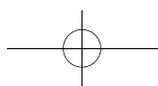


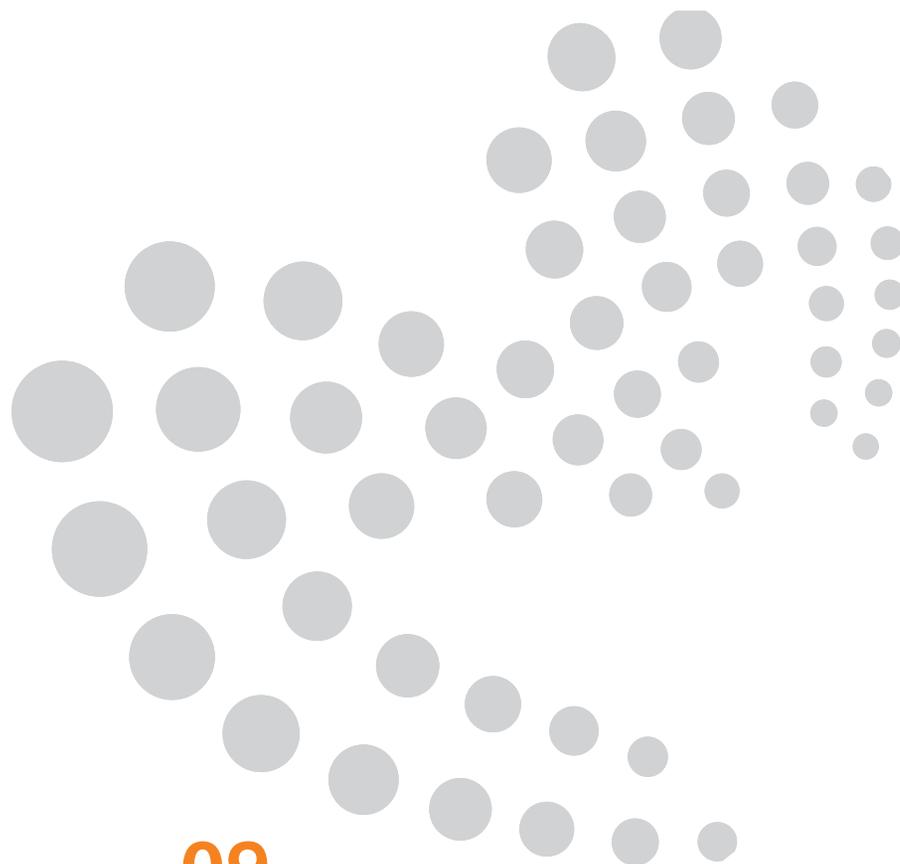
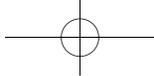
## Preface

The morning haze will not prevent us from chasing our dreams,  
Though the brightly colored rain and snow melt into mud beneath our feet,  
The responsibility upon our shoulders and the hope in our hearts endure.  
365 days and nights, yet it feels as if no time has passed at all.

Combine our focus and our strength, bring a little more love to the world;  
From nutritional support for poor children to the Power of Five,  
Every healthy day is a hint of the magnificent future ahead.  
Rejoice and be merry, bring a little more love to the world;  
From Food Makes Me Taller to Kids Run,  
Every loving heart transforms into another name for "happiness".  
You and I together can bring a little more love into this world,  
From Bali Love Pairs to 99 Charity Partner,  
Every instance of participation leaves us with unforgettable memories  
365 days and nights, hand in hand with thousands of others.

We'll never forget the innocent smiles of the children in the mountain villages,  
We'll never give up on our dream for them to grow up healthy and happy,  
We journey on with love, we walk on with dreams,  
2017, however long it may take, we will continue on this journey.





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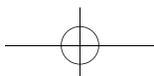
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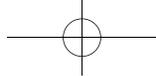
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Chairman of Amway Charity Foundation  
**Gan Chee Eng**



## Let charity and society go forward hand-in-hand

This year marks the 6th anniversary of the establishment of the Amway Charity Foundation (ACF). Six years ago, we set sail with the initial aspiration to help more impoverished children grow healthily. Over the past six years, we have taken root in the grassroots communities to fulfill this mission and join the rising tide of charity in society, to go forward hand-in-hand.

We have always considered how to more effectively integrate the power of charity to drive social development. To this end, closely aligned with the goal of full elimination of poverty set forth in China's 13th Five-Year Plan, ACF has created a strategy to "alleviate poverty through nutritional improvement." Poverty eradication is not only a fundamental issue related to the future development of a nation, but also a cause which needs participation from all walks of life. Therefore, ACF has pinpointed its focus and chosen to start by improving the nutrition of impoverished children. This way, it can challenge the basic link on the poverty chain and fully cooperate with other social charity organizations to achieve multi-dimensional synchronized progress with the nation.

We have always been exploring, with more modern concepts and more interactive ways, how to get the public to know more about the field of charity and participate in it. May 20th is China's Student Nutrition Day. On this day in 2016, ACF launched the Power of 5 charity promotion event "Food Makes Me Taller", helping impoverished children bridge the piece of food's distance from nutrition through a participation model that was both simple and fun. Many Amway ABOs and employees and the public participated in the event and posted pictures on WeChat Moments, which have overwhelmed the internet and helped those children in need become visible. I am very pleased to be part of the event with my management colleagues. We are very well aware that charity is not a one-way action. For the past 6 years, ACF has been constantly trying to interact with the public so as to raise people's need to participate in charity.

We expect that every brick and tile we lay down today will make a solid foundation for tomorrow's charity cause. In 2016, the Charity Law of People's Republic of China was promulgated and enacted, with many supporting policies introduced one after another. Charity organizations have continued thriving; charity has been booming, and moving in tandem with the pulse of the society. Looking into the future, the cause of charity is like a rising sun with unlimited life. As a six-year-old foundation, ACF is still on the way to fulfill its mission. We will continue to make innovation and exploration through actions to unleash the vitality and energy of charity, moving more firmly toward the objective of "gathering love, extending warmth," and increasing the force of "promoting equal opportunity for the development of children in poverty-stricken areas".

Six years without forgetting our initial aspiration. Walking hand in hand, you and me.

