at the times in which they are needed. Helping children with their homework, reading to the elderly, helping the disabled do their shopping, all of these things trickle down silently, building up into the new normal of Amway volunteer life.

### The Second Chinese Youth Volunteer Service Project Competition The ACF volunteer service team's project wins the silver medal

#### Shanxi

Get Home Safe – Child Safety Experience Movement  
“Love That Stays with You as You Grow” Caring Project for Orphans and Disabled Children

#### Shanghai

“Love Through Music” Children’s Musical Therapy Volunteer Service Project

#### Gansu

The Third Special Olympics Sunshine Three-Legged Race

#### Shaanxi

Engineering Hope – Amway Music Classroom Donation Project

#### Fujian

Sunshine Sports Field – Face to Face with Sports Stars  
Hold Out for Love – Online Plank Charity Challenge

#### Tianjin

Build Dreams, Support Dreams – Series of event in which volunteers help the disabled

#### Xinjiang

Loving Art Workshop Event

#### Zhejiang

Sunshine Holiday Home – Caring for the Children of Migrant Workers

#### Chongqing

Amway Refueling Station for Village Sports



## An Angel That Gives Voice to a Silent World

ACF volunteer Lv Jiaheng has over 10 years of volunteer experience. He and other experienced volunteers founded the Beijing Yuyi Sign Language Volunteer Team. Jiaheng has not only led the volunteer team to actively participate in all sorts of events for the disabled, he has also helped each member of the team improve their skills in sign language. This eventually led to the team becoming known as an outstanding team that possesses not only a passion for volunteering, but is also highly skilled. In March 2015, Lv Jiaheng was named one of Beijing’s first “Five Star Volunteers” and was invited to attend the “Review of the Troops” in honor of the 70<sup>th</sup> anniversary of the victory of the Chinese People’s War of Resistance against Japanese Aggression, making him a role model for every volunteer in the city.



### 300 Amway Volunteers Provide Service at the International Garden Expo

Around the time of National Day in 2015, the 10th China International Garden Expo was held in Wuhan. The Amway Hubei Volunteer Association served as this year's Garden Expo's volunteer support organization, training 300 volunteers to provide service at the Expo. Over the long National Day holiday, 300,000 people visited the Expo. Volunteer Shen Ke was in charge of checking tickets and was elected team leader. Though the job might seem easy, volunteers had to start at 6:30am and work for 10 hours. With the lines overflowing with people, it was actually quite an exhausting responsibility. On their last day a small incident occurred. When Shen Ke's volunteer team went to hand over their responsibilities to the team that would replace them the next day, they realized that there was an extra person with them. After detailed inquiry, they found that it was a visitor who didn't want to buy a ticket. After he had dealt with the situation, Shen Ke said, "Volunteers are here to provide a service. We have our own standards to meet. We must be meticulous and thorough at all times."

### Showing Our Talents at Large-scale Events

In volunteer service, having passion is far from enough. Professionalization sets a higher standard for volunteers. The Amway volunteer service team started early on to place importance on accumulating experience in team management, increasing the efficiency of communication and collaboration, achieving cooperation and coordination in complex work environments, and showing ourselves to be well-trained and accomplished. Amway volunteers have been invited to serve as the professional support organization several times at large-scale events such as the Beijing International Film Festival and the 12<sup>th</sup> China National Games, among others, and implement our management experience for these large-scale volunteer tasks.



### Do Charity Work with Yao Ming

ACF continues to care for society's vulnerable groups. The Special Olympics: Unified Sports is a training and competition event that the mentally challenged and ordinary people can participate in together. In the Third Special Olympics Shanghai Sunshine Intercity Invitational Unified Race, six Jiuquan City Amway Volunteers and six Special Olympics team numbers, the "Amway & Jiuquan/Nash-Yao Endowment Special School", by connecting heart to heart and running together in happiness and harmony, won first prize in their competition.





## Promoting the Industry: In Pursuit of a Broad Charity Platform

**Project Introduction:** From initial caring hearts that gave to help the weak and those in need to in-depth participation in public service administration; from promoting the establishment of laws and regulations that protect social equality to advocating social innovation; from creating more opportunities to leading society to further progress; the development of modern charity has already greatly exceeded the simple categorization of philanthropy and moved on to a new stage of development. China's charity industry urgently needs more talented people to expand the power and influence of the industry. ACF has always firmly believed that the growth of every charitable organization is tied to the development of the industry. Promoting the advancement of the industry is a mission that ACF must shoulder.

