



安利公益基金会
Amway Charity Foundation

2017 Annual Report

Amway Charity Foundation

GATHERING LOVE AND EXTENDING WARMTH



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2017 Annual report



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[Preface]

The swallow went — but there's a time it'll come again.

The peach blossom wilted - but there's a time it'll open again.

But a child grows up only once.

At five years old, what do they eat: potatoes, rice, gruel?

The damage to mind and body is irreversible.

Every child's health should be cherished.

Every child needs love.

The Power of Five has reached out to children of lowly circumstances for two years,

Constantly fueling the healthy growth of 3-5 year-olds in poverty;

Replenishing their nutrition and educating the public on health.

Nutrilite Little Bits dot the mountains like dandelions,

Reaching wherever the slight figures need them;

Like seedlings of hope for children across China;

Bidding farewell to poverty-borne illness, and restoring vitality to childhood:

2.8 million pre-school children receiving nutritional support;

2.8 million opportunities for equal development, cherished by each child;

If miracles exist in this world, another word for miracle is love.

[Message from the Chairman]

The Golden Age of Philanthropy



Chairman of
the Amway Charity Foundation
Gan Chee Eng

Just like that, the Amway Charity Foundation has now entered the sixth year since its founding.

These six years have flown by, and we've witnessed the rapid development of the philanthropic sector in China. The regulatory environment for nonprofits is becoming increasingly sound; the first statute on charitable organizations, the *Charity Law*, has been unveiled; organizations in the charity sector are growing by number and diversity by the day, with corporate foundations, family foundations, social service groups, professional volunteer organizations, trust funds, and more coming to the fore. Funding for philanthropy has also become more abundant, with contributions increasing by almost 50% over the six years, and the number of foundations doubling. Most exciting for us are the sparks created by the addition of the internet + young people + charity, which has added to the philanthropic sector the bright colors of youth.

The new generation have already become the mainstay participants in the nonprofit sector. Last year, after ACF's "Power of Five" project was inaugurated into Alipay, we discovered that half the donors were in their late teens or 20s. It's precisely this generation of young people who in ten months donated more than 6 million yuan, from nearly 10 million people. ACF were not the only ones to experience this — it's sending waves through the charity sector. According to official data, the number of registered volunteers nationwide has reached 61.4 million, with the number of volunteer youth organizations exceeding 60%. For more and more young people, charity has become a daily means of expressing their personal and social values. Thus, they're now illuminating their communities, environments, and our common future with the light of altruism.

The participation of the youth in charity work has given it a new vitality. ACF last year partnered with Tencent's "Good Connoisseur" project, which allows users to promote the event just by walking and sharing it with their friends. This caused an explosion of interest in the charity sector and in just one month the program had solicited more than 83 billion steps, with more than 5.6 million participants. Events like this have turned environmental protection and charity into concrete actions, rather than far-off dreams. The vitality of the youth has brought charity work into the current era and broken all limits on what it might achieve.

We're not only trying to change today, however, but also to shape the future. Over the past six years, the ACF has helped 2.8 million children. We realize that it's not merely about protecting them and helping them grow, but even more about sowing the seeds of charity and love in their hearts. We hope that the beneficiaries of charitable work today will become the force for change tomorrow, that they'll bring more positive energy into society and fresh blood into the charitable sector. Over the past six years, over 10 million altruistic members of society, together with Amway's marketing partners, have supported the development of the foundation. They believe that an era in which young people are enthusiastic about charity is an era with a future, and reflects a nation and people full of broad vision and hope.

Charity is young in China, and our foundation is also young. I believe that youthful vitality will usher in a more dynamic Amway Charity Foundation. In a world for the young, the new generation helps us maintain our vigor, dynamism, influence, and beliefs, and makes us delighted to take up every new challenge.

[ACF Profile]

Introduction to the foundation

The Amway Charity Foundation is a non-public foundation launched by Amway (China) with a donation of RMB 100 million, established under The Regulation on Foundation Administration. In January 2011, ACF was approved by the Ministry of Civil Affairs for official registration.