# ACF Profile

## Registration Information

**Name:** Amway Charity Foundation  
**Unified social credit code:** 53100000717828729Q  
**Registered with:** Ministry of Civil Affairs of the People's Republic of China  
**Registered Capital:** RMB 50 million  
**Founding Date:** January 24, 2011  
**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

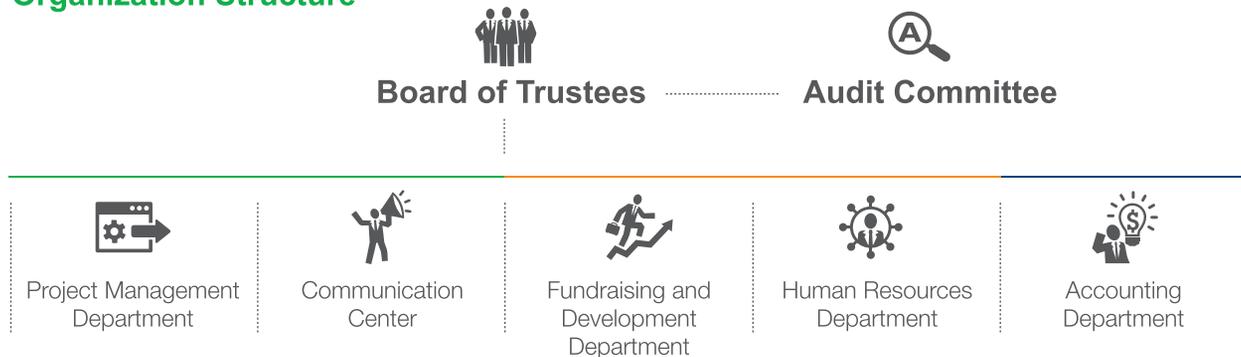
**Sponsors:** Doug DeVos Steve Van Andel  
**Honorary Chairman:** Eva Cheng

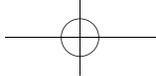
### Board of Trustees

**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





## 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

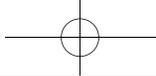
### Mission

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

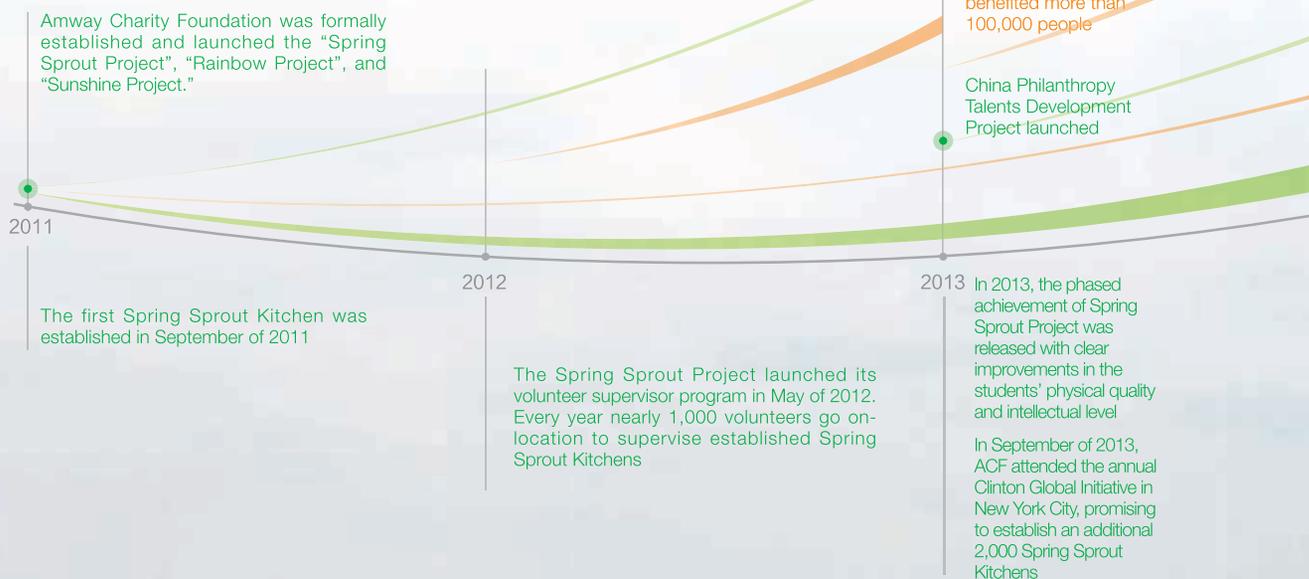
Bring together the strengths of multiple areas to help impoverished children gain a better quality of life, a better education and better opportunities for growth and development, thus providing these children with a future of unlimited possibility.

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.



# 2011 – 2016 Overview of Important Charity Events





20 Rainbow Dream Learning Centers have been built in 9 provinces

Caring Communities received RMB 1 million in financial support from the Central Government. The project established Caring Communities in 21 cities, covering 50,000 people

The Sunshine Project has benefited 180,000 children

The Power of 5 project was initiated

The China Philanthropy Talents Development Project has trained 150 charity industry professionals and provided RMB 3 million financial aid for organizational development

The "Power of 5 Project" has benefited over 10,000 children

The Spring Sprouts Project has established 3,842 kitchens, which have benefited 1.93 million children

2014

In 2014, the charity microfilm A Special Lunch was released online, touching the hearts of millions of netizens

In 2014, the Nutrilite Child Nutrition Research Institute was established

2015

In 2015, ACF was certified as an 4A-level foundation by the Ministry of Civil Affairs of the PRC

In May of 2015, the White Rice Only online communication campaign was launched, leading to an interactive readership of nearly 100 million and RMB 900,000 donation from 38,000 netizens

2016

On May 24, 2016, the International Child Nutrition and Anti-Poverty Forum & 5th Anniversary of Amway Charity Foundation was held

In 2016, the Food Makes Me Taller campaign was launched, leading to nearly 100 million interactive readership, and RMB 1.26 million from 78,000 netizens



## Feedback

ACF's projects have generated support for us from both caring members of the community and the government, I hope that in the future we will work even more closely together to make the lives of children in impoverished areas even better.

*Gu Xiulian*

**Director of China National Committee for the Wellbeing of the Youth**

I've always admired Amway's passion and innovation. This is something that everyone involved in charity, including us, need to learn from.

*Lu Mai*

**Secretary General, China Development Research Foundation**

Children's nutrition is not just a project of love, it's a project of conscience.

*Wang Shaobang*

**Principal of No.5 Primary School in Danzhai County, Guizhou Province**

Because we were volunteer supervisors at the Spring Sprout Kitchens, sometimes at home, when we watch our son eating, enjoying every bite, we suddenly think how blessed we are. Nutrition is so very important for children.

**Ningxia Volunteer Couple *Bai Linggang and An Ning***

Over the past year, the children have displayed great body defenses against diseases and few students have asked for sick leave in winter.

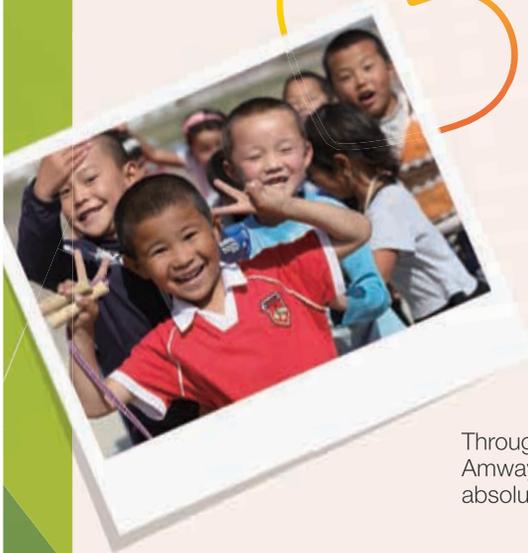
**Teacher Quan from one of the Power of 5 schools**

Teacher, can I have one more chewable tablet today? It tastes sour and sweet, so yummy!