## The China Philanthropy Talents Development Program

### Project Introduction:

The "China Philanthropy Talents Development Program" is the first government-directed NGO philanthropy talent development program in China. It is a specialized philanthropy talent training program directed by the Ministry of Civil Affairs, co-sponsored by the China Charity Information Center and the Amway Charity Foundation, and participated in by many charitable institutions and organizations. The Amway Charity Foundation will invest RMB 10 million within three years (2013-2015) in an attempt to both train charity professionals and to continuously provide support in the form of these talents to China's philanthropy sector.

### Chief Purpose:

Dedicated to unearthing and training charity leaders, providing industry training, financially aiding personal and organizational development and establishing a training system for talented people working in charity.

### 2013 | Strengthening Organizational and Resource Expansion Capabilities

The first training classes covered seven topics included an introduction to resource expansion, working with the government, fundraising at corporations, fundraising at foundations, cooperation with and development of media resources, mobilizing the power of volunteers, and simulating fundraising. With 'strengthening charity organizations' developmental capabilities and ability to obtain external resources' as both starting point and desired end result, the classes helped students learn to develop media resources and volunteers at the same time as they strengthen their professional capabilities in terms of obtaining government purchasing service projects and raising fund from caring corporations and foundations.

### 2014 | A Focus on New Media Fundraising and Communications

The China Philanthropy Talents Development Program is a training system with rich and varied content, a meticulously detailed system, and a high level of the modern zeitgeist. In 2014, the training system adopted a "Dual Teacher System" with an expert in the charity field providing professional advice and a business expert that can help organizations support sustainable development. In addition to studying the integration of resources, internal administration, project management, communications-based promotions, and other courses related to the development of charitable organizations, with the rise of social media, students also participated in newly added real life training in social media fundraising and communications. This program also serves as an important evaluator standard. For the students that rank among the Top 10 candidates selected, the program gives them a clear direction for future development and turns them into talents with practical skills and a close connection to society.

### 2015 | Innovative Solutions for Community Issues

Training was centered on the theme of "Exploring Social Solution Models for Community Issues and Capabilities Training for Social Organization that Serve Communities" guiding students to immerse themselves in communities and develop their abilities to seek out revelations, analyze and solve problems. In order to support the launch of this real world community training, several teams of expert instructors were made available to each student group to supervise and guide them through the real world training. They included a team of officials from the Ministry of Civil Affairs to advise on government policy matters, real world instructors with abundant and varied community experience, CSR managers from multinational corporations to serve as inspectors and observers, and front line workers in the community to provide coaching on the particular community. Another highlight of the training was the introduction of Design Thinking, which strengthened students' abilities to find practical and innovative solutions. For their "graduation defense", the program adopted the innovative "road show" method, requiring students to use new media short films, sitcoms, talk shows, or other forms that appeal to the public to discover the creative possibilities in implementing charitable projects.





**900**

Over 900 people signed up for the program, making it the program with the largest number of applicants among philanthropy talents training programs



**50**

Every year the program trains 50 charity professionals



**10**

Every year 10 charity leaders with the most potential are selected and awarded RMB 100,000 to aid the growth and development of their organization



**100**

Every year a total of RMB 1 million in financial aid is awarded to NGOs to support their development

## 2015 Philanthropy Talents Top 10 List

<b>Gu Yuanyuan</b>	Pixelite
<b>Pan Guifang</b>	Dongguan City Jia Le Community Service Center
<b>Li Hexi</b>	Hefei City Luyang District SheCai Social Work Service Center
<b>Ye Simeng</b>	Zhuhai City Xiangzhou District QinQing Hui Youth Social Organization Education and Development Center
<b>Tong Yin</b>	Beijing City Huairou Honored Elderly Volunteer Association
<b>Zuo Guijuan</b>	Shanghai City Minhang District LeXin Social Work Service Center
<b>Wei Ruihong</b>	Tianjin City Wuqing District Sun and Rain Rare Diseases Psychological Care Center
<b>Ma Gui</b>	Yinchuan Youth Volunteer Support Center
<b>Zhang Qinglan</b>	Beijing Chang Lin Charity Foundation
<b>Zhao Tiansong</b>	Hangzhou City Jia Ren Social Work Service Center