The Amway Charity Foundation inherits Amway (China)'s spirit of public welfare and charitable action, bringing together Amway (China) employees and marketing staff to form a community of love and strength. We operate in a professional, efficient and transparent manner, bringing warmth to communities and promoting the harmonious development of people and society. Since its establishment ACF has focused on providing better nutrition and education for children from poor communities, and has assisted over 2.87 million children over the last six years. In the field of child nutrition, we initiated the Quality Nutrition Program, as well as the Power of Five program, which is nutrition improvement scheme for pre-school kids. In the educational realm, we have launched projects such as the Sunshine Growth Program and the Rural Kids Friend Community in order to help children from impoverished circumstances integrate into the community and grow up in safety and happiness.

The ACF has previously won the "China Charity Award" and was three times among the 25 finalists in the "Forbes China Best Charities" list. We were also awarded, three times, for "Excellence in Transparency for Charitable Organizations." In 2015 we were awarded the Ministry of Civil Affairs' 4A-class certification.

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

Founded: January 24, 2011

Supervising Agency: Ministry of Civil Affairs of the People's Republic of China

Legal Representative: Frances Yu

Business Scope: Aid vulnerable children, manage volunteer services, establish charitable funds, provide specialized aid, and carry out cooperation and communication with similar foundations at home and abroad.





Principle

Gather love, extend warmth, and promote the harmonious development of people and society.

Objective

Promote the equal development of children from poverty-stricken areas in China.

Mission

We're committed to promoting social harmony and helping people participate in society, dedicate themselves, and share in a better life together.

We bring together forces from multiple sectors to help poor children gain better opportunities in life, education, and development, and create unlimited potential for their futures.

We promote a responsible attitude towards life and society through participation in volunteer activities and assuming responsibility.

Through research, collaboration, communication, and more, we help public welfare organizations enhance sustainable development in undertaking charity work in China.



Organizational 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, Wang Zhenyao, Wang Ming, Peng Jianmei, Angela Keung, Liza Cheung, Rachel Luo, Jia Chen, Todd Woodward, Jenny Zhai, Paula Peng

Vice Director-General: Jenny Zhai

Secretary-General: Paula Peng

Audit Committee: Steven Cheng, Scott Balfour, Cheng Gang

Organizational structure

Project Management Department

Communications Centre

Fundraising and Development Department

[Six Years of Results in Philanthropy]

Six years of love and light, illuminating the path of children's development

Funds invested:
accumulated expenditures of
287.37 million yuan

Number of volunteers: **99,673**
Areas covered: **217** cities in **31** provinces

Number of children
benefited: **2.87** million



Volunteer services
rendered:
2.86 million hours

[Honors and Awards]



2012

The Quality Nutrition Program won the 7th China Charity Award given by the Ministry of Civil Affairs for the most influential charity project

Forbes

2013, 2014, 2015

Appearing on the Forbes China Best Charitable Foundation list three times in a row



2014, 2015, 2016

The Quality Nutrition Program, the China Charity Talent Training Program, and the Power of Five program were all honored with "Chinese Enterprise and Citizen Excellence Awards"



2015

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



2015

Recognized as a Progressive National Social Organization by the Ministry of Civil Affairs



2015, 2016, 2017

Ranked first on the China Foundation Transparency Index three years in a row



2016

Awarded the Medal for Outstanding Public Service in the Charity Field; ranked fourth place in the Jiemian magazine's list of most transparent Chinese foundations

Awarded the People's Daily Online's People's Enterprise Corporate Social Responsibility Award: Annual Poverty Alleviation Award



2017

Awarded the People's Daily Online's People's Enterprise Corporate Social Responsibility Award: Annual Poverty Alleviation Award

[Nutrition and Poverty Relief]

Continuously Improving the Nutrition of Poverty-Stricken Children

The United Nations has proposed 17 Sustainable Development Goals which aim to thoroughly resolve, in an integrated manner, social, economic, and environmental challenges to development between 2015 and 2030. The ACF uses these goals as a compass for its own activities, and has launched and implemented a series of charity projects, including the Quality Nutrition Program and the Power of Five project, all of which seek to eradicate poverty, hunger, provide quality education, and assume social responsibility. The programs include nutrition intervention measures and make full use of products to achieve the gradual improvement of the nutrition of children in poor areas.



Precision support

Undertake appropriate nutrition improvement actions for children aged 0-3 years, 3-5 years, and 6-15 years of age in poverty-stricken areas

Alleviating knowledge poverty

Popularize nutrition and health knowledge, and create an enabling environment for children's growth. This is targeted at stakeholders including parents, schools, and the general public, with the goal of helping children grow up in a beneficial environment.