*Long Yifan*, a student from **Tongmu Kindergarten in Longbi Village, Guzhang County**

Through the strategy of "alleviating poverty through nutritious improvement", Amway Charity Foundation has created a unique way for China to eliminate absolute poverty and build a moderately prosperous society in all aspects.

[www.people.com.cn](http://www.people.com.cn)



# Important Awards



**2012**  
The Spring Sprout Project is honored with the Ministry of Civil Affairs 7th "China Charity Award" – the most influential charity project award



**2013, 2014 & 2015**  
listed three times in Forbes' "Top Charity Foundations in China"



**2014, 2015, 2016**  
The Spring Sprout Project, China Philanthropy Talents Development Project, and the Power of 5 project were honored as "Outstanding Projects in Chinese Corporate Citizenship"



**2015**  
Received the Ministry of Civil Affairs' 4A-level Foundation Ranking



**2015**  
Honored by the Ministry of Civil Affairs as a "National Outstanding Social Organization"



**2015 & 2016**  
Awarded full points and first place in the nation two years in a row on China's Foundation Transparency Index list



**2016**  
Medal awarded for outstanding work in the Chinese charity industry at the China Corporate Charity Summit

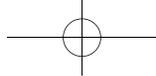


**2016**  
Ranked No.4 of China's Foundation Transparency list by Jiemian.com



**2016**  
Received the "People's Corporate Social Responsibility Award – Annual Award for Aiding the Poor" from people.com





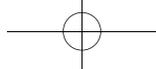
**Among Chinese urban and rural children age 0-15, 16.7% live below the relative poverty line, that's 40.08 million children. Of those, 10.8 million children live in absolute poverty. The rate of stunted growth among rural children is roughly 3-4 times that of urban children, and the rate in impoverished rural regions is twice that of rural regions as a whole.**



“The impact of malnutrition on a child lasts a lifetime. It affects their grades and their physical development, impacts intelligence, social development and other test markers.”



**“Strategic Directions for the Promotion of Health and Development of Children and Adolescents”**  
— published by The World Health Organization



# Alleviate poverty through nutritional improvement, helping Chinese society to eradicate poverty

An equal opportunity for growth and development is every person's God-given basic right. Unfortunately, in reality, nutritional poverty and lack of knowledge have created stunted growth and delayed cognitive development that cause numerous children in China's impoverished regions to be denied the chance to stand on equal footing with their peers. In Daping county, Guizhou province, the food left-behind child Shi Shujie eats every day is very bland and monotonous. Over the entire year, she eats mostly potatoes and cabbage. She can only enjoy chicken when one is slaughtered for the New Year. Already 5 years old, she is not even 80 centimeters tall and weighs less than 33 pounds. When she exercises, Shujie can never keep up with the others. She often asks herself, "Why can't I exercise?" The adults around her think she simply lacks the talent to do the exercises well.

In 21st century China, as the country continues to make great strides towards becoming a prosperous society, the "eradicate absolute poverty" movement is more urgent than ever. In 2016, ACF paired government policies targeted at the alleviation of poverty with its own strength in the field of nutrition and began to tackle the issue by starting with addressing the malnutrition of children in impoverished regions. We created a strategy to alleviate poverty through nutritional improvement and, by cutting off the "nutritional poverty" circle, construct an environment where children have an equal chance to grow and develop, helping Chinese society to eradicate poverty.





As of the end of 2016

**369**

“Power of 5” has covered over 369 pre-schools in 5 provinces

**10000**

bringing improved nutrition to over 10,000 children

**90%**

Over 90% of children like and accept the texture, shape and taste of the nutritional supplements



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

**Time period:**

2015 to present

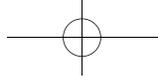
**Partners:**

China Development Research Foundation, China Children and Teenagers Foundation, China Nutrition Society

**Project Introduction:**

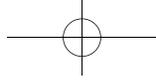
Deliver “Little Bits” kids chewable nutritional supplements to children aged 3-5 in China’s impoverished regions and launch nutritional health education in order to help impoverished children grow up healthy.





Providing comprehensive nutritional support to children of 3-5 years old in China's impoverished regions  
 Power of 5 is the first domestic charity project dedicated to improving nutrition of 3-5 years old children  
 "Little Bits" Children's Nutritional Chewable were jointly developed by the Chinese Nutrition Society. It is the first domestic charitable nutritional product that is based on new national standards and that has received Quality Standard (SC) certification

Developing the first set of food education courses in China for pre-school curriculum



## Accurate Intervention, Making Children's Nutrition a "Little Bit" Better

Malnutrition does not necessarily mean hunger. Malnourished children may be getting enough calories for energy, but they are unable to get the proper amount of nutrients from what they eat, making them at greater risk for things like anemia, stunted growth, and other disorders. The "Little Bits" chewable children's nutritional supplements in the "The Power of 5" project are the country's first charitable nutritional supplement targeted at children 3-5 years of age. They are also the first charitable nutritional product to receive the QS certification based on new national standards with the 17 nutrients that preschool children need to grow up healthy.

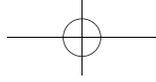
Picture: Little Bits and a close up of children eating Little Bits

### "Little Bits" Have Come to the Mountains

Four-year-old Yu Ting of Ledu county in Qinghai Province eats wheat and potatoes most of the year. Sometimes at home she has instant noodles for several meals in a row. Yu Ting is often sick, which makes her feel self-conscious and ashamed. At preschool, her teacher tells her that in two days she will hand out a nutritional supplement. If you eat it, you won't get sick so often anymore. Yu Ting can't wait to try it.

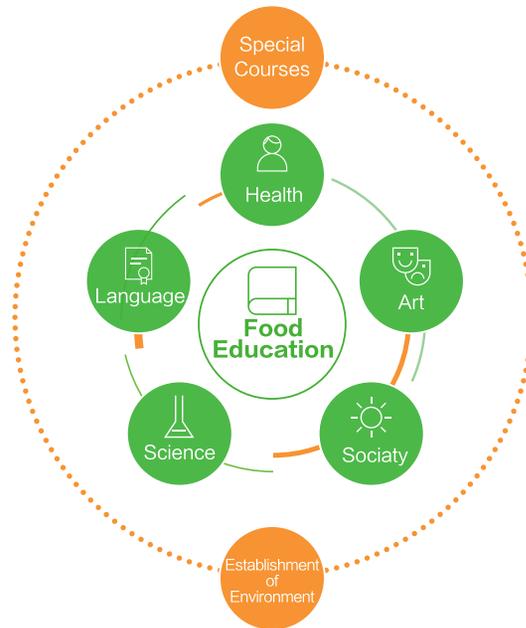
In March, "The Power of 5" came to Ledu county and "Little Bits" appeared before Yu Ting's eyes. Little Bits will provide nutritional support to the children here for the next three years. "The children finally won't have to always eat potatoes." When Yu Ting's grandmother heard about the program, she was very pleased. She said, "There's not too much we can offer the child to eat. With "Little Bits", we don't have to worry as much about her nutrition!"