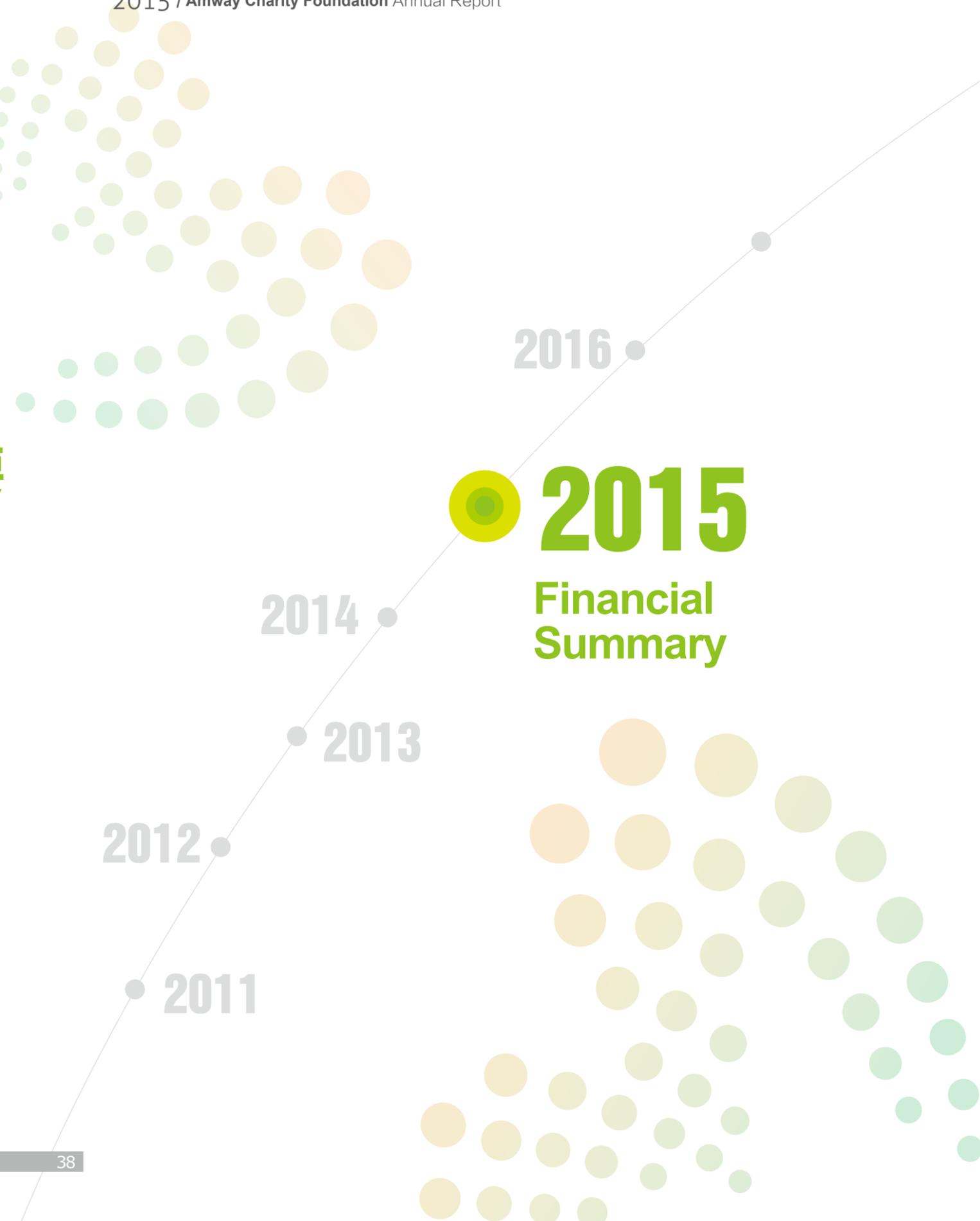


### One Student's Story: How Photography Brought Me Closer to Charity

With how quickly charity is developing these days, grassroots organizations are often overlooked. They have lofty ideals, but little influence or power, especially in terms of communications and public fundraising. It is always difficult for them to obtain resources. Gu Yuanyuan, the founder of "Pixelite", was close with a group of talented young directors. He hoped to build a bridge, turning the camera lens towards the charity field, bringing grassroots organizations an opportunity to obtain cheap online video communications. The young directors would also get a lot of opportunities to train and develop their skills. This way, both sides would be able to get something they wanted.