The Nutritional-Support and Poverty Alleviation Strategy

Joint social efforts

Join forces with professionally competent institutions and organizations to discover increasingly innovative solutions and optimal public policies, and form long-term social mechanisms for poverty alleviation and nutritional support.



Actively Promoting our Nutritional Support and Poverty Alleviation Strategy

With the implementation of the "Healthy China 2030" Plan, the "Healthy China" project has become a national strategy. ACF is committed to being involved in this grand project and will contribute all its efforts to a harmonious and sound system of health innovation. The foundation sees the Quality Nutrition Program as "hardware" and the Power of Five program as "software," with the two complementing each other and delivering precise poverty alleviation and nutritional support goals, thus helping the implementation of the "Healthy China" strategy.

Children are the hope of society, and poverty alleviation work cannot allow disadvantaged children to have less of an opportunity at the beginning of their lives. ACF is well-aware of the importance of improving the nutrition of children, and as such is positively involved in the "National Plan for Child Development in Poor Areas (2014-2020)", which encourages charitable foundations to participate in the call for nutrition support work for children. This project integrates exceptionally well with ACF's nutrition support and poverty alleviation strategy in poor areas.

As one of the first private charitable foundations in China, ACF is a witness to China's reform and opening-up, a beneficiary of China's development, and a partner in working together to build a "Healthy China". With a wealth of experience in real philanthropy in the field, ACF has for years strongly supported the growth and development of children in poor areas, and our plans for nutritional support and poverty alleviation are a natural extension of this.

[Power of Five]

—The Preschool Nutrition Support Program



Launch date: 2015

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

Project introduction: The distribution of Nutrilite Little Bits chewing tablets for children aged 3-5 years in poor areas, nutrition education, helping poor children grow up in health.

The Power of Five: giving disadvantaged preschool children an equal opportunity

ACF's Power of Five program is the first public welfare project in China dedicated to the improvement of nutrition for children aged 3-5 years

Developed the first domestic nutrition product based on new national standards and awarded all relevant food quality and safety certifications

Developed the first domestic nutrition and healthy eating curriculum for preschoolers

The program has been implemented in 498 kindergartens in Qinghai, Gansu, Shanxi, Hunan and seven other provinces

Delivered nutritional improvement and support for **17,176** preschoolers

Teacher Li's Journal (from a kindergarten in Xing county, Shanxi Province) December 6, 2017

7:30-8:00 Welcome the children to school

Thoughts: Since winter, because their bodies are healthier and stronger compared to previous years, the number of students off sick is considerably less. I should still remind parents to pay attention to keeping their children nice and warm, and the classrooms needs to ensure ventilation to prevent children from catching a cold and infecting one other.



8:10-8:30 Give the children Nutrilite Little Bits

Thoughts: Every day at this time the little ones are most active. I remember the first time I gave them the Little Bits, no one wanted to eat — but after they tasted the sweet flavor they all wanted more!

9:00-10:00 Food education class

Thoughts: Children love these colored wallcharts. They're also slowly learning that they shouldn't eat Hotstrips and other junk food. We then did some finger exercises, because exercise and health go together!



10:30-11:30 Painting

Thoughts: Today the little ones surprised me, especially **Bai Guofang**, whose paintbrush demonstrated a truly unique childhood imagination. When I asked her what she'd painted, she said it was a swallow, and then pointed out its head, tail, etc. Since school began to this day, except for the one time when her family didn't bring her to school, this little girl hasn't missed a single glass — a simply enormous contrast from before.

Bai Guofang, at five, is a beneficiary of the "Power of Five" project in this Xing county kindergarten, Shanxi. Before, due to a restricted and impoverished diet, children were physically weak and had little resistance to disease. They missed class constantly because of illness, delaying both their study and socialization with other kids through play, and preventing them from integrating into class life.

With Nutrilite Little Bits, Bai Guofang's physical fitness has improved significantly over the last semester. ACF's physical examination shows that Bai Guofang's medical results are all normal, with hemoglobin levels at 12.1g/dl, far above the 11.0g/dl threshold for childhood anemia. At the same time, she's made great progress in study, transitioning from a girl who couldn't read pinyin to one who now knows numerous Chinese characters, and tests 100 on mathematics. The knock-on effect of physical fitness is enormous, allowing children to accelerate their progress in these initial, and most critical, years of life.