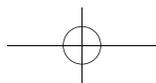


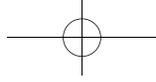
## Food Education, It's Not Just About Eating

Accurate knowledge about health and nutrition will help children all their lives. By creating an atmosphere of nutritional education, "The Power of 5" helps children to develop a sense of proper nutrition for themselves. For too many children in impoverished areas, their pre-school teacher is the most influential person in their lives. ACF teamed up with the East China Normal University's pre-school education department to develop and provide educational content on health and nutrition suitable for pre-school age children, as well as provide training and support to teachers in pre-schools located in mountain villages.



The entire set was co-written by the "Power of 5" project and the East China Normal University Pre-School Education Department's research group. The materials include five directions (health, language, society, science and art), 60 courses, additional courses on local culture, and suggestions for setting up a proper environment, all according to local conditions, to allow children to more easily absorb what is being taught.





All these food and nutrition courses are designed according to what the children's like. I've talked to many other pre-school teachers. Talking to them makes me changing from "not knowing how to teach" to "having a well-thought-out plan".

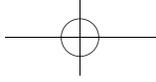
**Luo Fuxia, teacher from "Power of 5" project preschool in Dongxi Village, Guzhang county in Hunan province.**



## Stay Away from Spicy Sticks

Crispy shrimp, flavorful spicy sticks, beautiful and fresh carrots, they're all delicious, but which is healthy food? Today, in Xing county in Shanxi province, The Power of 5's Professor Sun Li is teaching the children about food and nutrition. Prof. Sun will teach 60 courses on this subject. 60?! Pretty scary, huh? But it turns out that these classes are kids' favorite ones. To the kids, these courses are all singing, drawing, games, and play. For example, with carrots, the teacher took the kids to see what carrots look like, watch rabbits eat carrots, then had them draw or describe what they experienced. This way the children learn not only nutritional skills, but also language and art skills. "The kids haven't heard of a lot of the foods mentioned in the books so when we have class they are very curious, often asking what these things taste like. One time, after trying the durian fruit, the kids said that durian is delicious but smells like gas," said Sun Li.





### “ Testimony

The management platform is very convenient to use, and the children really like having me take their pictures and upload them.

**--Dinghan Primary School Village Pre-School Teacher Jiang Yuyu, Gansu Province**

I think the management platform is pretty awesome. It saves a lot of time in gathering materials on the kids, and makes it very convenient to look things up.

**--Cao Jia Shan Pre-School Teacher Zhang Xingjian, Hunan Province**



## Online Platform: A Way for Meticulous Management

How professional a project can be seen not just in the design of the project, but also in the project's management processes. In 2016, "The Power of 5" pioneered the first online data management platform, combining the power of pre-school teachers from around the country, collecting data on changes in the impacted children's height, weight, and other body indexes, as well as photos and videos to monitor the state and development of the children. This data can be used not only for project monitoring, but also for post-project analysis and improvements.



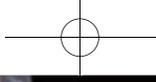
In 2016

# 9000

"The Power of 5"'s data platform collected accurate data from 9,000 preschoolers

# 20000

published 20,000 photos related to the project



**Media Reports**

"Invisible Hunger" has an even greater impact on children's health and growth. This refers to when the foods that children consume lack the proper amount of vitamins, minerals, and/or nutrients. Unfortunately, invisible hunger is common in impoverished rural villages. It is the poverty in these places that is the main cause of the children's malnutrition.

**Xinhua News Agency "The Chinese Government and NGOs Join Together to Fight Malnutrition in Preschool Children"**

The launch of an intervention to address the malnutrition of children 3-5 years of age in impoverished regions, and stop malnutrition from causing poverty to endure from generation to generation, is imminent.

**China National Radio "Poor Children Can't Afford a 4 Yuan Lunch: Eat Watered-Down Rice and Use Spicy Sticks to Fight Off Hunger"**



## Media Attention, Making Sure These Children Are Never Again Ignored

In order to solve the problem of childhood malnutrition in impoverished areas, a joint effort composed of three aspects is required: charitable support, public participation, and the guidance of government policies. The Power of 5's accurate understanding of the problem of nutritional poverty in China has received close coverage by central media. In 2016, CCTV's Morning News (Zhaowen Tianxia) did a special report on the launch of The Power of 5. Xinhua News Agency also did a series of interviews and reports on research into childhood malnutrition, the government's response to the problem, investigation into methods and models for alleviating the issue, and other topics. This illustrates the media's continuing attention to and promotion of this issue.

### A Very Special Interview

After seeing CCTV's report on The Power of 5, Zhang Houwei, a seasoned reporter for China Economic Net, decided to travel to a Zhongba Tibetan town in Ledu County, Qinghai Province to investigate the living conditions of the preschool age children there.

"You can't call that a meal, all I can say is they're trying hard to make do." This way his reaction after interviewing a Tibetan family in their home. The old grandmother that heads the household is already over 70 years old, but she is very satisfied and happy with the left-behind grandchildren she cares for. Even though the three- and four-year-old children are often mischievous, they understand what their grandmother does for them and how hard she works. When she goes to work on the farm in the afternoon, the oldest of the grandchildren expertly cooks instant noodles for his little sister. The little boy is not even 80 cm tall, so sometimes he needs to stand on a stool to reach the noodles in the pot.

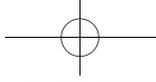
"Poverty forces these kids to grow up, but we can't let poverty delay their actual growth." What he saw made Zhang Houwei even more determined to continue to follow the progress of the implementation of The Power of 5. He hopes to make more of the public aware of the true and desperate need of the children living in these mountain villages.

心酸! 4元管午餐, 这些孩子却吃不饱...

这些孩子却吃不饱...

心酸! 4元管午餐, 这些孩子却吃不饱...

心酸! 4元管午餐, 这些孩子却吃不饱...



2016 ANNUAL REPORT

## Loving Hearts Unite: Bringing Nutrition Closer to Children

ACF strengthened its contact with all sectors of society, increasing the combined power of charity to ensure that improving the nutrition of preschool children is no longer an unseen or ignored issue.