In 2015, during the China Philanthropy Talents Development Program, Gu Yuanyuan learned about resource integration and business operation models. He became more confident in how he could implement his charitable concept in a more sustainable way. Gu Yuanyuan said, "In the future, we hope to cultivate more innovative organizations like us that use filming to promote charity, so that we can work together and use film to tell the stories of those who work in charity."





## Audit Report

### ZHENGHUA ZHUANSHENZI

[2016] No. 48

To the Amway Charity Foundation,

We have audited the attached financial statements of the Amway Charity Foundation, including the December 31<sup>st</sup>, 2015 Balance Sheet, the 2015 Statement of Financial Activities, the Cash Flow Statement, and the Notes on Financial Statements.

#### 1. Management's Responsibility for These Financial Statements

It is ACF management's responsibility to prepare financial statements in accordance with the Regulation on Foundation Administration and the Accounting System for Nongovernmental Non-profit Organizations. This responsibility includes: (1) The design, implementation and maintenance of internal controls relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error; (2) The adoption and application of the appropriate accounting policies.

#### 2. Certified Accountant's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Auditing Standards for the Chinese Certified Public Accountants. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the ACF's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. However, the purpose is not for giving opinion about the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 3. Audit Opinion

In our opinion, the financial statements provide the information required by the Regulation on Foundation Administration and the Accounting System for Non-Governmental Non-profit Organizations in the manner so required and provides a true and fair view of the financial status of ACF as of December 31<sup>st</sup>, 2015, the results of business activities and cash flow in 2015.



BEIJING TIANZHENG HUA CERTIFIED  
PUBLIC ACCOUNTANTS  
(General Partnership)



Beijing, China

Chinese Certified  
Public Accountant



Chinese Certified  
Public Accountant  
Song Jie  
January 25, 2016



## Financial Information

Attachment 1

### Balance Sheet

Prepared by: Amway Charity Foundation December 1, 2015 Monetary unit: RMB

Assets	Line No.	Balance at beginning of the year	Balance at end of the year	Liabilities and net assets	Line No.	Balance at beginning of the year	Balance at end of the year
Current assets:				Current liabilities			
Monetary assets:	1	53,100,395.33	7,695,035.62	Short-term loans	23		
Short-term investment	2	-	58,500,000.00	Accounts payable	24	997,006.05	0.96
Accounts Receivable	3	197,084.54	211,575.54	Wages payable	25	-	-
Prepayment	4			Taxes payable	26	13,846.31	13,315.38
Inventory	5			Deposit received	27		
Deferred expenses	6			Accrued expenses	28	6,318,978.60	1,421,940.00
Long-term debt investment due within one year	7			Anticipated liabilities	29	-	-
Other current assets	8			Long-term liabilities due within one year	30		
Total current assets	9	53,297,479.87	66,406,611.16	Other current liabilities	31		
				流动负债合计	32	7,329,830.96	1,435,256.34
Long-term investments							
Long-term equity investment	10			Long-term liabilities:			
Long-term debt investment	11			Long-term loans	33		
Total long-term investment	12	-	-	Long-term payables	34		
Fixed assets:				Other long-term liabilities	35		
Original value of fixed assets	13			Total long-term liabilities	36		
Minus: Accumulated depreciation	14						
Net value of fixed assets	15	-	-	Investment liabilities			
Construction in progress	16			Investment liabilities	37		
Heritage and Cultural Assets	17			Total liabilities	38	7,329,830.96	1,435,256.34
Liquidation on fixed assets	18						
Total fixed assets	19	-	-	Net assets:			
Intangible assets:				Unrestricted net assets	39	45,418,110.02	62,634,331.93
Intangible assets	20			Restricted net assets	40	549,538.89	2,337,022.89
Assets from investments				Total net assets	41	45,967,648.91	64,971,354.82
Assets from investments	21						
Total net assets	22	53,297,479.87	66,406,611.16	Total liabilities and net assets	42	53,297,479.87	66,406,611.16