Nutrilite Little Bits: endow each child with a little more nutrition

Nutrilite Little Bits are the chewing tablet products that supplement the Power of Five project, meeting the needs of Chinese children's physical growth and taste preferences. The product is the first in the country based on the new national standards, having received all food safety and quality certifications. The product is distributed freely and in a targeted manner to support the nutrition of children in poverty-stricken areas. These children's learning progress is otherwise stunted due to malnutrition, vitamin and mineral deficiencies, and attendant health problems.

Chewing tablets: a simple and convenient nutrition delivery vehicle



Through research we previously conducted, ACF learned that many kindergartens in poverty-stricken areas of the country lack running water or the ability to boil water — thus, nutritional powder that requires the addition of hot water is a nonstarter. Moreover, this would require the children wash their bowls afterward, making it even more difficult for already overworked kindergarten teachers. Thus, ACF and the Chinese Nutrition Society — in accordance with China's GB22570-2014 and other national quality standards — developed the Nutrilite Little Bit soft chewing tablets adapted to the needs of Chinese preschool children. This was to ensure that children in poverty-stricken areas would be able to get the nutrients they need without any barrier. Moreover, the delivery mechanism — a chewing tablet — is easy to both transport and store, and provides numerous complementary micronutrients to egg, milk, and other foods.

Rich in numerous micronutrients and in line with kids' tastes

The Nutrilite Little Bits contain 17 kinds of essential nutrients necessary for childhood growth and development, including iron, calcium, zinc, vitamin A more. These are among the most needed micronutrients in the dietary structure of children in China's more disadvantaged areas.

Vitamin C, for instance, which otherwise requires numerous fresh vegetables and fruits to obtain, is hidden in the Little Bits' cherry extract. Moreover, as well as being a "Vitamin C king," the Nutrilite Little Bits also contain vitamin P, which prevents the oxidation and damage of vitamin C and thus ensures it's absorbed and metabolized in the body. Nutrilite Little Bits also capture the essence of the ocean, containing DHA algae oil which delivers the fatty acids for growing the brain and retina, promoting the development of minds and eyes, and opening the windows of intellectual growth.

Further, to ensure that children don't get sick of the Little Bits, ACF's project team developed orange, grape and other flavored Little Bits, so the kids always have a sense of freshness and fun. Nutrilite Little Bits include among their other ingredients Luo Han Guo glycosides, which are about 240 times sweeter than sucrose, thus delivering a sensation of sweetness without the dental cavities. Instead, it promotes healthy teeth, and even clears internal heat while moistening the lungs and suppressing cough, among other beneficial effects.

A perfect form factor, certified for safety

In addition to delivering sufficient nutrition and having flavors that children would actually want to eat, the Nutrilite Little Bits were designed in a manner that kids would find most welcoming. Firstly, to make life easier for teachers, the Little Bits only need to be taken once a day, and with that deliver a day's worth of micronutrients and trace elements for young children. At the same time, the design of each chewy tablet is shaped like the letter 'A' — on the one hand reflecting the name of the developer, Amway Charity Foundation, and on the other, and more importantly, making it effectively impossible for children to choke on the product. If one of the tabs was to get stuck in the throat, the hole in the center would allow air circulation and thus avoid asphyxiation.

SGS, full name Swiss General Notary Bank, one of the world's leading inspection, identification, testing, and certification bodies, and a globally recognized benchmark for quality and integrity, has tested and certified Nutrilite Little Bits as a safe product for global use.





Nutrition Education: Helping children understand the importance of nutrition

"Eating" as the name implies in Chinese, refers to training in good eating habits — and ACF's Power of Five project has undertaken to deliver China's first preschool nutrition education course in order to improve the eating habits of our young.