In 2016, ACF joined forces with The Internet Public Welfare Alliance, the China Children and Teenager's Foundation, and the China Youth Development Foundation to hold The Power of 5 Kids Run across the country. The aim of the events was to allow the public to perceive and quickly grasp the urgency of this issue, and then use their actions to support the fight against malnutrition among children in impoverished areas.

## Running is Also a Way to Help Others

On June 4th, in Tianjin's Shuishang Park, an eight-year-old child, covered in sweat, crossed the finish line, and received a five-colored handprint. This prize meant that he was the first child to complete the 2016 "Power of 5 Kids Run" and the first runner to offer love to the 5-year-olds in poor mountain villages.

53-year-old Zhang Jianyuan is a local resident of Tianjin. That day, with his help, his 5-year-old grandson was able to finish the run faster than many of the other kids his age. Zhang Jianyuan said of the event, "My grandson not only got some exercise, he also learned that there are a lot of kids his age that need our compassion and aid. It was very meaningful."



# The Spring Sprout Project

**Launch date:** 2011

**Partner Organization:** 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.

## From "Spring Sprout Kitchens" to "Soul Kitchens"

As long as something is truly of value to children, then it is worth continuing. This is the "true north of charity" at the heart of ACF. In 2015, after the completion of construction and basic equipment installation of the country's 3,835th Spring Sprout Kitchen, the Spring Sprout Project was transformed into two branches. One attracted external charity resources in order to establish Spring Sprout Kitchens for children in even more impoverished areas, while the other branch joined with all sectors of society to launch more extracurricular education programs for kids in Spring Sprout schools to help these kids grow up healthy.

Areas Covered by Spring Sprout Kitchens

**22** Provinces **301** Counties

Total Number of Spring Sprout Kitchens Established

**3842**

Kitchen Administrators Trained

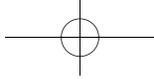
**3798**

Children impacted **1.93** million

**2933** volunteer supervisors

Accumulated **6422** volunteer service hours





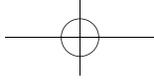
## The Charity of Cheung Kong Graduate School of Business Students

In September 2016, students from class EMBA27 at Cheung Kong Graduate School of Business made a spontaneous visit to Xuyong County in Luzhou, Sichuan Province. After visiting Hongqiao Primary School in the town of Tianchi and Taikangwan Primary School in the town of Yingshan, they donated 360,000 yuan on the spot to establish six new Spring Sprout Kitchens and send kitchen administrators to nutritional training. Once these six Spring Sprout Kitchens are built, thousands of village children will enjoy nutritious meals at their school's Spring Sprout Kitchens.

To Zhou Nongmin, the director of Xuyong County's Committee for the Care of Children, the spirit of helping the poor and those in need that is behind this Spring Sprout Kitchen project is what is truly momentous. He says, the fight against nutritional poverty has been given a mission to "stop the passage of poverty from one generation to the next". Helping children to receive nutritious meals and grow up healthy is also a very important marker of economic development.

"As a businessman, helping poor children to receive better nutritional support is our responsibility to our society," said one of the students from Cheung Kong Graduate School of Business.



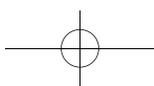


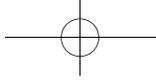
## A Large Harvest at Happy Farms

“Students, take a good look at the vegetables around you. You can draw them, and you can also use your words to describe them.” “Teacher, I see that the leaves of the towel gourd are uneven, and there’s a spider web on the edge of it.” “Teacher, I see that the bitter gourd is green, and the skin of the gourd has lots of little bumps.” At the Shengping School in Qijiang County, Chongqing, the children’s favorite class is their nature class in the Spring Sprout Happy Farm.

Starting in 2015, ACF joined with the local Qijiang Committee for the Care of Children to open a “Happy Farm” at Spring Sprout schools that fit the local conditions. The farms grow fruits and vegetables for all the Spring Sprout schools based on the nutritional needs for the students’ lunches. An expert was also assigned to teach the students how to plant the fruits and vegetables and take care of them from day to day.

The harvest from the Happy Farms overjoyed the students. They were not only able to handpick the foods they often see on their lunch table, they also learned how to grow sweet potatoes, plow the land, and other skills. Under the guidance of their teacher, the children drew their favorite activities on the farm and wrote the reason they liked it so much. Some children even wrote in their journals, who knew that hard work was what it took to get all the delicious flavors I like to eat.



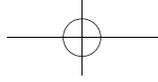


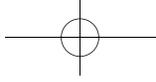
## The Little Broadcasters of Rural Primary Schools



On the morning of October 12th, 2016, thirty volunteers set out from Nanning for the ten Spring Sprout schools in Guangxi Province's Tiandong County, carrying a set of broadcasting equipment. They are bringing a new year's Spring Sprout linked activity to the children in the mountains -- "The Voice of Spring Sprout," a rural campus broadcasting plan. Among these volunteers are college students passionate about charity as well as members of society. They are not only passionate about broadcasting, they also have work experience in the broadcasting industry.

At the Longma Primary School in the village of Yincha, volunteers explain the basics of working in broadcasting, how to use the broadcasting system, and guide the students through a practice round. For an entire afternoon, ten little broadcasters immerse themselves in the joy of learning the art of broadcasting. From the first quivering word, to the final recitation filled with emotion, the children's confidence gradually grew and blossomed. Sixth grader Ruan Chunling said, "With this kind of broadcaster training, I don't have to worry about my Mandarin being unclear anymore."





## Promoting Charity The Power to Extend Love

In the past, philanthropy and charity were often seen as the purview of the social elite. People enjoy following these lists of top donations, and seeing which will break through to the top place. In terms of charity, though we often say, "it's about the intention not the amount", it can be difficult to put that into practice. After all, anyone would find it ridiculous to say an ant can topple a giant tree.

In the 21st century, internet technology upgrades and innovations have deeply changed China. Part of that change can be seen in how Chinese charity has transformed into a "social charity". Social charity is a social form of charity that does not require guidance from the government. In the era of social charity, charity has become a method of transferring something of value based on a foundation of trust. It is common actions that anyone and everyone can do. It is the most common interaction between warmth and livelihood.





“ Words from economic journalists:

This time ACF has come up with a method that lowered the threshold to participate in charity and increased participation. They showed everyone how easy and fun charity can be, and gave the future of Chinese charity one more possibility and one more reason for hope.

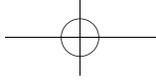


A Piece of Food Bridging the Gap Between Lives

May 20th is China's Student Nutrition Day. On this day in 2016, ACF partnered with the Internet Public Welfare Alliance and the China Children and Teenagers' Foundation to launch the Power of 5 charity promotion event, "Food Makes Me Taller." The event combined food, the differences in height between urban and rural children and the problem of malnutrition in China, promoting the message of "impoverished children are only one piece of food's length away from nutrition." "Food Makes Me Taller" helped the public to grasp the urgency of the issue of childhood malnutrition quickly and easily. Through a participation model that was both simple and fun, it inspired countless netizens to post pictures of themselves participating in the event, overwhelming the internet, and drawing lots of media attention.