Attachment 2

### Statement of Financial Activities

2015

Prepared by: Amway Charity Foundation Monetary unit: RMB

Project	Line No.	Balance for the Previous Year			Balance for the Current Year		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
1. Incoming including:							
Donations	1	13,207,240.52	22,808,506.00	36,015,746.52	32,850,298.25	17,250,065.12	50,100,363.37
Membership Fees	2	0.00	0.00	0.00	0.00	0.00	0.00
Services Provided	3	0.00	0.00	0.00	0.00	0.00	0.00
Commodity Sales	4	0.00	0.00	0.00	0.00	0.00	0.00
Government Subsidies	5	0.00	0.00	0.00	0.00	0.00	0.00
Investment	6	0.00	0.00	0.00	712,493.82	0.00	712,493.82
Other income	7	1,969,096.70	0.00	1,969,096.70	589,157.34	0.00	589,157.34
Total income	8	15,176,337.22	22,808,506.00	37,984,843.22	34,151,949.41	17,250,065.12	51,402,014.53
2. Expenses							
(1) Event/Project Expenses	9	74,016,844.00		74,016,844.00	30,499,948.77		30,499,948.77
(2) Administrative Expenses	16	988,011.28	0.00	988,011.28	806,392.76		806,392.76
Employee salaries and benefits		300,097.42		300,097.42	51,365.07		51,365.07
Operational expenses		687,913.86		687,913.86	755,027.69		755,027.69
Depreciation of Fixed Assets				0.00			0.00
Taxes				0.00			0.00
(3) Fundraising Expenses	17	1,153,799.62		1,153,799.62	1,091,967.09		1,091,967.09
(4) Other expenses	18			0.00			0.00
Total expenses	19	76,158,654.90	0.00	76,158,654.90	32,398,308.62	0.00	32,398,308.62
3. Conversion of restricted net assets to unrestricted net assets	20	22,798,398.00	-22,798,398.00	0.00	15,462,581.12	-15,462,581.12	0.00
4. Fluctuation of Net assets (if net assets were reduced, we denote it with "-")	21	-38,183,919.68	10,108.00	-38,173,811.68	17,216,221.91	1,787,484.00	19,003,705.91

Attachment 3

### Cash Flow Statement

2015

Prepared by: Amway Charity Foundation Monetary unit: RMB

Item	Line No.	Amount
1. Cash flow from business activities		
Cash received from donations	1	50,100,363.37
Cash received from membership fees	2	
Cash received from services provided	3	
Cash received from commodity sales	4	
Cash received from government subsidies	5	
Cash received from other business activities	6	785,218.13
Sub-total of cash inflow from business activities	7	50,885,581.50
Amount put toward donations or financial support	8	35,306,033.54
Amount paid to employees or for employees	9	2,104,476.18
Amount paid for goods and services	10	
Amount spent on other business activities	11	891,070.52
Sub-total of cash outflow for business activities	12	38,301,580.24
Net cash flow from business activities	13	12,584,001.26
2. Cash flow from investment activities:		
Inflow from recouping on investments	14	85,000,000.00
Inflow from investment returns	15	510,639.03
Inflow from disposal of fixed assets and intangible assets	16	
Inflow from other investment activities	17	
Sub-total of cash inflow from investment activities	18	85,510,639.03
Outflow to acquire fixed assets and other long-term capital	19	
Outflow for foreign investment	20	143,500,000.00
Outflow for other investment activities	21	
Sub-total of cash outflow for investment activities	22	143,500,000.00
Net cash inflow from investment activities	23	-57,989,360.97
3. Cash flow from fundraising activities		
Inflow from loans	24	
Inflow from other fundraising activities	25	
Sub-total of cash inflow from fundraising activities	26	
Outflow for debt repayment	27	
Outflow for debt interests	28	
Outflow for other fundraising activities	29	
Sub-total of cash outflow for fundraising activities	30	0.00
Net cash inflow from fundraising activities	31	0.00
4. Impact on cash and cash equivalents from floating exchange rate		
32		
5. Net increase of cash and cash equivalents	33	-45,405,359.71



### Monetary Capital

Type	Currency	Balance for the Previous Year	Balance for the Current Year
Cash	RMB		
Bank Deposits	RMB	53,100,395.33	7,695,035.62
Total		53,100,395.33	7,695,035.62

Note: Bank Deposits include a fixed deposit of RMB 53,100,000.