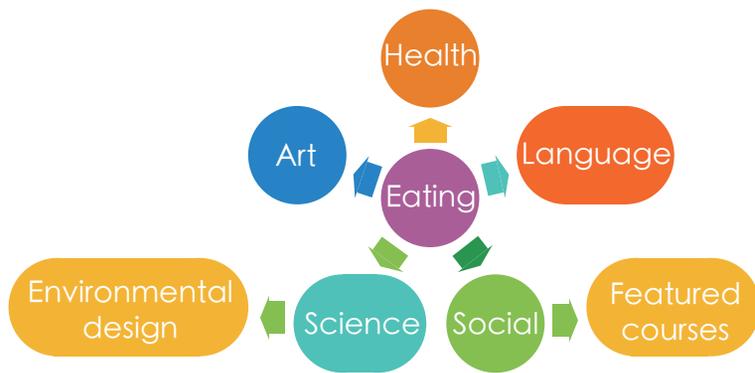
The significance of the course

Cultivating healthy eating habits in the young

From early childhood, the course gives children food as well as food-related knowledge and education. The presentation is vivid and delicious, which helps the children accept what's being taught and trains them in the healthy eating habits that will benefit them physically and mentally for a lifetime.

Learning about health and nutrition in a dynamic environment

The course comes with an accompanying course meant to train early childhood teachers, with teachers in each class summarizing the activities and engaging in general teaching, as well as preparing activities suited to each season — spring, summer, autumn, winter — and reaching kids at the appropriate level of their cognition, emotion, and behavior.



Course Features

The course was written by the Power of Five project team in collaboration with the Preschool Education Department of East China Normal University, which included components from health, language, society, science, art, and over 60 other courses. Each course is designed tailored for local conditions. All efforts are directed toward helping children achieve long-term improvements in nutrition and health — at all three levels of knowledge, feeling, and action.

Course Showcase

The course on eating uses a flexible modular approach to delivering key nutritional information. It employs wallcharts, for instance, combined with food education courses, which together transform child awareness and behavior.

For example: in order to address misconceptions on the part of teachers and parents as to childhood development, and make them aware of stunted development issues, a wallchart showing the appropriate relationship between children's height and weight is provided. This allows teachers, when measuring the children's height, to immediately consult the chart and get a measure of appropriate childhood development according to age. This serves as a reminder and encouragement for healthy eating habits.



3 Provinces: Hunan,
Qinghai, Shanxi

1200+ children

300+ volunteer early
childhood educators

25 factors examined

Assessing the Results

In March 2017, ACF, in conjunction with the Chinese Center for Disease Control and Prevention (CDC) and the Chinese Academy of Sciences, as well as local health bureaux, conducted a medical examination and comparative analysis of more than 1,200 children from nutrition support projects in Hunan, Qinghai, and Shanxi provinces; we also, in cooperation the Institute of Social Development and Public Policy of Beijing Normal University, conducted a questionnaire with over 300 volunteer early childhood teachers. The project evaluated 25 factors in the three main areas of childhood physical indicators, overall development, and project evaluation.

◇ In August 2017, the CDC released an evaluation report on the effectiveness of the "Power of Five" Preschool Child Nutrition Improvement Project, the results of which were heartening.

- The project found that the rate of anaemia among children decreased by **22%**, with anaemia being one of the key indicators of malnutrition, which can seriously affect childhood brain development and cognition.
- Further, growth retardation had decreased by **54%**, achieving the objectives articulated in the National Nutrition Plan **3** years in advance (originally set for **2020**).
- The rate of underweight children under five years of age decreased by **44%**, reaching the average of urban children.



93.5%

of participants reported being thoroughly satisfied with the Power of Five program

98%

stuck to the eating schedule daily



◇ In addition, according to the Power of Five assessment report by Beijing Normal University, data show:

- **68.4%** of children are less picky about what they eat;
- **70.4%** of children eat fewer snacks;
- **67.1%** of children are more willing to take the initiative to eat;
- Moreover, early childhood educators observed that **87%** of young children suffered fewer illnesses.



The Power of Five project model

Precision Help

12% or less

the rate of growth retardation

40%

the rate of suspected developmental retardation in rural areas

3-5 year-olds

a cohort of kids who are easily overlooked

The current causes of poverty are multidimensional and encompass eight factors, including: nutrition, health, education, water and sanitation, environment, income, shelter, and social safety. Precision-targeted national poverty alleviation strategies require a multidimensional intervention aiming at many targets at once, and nutrition improvement is one of the most basic and indispensable variables. The Power of Five program uses the advantages of ACF and meets social needs with a precision intervention to assist in national goals of poverty alleviation.