-  **96** million views
-  **3.5** million interactions (share, comment, like)
-  Participation from **36** schools, corporations, and groups
-  **78,000** people donated **1.26** million yuan



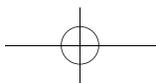


## The Loving Endeavors of a Charity Icon

In 2016, during Tencent's "99 Charity Day", ACF promoted the "99 Charity Partner" campaign which called on everyone to "donate together" with an online donation of RMB 999. The event aimed to mobilize more philanthropists to participate in and follow The Power of 5. If they could meet their goal within three days, they would receive the title of "99 Charity Partner", an honorary certificate, and an online charity icon reading "charity partner" that would light up.



-  **8,000** participants signed up / **1,224** completed
-  **120,000** instances of participation,
-  total donations of **5.06** million
-  Placed 5th out of **3,605** projects nationwide





## Charity Journey of a Card

In 2016, during the Amway (China) Bali Leadership Seminar, ACF set up a charity area on site. In this area, ACF used cards drawn by the children benefitted by The Power of 5 to create a "charity wall". Every time someone selected one of the cards, that meant that a preschool child in a mountain village received love and support. One simple card echoed love and kindness across thousands of miles, connecting two people through a bridge of love.

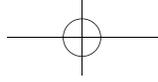
During this event, **1,812** loving people selected cards,

providing nutritional support for over **3,300** children ages 3-5 in impoverished regions.

These loving people will also receive:

- 1** A Partner Report
- 2** A Monthly Growth Report on the Child(ren)
- 3** An Annual Donor "Charity Footprint" Record





## A WeChat Account's Year-End Summary

There was a “trust box” in traditional charity models that leads to a lack of supervisory ties and eliminated the public’s enthusiasm for charity. Then the mobile internet stretched out its hands and opened that box, allowing everyone to use social media to connect good intentions with social networks. In 2015, ACF officially launched its WeChat account. By the end of 2016, that account had connected with tens of thousands of loving hearts, becoming one of ACF’s top platforms for communicating with the public, a place for ACF to interact with donors, a donation management system, a platform for donor services, and the practical platform for donation events.

### The Top Three Functions of the ACF WeChat Account:

**1 Convenient donations**  
Sending love

**2 Customized experience**  
Sending personalized information

**3 Records**  
Quick search for personalized information



扫描二维码，关注安利公益基金会



## Volunteering Bringing Charity into Everyday Life

Volunteer service in China is developing at break-neck speed, speeding into a new era, and receiving attention across all sectors of our society. ACF is actively promoting this trend. We currently have 215 volunteer teams across the country with 91,000 registered volunteers. These volunteers serve in a wide range of areas including helping the disabled, education, environmental protection, and large-scale events. They show love to vulnerable groups, use professionalism to create change, and spread their positive attitude, courage, and wisdom to our entire society. Volunteer service is an extension of our Amway volunteers' lives.

In 2016,

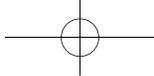
over **960** volunteer  
events were held,

accumulating over

**110,000**  
hours of volunteer service,

and raising a total of over

**220,000**  
yuan in monetary and material  
donations from all events.



## Awards – Inspiration and Motivation

In 2016, at the 3rd Annual Chinese Youth Volunteer Service Program Competition / Volunteer Service Fellowship hosted jointly by the Central Committee of the Chinese Youth League and the Central Commission for Guiding the Cultural and Ethical Progress of the CCP, five of ACF's volunteer service projects were chosen out of over 4,000 projects submitted from around the country to receive one gold and four silver medals. This was ACF's first time to be honored with a gold medal.

“ ACF's volunteers have inspired a passion for charity in so many ordinary people. People of all ages and backgrounds actively participate and have done so for years. Every year they give hundreds of thousands of hours of their time. This is exactly what the Central Committee of the Youth League hopes to inspire and to realize. I hope that they can organize and bring together even more people to volunteer their time to charity events.

**Guo Wenjie, Deputy Secretary of the Beijing Committee of the Chinese Youth League**



## Recognized Projects

### Gold Medal:

Beijing: Amway Sign Language 020 Project

### Silver Medal:

Shanghai: Merging the Special Olympics, creating equality, a healthy environment to grow up in

Shanxi: 72 Hours - See the Power of Change

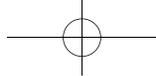
Hebei: Home Alone, make health the head of the house!

Heilongjiang: Have a completely new environmentally-friendly lifestyle



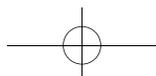
## Look – There's Love in Your Hands

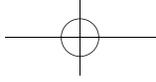
At the moment, there are around 20 million deaf people in China. To them, sign language is not only their main means of communications, it is also the way in which society can show them we care. In Beijing, ACF's "Amway Sign Language 020 Project" has completed its sixth year. Over these last six years, volunteers have held basic, intermediate, and advanced offline courses, as well as promoted and launched online classes, in order to offer sign language skills to more of the general population.



## Run Together for a More Brilliant Outlook

The Special Olympics is an international sporting event. Its goal is to provide an equal opportunity for people with mental handicaps to participate in society and show off their skills and talents. Shanghai's ACF volunteers worked with all levels of the China Disabled Persons Federation to launch the "You Can I Can - Special Olympics Integrated Project". They created a volunteer platform and launched all kinds of integrated events. During the annual "Shanghai Amway Nutrilite Health Charity Run" over 5,000 city residents witnessed the creation of the Guinness World Record for the "Largest scale Special Olympics three-legged run".





## “Home Alone” - Make Health the Head of the House!

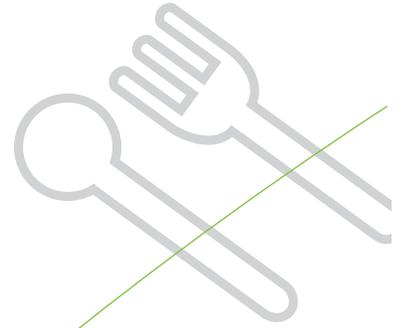
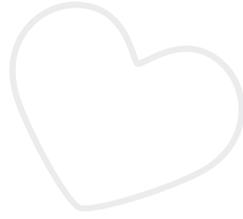
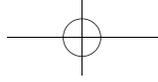
Every parent’s top concern is their child’s health and happiness. Hebei volunteers launched the “Home Alone” events, introducing the “Charity Parents Club” where, under the guidance of volunteers, a wonderfully varied and exciting series of parent-child interactive activities were held that taught nutrition and health knowledge and cultivated children’s independence and abilities to do things for themselves. They also invited well-known experts on parent-child relationships to come and teach parents how to handle their relationships with their children. “Health + Family” special events created an amusement park of healthy growth and development for children.