### Cost of Business Activities

Item	Amount Incurred in the Current Year	Amount Incurred Last Year
1. Project Donations	30,499,948.77	74,016,844.00
2. Cost of Providing Services	0.00	0.00
3. Cost of Product Sales	0.00	0.00
4. Government Subsidies	0.00	0.00
5. Business Taxes and Additional Expenses	0.00	0.00
Total	30,499,948.77	74,016,844.00

### Large-sum Donation Income

The Amway Charity Foundation received a total of RMB 50,100,363.37 in donations in the year 2015. This list shows individuals and groups who accounted for more than 5% of the Foundation's total revenue in terms of donations

Donors	The Current Year			Purpose of Donation
	Restricted	Unrestricted	Total	
1. Amway (China) Co., Ltd.	5,525,038.00	32,574,962.00	38,100,000.00	Charity Projects
Including: Monetary Donations	5,525,038.00	32,574,962.00	38,100,000.00	
Non-Monetary Donations	0.00	0.00	0.00	
2. Founders Council Members of Amway (China) Co., Ltd.	3,906,440.00	840.00	3,907,280.00	Charity Projects
Including: Monetary Donations	3,906,440.00	840.00	3,907,280.00	
Material Donations	0.00	0.00	0.00	
3. Amway Business Owners (ABOs)	7,178,041.00	146,956.87	7,324,997.87	Charity Projects
Including: Monetary Donations	7,178,041.00	146,956.87	7,324,997.87	
Material Donations	0.00	0.00	0.00	
Total	16,609,519.00	32,722,758.87	49,332,277.87	

## Fund Raising Summary:

As a non-public-funded foundation, ACF follows the provisions set forth in the Foundation Management Regulations, and raises funds from specified groups of people including Amway (China)'s ABOs, employees and privileged customers, providing monetary safeguards for the long-term development of the fund and effective implementation of charity programs. In 2015, ACF raised RMB 50.1 million in donations, of which Amway (China) donated RMB 38.1 million.

### Internal Fundraising



#### Spring Sprout 100 Monthly Donation Program

Raised a total of RMB

**1.42** million

ACF encourages Amway Business Owners and privileged customers to donate RMB 100 every month to support the "Spring Sprout Project", a key charity project of the Foundation.



#### Matching Donation Program

Raised a total of RMB

**4.46** million

ACF provides a Matching Donation Program aimed at Amway (China)'s ABOs. To encourage them to become more involved, Amway has adopted an equivalent matching donation program, in which, for every donation from an eligible ABO, the company will donate the same amount to the same charity project as that of the ABO's donation. The matching donation will be used in the direction and project specified by the ABO donor.



#### Anniversary Donations

Raised a total of RMB

**5.26** million

Funds raised during the 2015 Amway (China) 20<sup>th</sup> Anniversary Fundraising Event were all put towards ACF's key project, "The Spring Sprout Project"



### Other

Raised a total of RMB

**860,000**

ACF's "The Power of 5" and other projects also received donations

### External

#### Spring Sprout Special Fund

Raised a total of RMB

**6.64** million

ACF worked with the China Next Generation Education Fund to establish a "Spring Sprout Special Fund" within the China Next Generation Education Fund, mobilizing more kind hearted people and further leveraging public resources to help rural children in poverty-stricken areas. In 2015, the "White Rice Only" was launched and raised RMB 930,000 in donations from the public as well as RMB 4.35 million in donations from local government finance.