On November 2017, internal reference materials prepared by the All-China Women's Federation showed that rate of stunted growth for infants and young children in poor rural areas at present is as high as 40%. One of the goals of the National Nutrition Plan issued by the State Council is to bring that rate, for children under five, to less than 7% by 2020. This means that preschool children are most in need of the nutritional poverty relief, and targeting them meets national objectives the most.

Precision development

In order to accurately identify the children most in need of help, ACF made several innovations to how the project was rolled out.

First, we carried out a sample survey of target areas. Only if the average growth retardation rate, anemia rate, and other indicators met the appropriate metrics was the project implemented in that region.

Second, free medical examinations were provided for targeted kindergarteners. The project only launched if it was determined that there was widespread malnutrition in that area.

Using these two screening criteria, as of the end of 2017, the Power of Five project launched in **498** kindergartens in Xinjiang, Qinghai, Gansu, Shanxi, Hunan, Hebei, Sichuan and other provinces and counties, with **17,176** precisely-targeted children included.



Careful management of online platforms

The Power of Five project, using an internet management platform, is able to create a data file for each child, recording various physical indicators and data, including each child's consumption of Nutrilite Little Bits to ensure they're receiving their nutritional supplements. Kindergarten teachers will be able to upload data to the platform, and ACF will then be able to track changes in those indicators.

序号	姓名	就读学校	带班老师	年龄	加入项目日期	状态	操作	详细
S52242513110701	付梦琪	上海浦东八里村幼儿园	陈雷二	4岁	2017年11月	在线	查看详情 查看详情	详细
S52242512082907	刘奕	马陆镇康士村康士幼儿园	罗慧敏	5岁	2016年9月	在线	查看详情 查看详情	详细
S52242517112805	廖俊熙	马陆镇康士村康士幼儿园	罗慧敏	4岁	2016年9月	在线	查看详情 查看详情	详细
S52242511060620	张天德(张天豪)	马陆镇康士村康士幼儿园	陈雷	6岁	2017年9月	在线	查看详情 查看详情	详细
S52242513100905	高宇晨(高宇晨)	马陆镇康士村康士幼儿园	陈雷	4岁	2017年9月	在线	查看详情 查看详情	详细
S52242511092454	陶雨欣(陶雨欣)	马陆镇康士村康士幼儿园	陈雷	6岁	2017年9月	在线	查看详情 查看详情	详细
S52292612031702	谢金鑫(谢金鑫)	大置山镇卫卫村下东北山村幼儿园	谢金鑫	5岁	2016年7月	在线	查看详情 查看详情	详细
S52292612071802	谢金鑫(谢金鑫)	大置山镇卫卫村下东北山村幼儿园	谢金鑫	5岁	2016年7月	在线	查看详情 查看详情	详细

Accurate assessments



Indicators for children's physical growth are taken annually, including the rate of stunted growth, anemia, levels of underweight, and so on;



Cognitive abilities are to be tested every three years, including a comprehensive development assessment of children across five major areas, including: exercise, emotion, language, logic, and social competence;



A social impact assessment will be made once in five years, including the positive impacts brought by the Power of Five project on the families of children in the program, and even on the development of the regional economy.

The Power of Five's "1+3+5" comprehensive evaluation system allows for an accurate and comprehensive assessment of the social value of the project. This level of measurement allows the generosity of donors to have its greatest impact, and helps ensure that each yuan spent achieves its maximum result.



External evaluations

Zhu Yongxin, standing committee member and deputy secretary general of the Chinese People's Political Consultative Conference, and vice chairman of the China Association for Promoting Democracy, said:

The Power of Five Preschool Children's Nutrition Improvement Program has had a significant effect on child nutrition and should be promoted. Practical experiences around the world shows that childhood nutrition intervention are highly cost-effective, with the benefits they deliver exceeding **5-200** times expenditures.



Zhu Donghua, vice president of the All China Women's Federation said:

By giving full play to the advantages of a public charity, as well as Amway's advantages in nutritious foods, the project has joined forces to solve, in a focused manner, nutritional problems of children in poor areas. This has been very beneficial for children both in body and mind.



Zhu Xisheng, secretary general of the China Children and Teenagers' Fund, said:

The Power of Five Preschool Children's Nutrition Improvement Program jointly launched by UNICEF, the Amway Charity Foundation, and the China Development Research Foundation, aims to help **3-5**-year-olds in poverty-stricken areas of China to gain the nutritional support and health education they need during a critical period of their growth. It has obtained preliminary results.