## 72 Hours of Creativity

In the realm of volunteer service, there are countless event forms that are incredibly creative and lively. “Find Love in 72 Hours” fully realized volunteers’ dynamic flexibility. In 72 hours, they completed planning, preparations, and implementation – the entire process of an event. ACF volunteers in Shanxi province have already launched over 30 events along this theme, using crowdfunding to attract even more participation.

At the Yangjiao Middle School in Zuoquan County, Shanxi, life is difficult. Many children don’t even have a decent pair of winter shoes. Volunteers from a 72 Hours activity came and taught interesting PE classes for the students there. They also used crowdfunding to provide 921 articles of clothing for the children. Now the children will be warm during the winters, inside and outside, deep down into their very hearts.





2017

2018



# 2016 Financial Summary

2015

2014

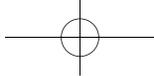
2013

2012

2011

33





# Audit Report

## Audit Report

ZHENGHUA ZHUANSHENZI  
[2017] No. 67

To the Amway Charity Foundation,

We have audited the attached financial statements of the Amway Charity Foundation, including the December 31st, 2016 Balance Sheet, the 2016 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 31st, 2016, the results of business activities and cash flow in 2016.



BEIJING TIANZHENGHUA CERTIFIED  
PUBLIC ACCOUNTANTS  
(General Partnership)



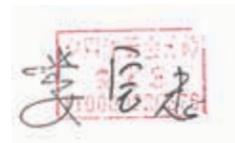
Beijing, China

Chinese Certified  
Public Accountant



Chinese Certified  
Public Accountant

January 25, 2017



# 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	7,695,035.62	19,434,085.80	Short-term loans	23		
Short-term investment	2	58,500,000.00	55,000,000.00	Accounts payable	24	0.96	299,981.60
Accounts Receivable	3	211,575.54	187,954.11	Wages payable	25	-	-
Prepayment	4			Taxes payable	26	13,315.38	42,153.22
Inventory	5			Deposit received	27		
Deferred expenses	6			Accrued expenses	28	1,421,940.00	40,000.00
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	66,406,611.16	74,622,039.91	Other current liabilities	31		
				流动负债合计	32	1,435,256.34	382,134.82
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	1,435,256.34	382,134.82
Liquidation on fixed assets	18						
Total fixed assets	19	-	-	Net assets:			
Intangible assets:				Unrestricted net assets	39	62,634,331.93	68,785,089.40
Intangible assets	20			Restricted net assets	40	2,337,022.89	5,454,815.69
Assets from investments				Total net assets	41	64,971,354.82	74,239,905.09
Assets from investments	21						
Total net assets	22	66,406,611.16	74,622,039.91	Total liabilities and net assets	42	66,406,611.16	74,622,039.91



Attachment 2

## Statement of Financial Activities

2016

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	32,850,298.28	17,250,065.12	50,100,363.37	11,393,168.99	16,258,316.67	27,651,485.66
Membership Fees	2						
Services Provided	3						
Commodity Sales	4						
Government Subsidies	5						
Investment	6	712,493.82		712,493.82	1,549,083.41		1,549,083.41
Other income	7	589,157.34	0.00	589,157.34	92,659.12		92,659.12
Total income	8	34,151,949.41	17,250,065.12	51,402,014.53	13,034,911.52	16,258,316.67	29,293,228.19
2. Expenses							
(1) Event/Project Expenses	9	30,499,948.77		30,499,948.77	18,476,937.92		18,476,937.92
(2) Administrative Expenses	16	806,392.76	0.00	806,392.76	446,442.02		446,442.02
Employee salaries and benefits		51,365.07		51,365.07	199,305.37		199,305.37
Operational expenses		755,027.69		755,027.69	241,045.54		241,045.54
Deprecation of Fixed Assets				0.00			0.00
Taxes				0.00	6,091.11		6,091.11
(3) Fundraising Expenses	17	1,091,967.09		1,091,967.09	1,101,297.98		1,101,297.98
(4) Other expenses	18			0.00			0.00
Total expenses	19	32,398,308.62	0.00	32,398,308.62	20,024,677.92	0.00	20,024,677.92
3. Conversion of restricted net assets to unrestricted net assets	20	15,462,581.12	-15,462,581.12	0.00	13,140,523.87	-13,140,523.87	0.00
4. Fluctuation of Net assets (if net assets were reduced, we denote it with "-")	21	17,216,221.91	1,787,484.00	19,003,705.91	6,150,757.47	3,117,792.80	9,268,550.27

Attachment 3

## Cash Flow Statement

2016

Prepared by: Amway Charity Foundation

Monetary unit: RMB

Item	Line No.	Amount
1. Cash flow from business activities		
Cash received from donations	1	27,651,485.66
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	76,091.59
Sub-total of cash inflow from business activities	7	27,727,577.25
Amount put toward donations or financial support	8	18,946,490.82
Amount paid to employees or for employees	9	1,910,820.55
Amount paid for goods and services	10	
Amount spent on other business activities	11	242,691.70
Sub-total of cash outflow for business activities	12	21,100,003.07
Net cash flow from business activities	13	6,627,574.18
2. Cash flow from investment activities:		
Inflow from recouping on investments	14	178,500,000.00
Inflow from investment returns	15	1,611,476.00
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	180,111,476.00
Outflow to acquire fixed assets and other long-term capital	19	
Outflow for foreign investment	20	175,000,000.00
Outflow for other investment activities	21	
Sub-total of cash outflow for investment activities	22	175,000,000.00
Net cash inflow from investment activities	23	5,111,476.00
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	
Net cash inflow from fundraising activities	31	
4. Impact on cash and cash equivalents from floating exchange rate	32	
5. Net increase of cash and cash equivalents	33	11,739,050.18

### Monetary Capital

Type	Currency	Balance for the Previous Year	Balance for the Current Year
Cash	RMB	0.00	0.00
Bank Deposits	RMB	7,695,035.62	19,434,085.80
Others	RMB	0.00	0.00
Total		7,695,035.62	19,434,085.80

### Cost of Business Activities

Item	Amount Incurred in the Current Year	Amount Incurred Last Year
1. Project Donations	18,476,937.92	30,499,948.77
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	18,476,937.92	30,499,948.77

### Donation Income List

Item	The current year	Last year
1 Restricted donation	16,258,316.67	17,250,065.12
Including: Monetary Donations	16,258,316.67	17,250,065.12
Non - monetary donation	0.00	0.00
2 Unrestricted donation	11,393,168.99	32,850,298.25
Including: Monetary Donations	11,393,168.99	32,850,298.25
Non - monetary donation	0.00	0.00
Total	27,651,485.66	50,100,363.37

### Large-sum Donation Income

The Amway Charity Foundation received a total of RMB 27,651,485.66 in donations in the year 2016. 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.	4,716,831.01	11,393,168.99	16,110,000.00	Charity Projects
Including: Monetary Donations	4,716,831.00	11,393,168.99	16,110,000.00	
Non-Monetary Donations	0.00	0.00	0.00	
Total	4,716,831.01	11,393,168.99	16,110,000.00	

## Fundraising summary

As a non-profit-funded foundation, ACF strictly 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 foundation and effective implementation of charity programs. In 2016, ACF raised RMB 27.65 million in donations, of which Amway (China) donated RMB 16.11 million.