#### The Power of 5 Special Fund

Raised a total of RMB

**4.14** million

ACF worked with the China Children and Teenager's Fund to establish a "Power of 5 Special Fund" within the China Children and Teenager's Fund, mobilizing more kind hearted people to help three to five year old rural child in poverty-stricken areas. In 2015, the "9.9 Charity Day" event helped raise RMB 1.14 million in donations.



#### Internet-based Support Platform





## Specialized Funds:

Since its establishment, ACF has received support from many caring people in society. They are generous, have a strong sense of social responsibility, use their fortunes as their strength, and consider giving back to society their duty. They devote themselves to charitable causes even as they find great success in their own businesses. ACF maintains full communication with all of these caring people, and works together with them, to help poverty-stricken children enjoy a happy childhood.

# 14

2011 to 2015  
Four caring people and ten caring couples generously donated their money to set up specialized funds

RMB  
**13,480,000**

By the end of the year 2015  
The specialized funds altogether (including matching donations from Amway) can

sponsor the building of  
**224**  
Spring Sprout Kitchens

**110,000**  
Students in impoverished areas benefitted



# Governance

## Standardized Internal Governance

### The Board of Trustees Meeting Minutes and Resolutions

On December 18<sup>th</sup>, 2015, the Ninth Session of the First Board of Trustees was held, in which trustees reviewed and evaluated the Amway Charity Foundation's 2015 Work Report and Financial Report, and released several written resolutions including:

<p><b>01</b></p> <p>the election of the Amway Charity Foundation's Second Board of Trustees and members of the Audit Committee.</p>	<p><b>02</b></p> <p>Approved the 2015 Work Summary and Work Plan for 2016;</p>	<p><b>03</b></p> <p>Approved the Financial Report and the Financial Forecast for 2016;</p>	<p><b>04</b></p> <p>Revised and approved ACF regulations, the "Amway Charity Foundation Financial Approval Policy", and the 3rd regulation of the "Amway Charity Foundation Financial Investment Policy"</p>
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In 2015, the members of the ACF Audit Committee, according to the Foundation Management Articles and ACF Articles, supervised the meeting attendance, procedures and the compliance of the foundation's operational management in 2015. They confirmed that meeting attendance and procedures conformed to specifications, documents were provided in full, and thus the resolutions made were valid.

### Recipients of Large Sum Donations to Charitable Projects

Project Name	Recipient	Amount	Percentage of Total Annual Expenditure	Usage/Purpose
1. Spring Sprout Project	Shandong Kingbetter Commercial Kitchenware Co., Ltd.	14,570,140.00	47.77%	Procurement of Kitchen Equipment
	Child Development Center of China National Committee on Care for Children (CDC - CNCCC)	1,163,150.00	3.81%	Training for Kitchen Administrators
<b>Total</b>		<b>15,733,290.00</b>	<b>51.58%</b>	

To the knowledge of the Audit Committee, the suppliers and sponsors mentioned above have no connection with Amway (China) Co., Ltd. or with any administrative personnel from the Amway Charity Foundation.

### Related Transactions

**Name of Involved Party:** Amway (China) Co., Ltd.

**Name of Legal Representative:** Audie Wong

**Relationship to ACF:** Sponsor; major contributor of members of the Board of Trustees; main donor

**Nature of Related Transaction:** Donation

**Amount of Related Transaction:** RMB 38.1 million

**Major lawsuits:** None

**Major purchase or sales of assets:** None

**Hiring or firing of professional agencies:** None

**Punitive incidences against board or administrative personnel:** None

**Crisis management/ Media Responses:** None

## A Perfect Information Disclosure System

ACF maintains active and open communication with all stakeholders and the general public. At regular intervals, ACF submits accurate, timely, complete work reports, sales performance and financial audit reports to supervisory and auditing departments; voluntarily discloses the foundation's revenue from donations, the progress of all projects, its development direction and its views to the public; publishes the core content of its annual inspection in the Ministry of Civil Affairs' appointed public newspaper; and voluntarily participates in the evaluation of social organizations under the leadership of the Ministry of Civil Affairs.

Channels for information disclosure:

					
The ACF Official Website	WeChat	Weibo	The ACF Annual Report	Telephone	ACF Communications

### Donors' Visits and Communication



In 2015, ACF organized 19 key donors to go on four visits to Spring Sprout Kitchens. These visits allowed the donors to gain a true understanding of the operation, administration, results and value of the Spring Sprout Project.