### Internal fundraising

#### Large sum donations from ABOs (above RMB 10,000)

Raised a total of RMB **5.22** million

Including special fund and individual donations. To encourage them to become more involved, Amway (China) has adopted an equivalent matching donation program, meaning that for every donation from an eligible ABO, the company will, in a certain range, 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.

#### Amway (China) Bali Leadership Seminar

Raised a total of RMB **4.8** million

All of it was put towards ACF's key project, "Power of 5"

#### Other

Raised a total of RMB1.52 million

Including donation from Cheung Kong Graduate School of Business

### External fundraising

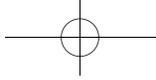
#### Power of 5 Special Fund

Raised a total of RMB **6.49** 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 3-5-year-old rural children in poverty-stricken areas. In 2016, the "99 Charity Day" event raised a total of RMB 5.06 million in donations.

#### Internet-based Support Platform





# Special 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.

2011~2016

**Five** caring people and **ten** caring couples

generously donated their money to set up special funds of

RMB **18.42** million in total (including matching donations from Amway)

dedicated to the Spring Sprout Project and Power of 5



# Governance

## The Board of Trustees Meeting Minutes and Resolutions

In August and December, two meetings were held by ACF's Second Board of Trustees, in which trustees reviewed and approved ACF's Work Report and Financial Report.

### Recipient of Large Sum Donations to Charitable Projects

Project Name	Recipient	Amount	Percentage of Total Annual Expenditure	Usage, Purpose
1、Power of 5	China Children and Teenagers' Fund	5,000,000.00	27.06%	Power of 5 Special Fund
	China Development Research Foundation	2,146,000.00	11.61%	Kindergarten volunteers' cost and assessment cost for Power of 5
	Shanghai Tianyukong Advertising Co., Ltd.	2,997,000.00	16.22%	Cost for the promotion of nutrition programs
2、Spring Sprout Project	Shandong Kingbetter Commercial Kitchenware Co, Ltd.	261,310.00	1.41%	Procurement of kitchen equipment for kitchens in Sichuan Province
	Beijing Changxiang Yueyang Brand Consulting Co., Ltd.	208,293.00	1.13%	Service cost
	Shihuili Media (Beijing) Co., Ltd.	103,140.00	0.56%	Photo album cost
3、China Philanthropy Talents Development Project	China Charity Information Center	700,000.00	3.79%	Remaining payment in the 3rd phase of the China Philanthropy Talents Development Project
	China Charity Alliance	1,000,000.00	5.41%	China Philanthropy Talent Development Project cost
Total		12,415,743.00	67.19%	

To the knowledge of the ACF Board of Trustees, 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 16.11 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 auditory 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.

- Donation Certificate
- Information of the project schools
- Project progress report
- Publications of Amway Charity Foundation
- Videos of visits to charity project schools



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 terms of China's charity industry, 2016 was a year full of milestones: The Charity Laws that have been in the works for years finally came into being, and the Thirteenth Five Year Plan is in full swing. The Chinese charity industry is filled with new opportunities, but also presents its fair share of challenges. As we face a changing landscape, ACF must constantly ponder the following:

In an era of competitive differentiation, how can ACF's strategy to alleviate poverty through nutritional improvement show its individual strengths and advantages?

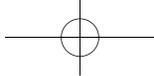
In an era of social communication, how can we increase the brand equity of charitable organizations and charitable projects?

In an era of everyone's charity, how can ACF accomplish an effective link between people and charity?

We ask these questions because we hold these ideals in our hearts, we look forward to working with other outstanding charity organizations to unceasingly push forward with confidence amidst this era of great change and opportunity. As such, we have come up with some strategies to guide our own development. These will lead us to continue searching and never stop transcending what we once were.

**First, strengthen our expertise.** Professionalized charitable offerings are a charitable organization's core competency. Professionalization must be solid, it's not "high as the heavens" but "built from the ground up." This means that for each charitable endeavor we must keep two things in mind throughout the entire process: first, we must constantly ensure that it corresponds with social development patterns, and, second, that we are putting our full effort into every step of the endeavor.

The issue of malnutrition amongst preschool children in impoverished areas is extremely urgent. In 2017,



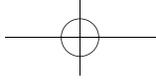
The Power of 5 will reach 300 new preschools in three new provinces, impacting an additional 7,000 children. At the same time, we will: (1) complete the design of a management system, upgrading to a digital project management platform. We will improve the reliability and timeliness of data, enriching the operability of project content. (2) We will promote the launch of food education, collaborating with authoritative organizations to pilot the programs across the country. In line with the national “Guidance for the Education and Development of 3-6-Year-Old Children”, we will promote food education courses in urban areas. (3) Complete “The Power of 5” First Stage Results Analysis report. This will summarize the project’s findings and experience, forming a method of promotion.

**Second, widen our effectiveness.** In an era of fragmentation, brand building is especially important for charity organizations. The goal of brand building is not simply to become well-known, but to achieve a more effective method of mobilizing all members of society to participate, recruiting partners on the same path, attracting the power of all of society’s care and concern, focusing that strength, broadcasting charitable ideals, inspiring people to participate in charitable events, thus promoting the spirit of charity, and helping more people get the help they need.

In 2017, we need to do three things: (1) launch a series of communication events to spread social influence. Through these communication events, we will increase the public’s attention to and investment in the issue of childhood malnutrition. (2) Launch “alleviate poverty through nutritional improvement” strategy social promotions. With “targeted aid”, “early childhood development”, and “United Nations sustainable development goals” as core topics, and related discussions with the government and the media, we will expand the social influence of the strategy to alleviate poverty through nutritional improvement. (3) Create a charity community. Establish an O2O volunteer community, launch interactive events, maintain and expand the foundation’s number of fans.

**Third, develop and innovate.** In the era of mobile internet, we will be creating even more charity touchpoints for the public. Through a better charity experience and a more convenient method of participation, we can connect society through concern for others, making charity this new era’s post popular way to express yourself. To do this, we need to (1) improve donor’s service experience and promote small donations. Launch a public-facing charity platform, opening participation channels to the public, releasing the public’s passion for charity. (2) Innovate new promotional activities, using multiple methods to increase donor’s desire to participate. By combining events like the 99 Charity Day with the new participation method from the social event strategy, we can strengthen interactivity and stickiness, widening the Foundation’s fanbase.





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



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[www.amwayfoundation.org/EN](http://www.amwayfoundation.org/EN) (English)

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