- ACF Project Newsletters
- Project Progress Report
- Expenditure Report
- Participant Schools' Original Application Materials
- Project Feedback from Schools
- Photo of the Dedication Plaque acknowledging the donor's contributions
- ACF Publications
- ACF Audio-Video Materials



Communication Materials Provided for Key Donors, including Project Progress Reports

## Strict Internal Control Management

ACF applies its sponsor, Amway's, experience in the management and operation of a multinational corporation to the management of the foundation. We are continuously improving the management systems for each of the foundation's projects, though supervising processes, risk control and brand management, in order to increase standardization of the foundation's operations, lower and prevent management risks, and increase the influence of the brand.



## Looking to the Future

In 2016, with the promulgation of the Charity Laws of the People's Republic of China and the implementation of the national "13th Five Year Plan", Chinese charity is facing completely new development opportunities. Combining the national policy changes, the industry's rapid development, and ACF's advantages and experience, we have specified the following focuses for our work:

**Our core: Make children's nutrition and healthy growth ACF's main pursuit. Establish a comprehensive support system to further increase the level of attention drawn to this area and the level of professionalism within it.**

This comprehensive support system has four parts: basic aid, health education, expert research, and public advocacy. In terms of basic aid, ACF will continue to perfect the administration and operations of the 3,835 Spring Sprout Kitchens. With the help of supervision by Amway volunteers, local government and partner organizations, we will ensure that the Spring Sprout Kitchens, under solid quality standards, continue to improve the health and nutrition of impoverished boarding school students in all areas and that they have positive long-term effects.

At the same time, mobilizing local Amway branches across the country, we will actively launch a variety of interconnected events that will, building on the basis of nutritional improvement, create a better environment for children's physical and emotional health and development.

Additionally, we will do all we can to promote the launch of the "Power of 5" Campaign. In 2016, ACF will distribute "Little Bits - Children's Nutritional Chewable" in over 500 preschools in five provinces in Middle and Western China including Guizhou, Gansu, Qinghai, Shanxi, and Hunan, benefitting 10,000 pre-school children.

In terms of health education, we will develop and promote courses on food education, cultivating hygienic habits, and psychological health in order to increase children's knowledge about health and increase their life skills. In terms of expert research, we will turn to the Nutrilite Children's Nutrition Charity Research Center to support well-founded, forward-thinking, and innovative expert research in the field of children's health and nutrition. In terms of public advocacy, we will continue to launch innovative communication campaigns, making full use of O2O communications to attract more public and societal influence to focus on solving the problems in children's growth and development.

**There are two basics: First, further strengthen our ability to recreate ourselves** and bring new energy to our work so as to ensure the Foundation's sustainable development. Charity is a long-term undertaking. The stability of charity organizations and the length of time that their charitable projects last create even more impactful and longer lasting results. On the one hand, we must continuously optimize the operations of each project, making our funds as effective as possible. On the other hand, we also have to focus on increasing our charitable projects' interactivity and participation experience, in order to increase the public's understanding of charity and desire to take part in it and thus establish a certain number of steady donors. In 2016, we will continue to rely on Amway (China)'s basic platform to launch targeted fundraising projects. At the same time, we will also work to expand our external influence through a charity platform open to the public, developing new fundraising channels, and thus strengthening the Foundation's entire ability to bring new energy to our work.

**Second, actively promote the construction of the industry, supporting the innovative development of the charity industry.** On the one hand, we will continue to strengthen our interaction and cooperation with influential, strong charity elements from every area of society, communicating with one another, sharing resources, continuously searching for new strategies and cooperation models, working together to create an atmosphere of charity within our society, and promote the constant transmission of a culture of charity. On the other hand, we will also demonstrate the advantages of corporate foundations. We will upgrade the "China Philanthropy Talents Development Program", and, by training charity professionals with a strong business sense, promote movements that will create opportunities for charity entrepreneurship. We will put all our efforts into the innovative development of the charity industry, creating a greater wealth of charity for our society, advancing harmony and civilization.





Scan the QR code to learn more about the  
Amway Charity Foundation



**安利公益基金会**  
Amway Charity Foundation

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