CCTV News' Channel Two also reported on the results of Power of Five project:

In April 2017 during the initial evaluation period for the Power of Five project, CCTV's 'World' broadcast reported on the Power of Five's 'strong intervention' and 'targeted nutrition support.' CCTV broadcast live about the project for **30** minutes, the second time within a year that the station reported on it. These reports had an enormous impact on public awareness.



[Scan code to watch report]

[Quality Nutrition Program]



Implementation dates: 2011-2016

Partner agency: "China Cares for the Next Generation Working Committee"

Project description: The Quality Nutrition Program is committed to improving the nutritional status of disadvantaged rural children in China by equipping rural schools in poor provinces with a Quality Nutrition Kitchen, as well as training kitchen managers so that kids can access nutritious and healthy meals.

"Open-air kitchens" and meals like soybeans with steamed rice are common for children in poor and remote areas. Sometimes, kids have to jog several kilometers on school days just to get a lunch that fills their stomachs. Quality Nutrition Kitchens solve the problem of limited cooking equipment for rural boarding students and improves their nutrition while, at the same time, delivering affectionate nutrition and giving children a big dose of loving care. The project helps "left behind children" grow up in a healthy manner. After much practical exploration, the Quality Nutrition Kitchen plan developed a format of "system + supervision + evaluation" as its core operational mode. The model has been recognized by local governments and replicated widely.

The Quality Nutrition Kitchen program has obtained the most extensive coverage and created the largest number of beneficiaries among charity food projects. The program — a combination of government, civil society, and volunteers — has widely been seen as a model of how such partnerships should be carried out. In the post-Quality Nutrition Kitchen era, ACF is forming alliances with a growing number of groups and social forces to work together and share the love, allowing more to benefit.

22
provinces

301
counties

3842
kitchens

193 million
children

2933
volunteer
supervisors

6422 hours
volunteer service

Reading aloud to create communities

Most everyone gets lonely while growing up, but there's a kind of loneliness hard for most to fathom: that experienced by China's "left behind children" who live in school dormitories as their parents work in the city. A silent room and an iron bed are sometimes their only companions. Thus, an encouraging voice in the ear to urge them to move forward, help open their eyes, and dare to dream, helps them experience warmth and comfort despite their circumstances.

Amway Charity Foundation, together with the Nanning Youth Volunteer Association, Guangxi Auto Radio, and Sina Guangxi jointly launched the 2017 "Sound of Spring" rural campus radio station and charity activities, both online and offline, to hold activities reading stories to these children. The foundation hopes to open a window to the world for such kids through these broadcasts. The event also set up a reading kiosk, allowing members of the public to get involved, a project that has been well supported by Guangxi University for Nationalities and Nanning No. 3 Middle School students.



The long road spreading warmth and love



"The Sound of Spring" project at Guangxi University for Nationalities was held recently, and in order to tell stories of warmth to the rural children from the mountains boarding at school, numerous university students rushed to help as soon as their classes got out; a certain Ms. Liang, on a business trip from Wuzhou to Nanning, heard about the event online and squeezed it into her schedule to come participate. A group of Grade Four students in elementary school also came to the kiosk with their own stories. The same day, despite a drizzle, sincere voices isolated read stories for the boarding children; the children, for their part, felt that they were being wrapped in silk and filled with warmth.

Charity data

Over **3,100** stories were received from the public
 Over **2,000** members of the public came to the reading kiosks
 Youngest participant only **3** years old
 Campus radio station built for the project covers
10 rural boarding schools
100 rural campus broadcasters trained
 Over **2,000** village school students benefited
37 Amway volunteers involved

Warming the hearts of rural boarding school children with sound

The "Sounds of Spring" project enriched the cultural life of left-behind students, enormously improved their physical and mental health, enhanced their reading level, knowledge, and sense of belonging, and to some degree made up for the lack of the ideal family and emotional conditions that previously accompanied their childhood.



Sounds of Spring,
Reading for Love

Meals and love go together: The Quality Nutrition Program in schools



With "gratitude" as the theme, students independently prepared and invited parents to taste dishes they made, in order to thank their parents for their hard work.



The primary ingredients were organic vegetables planted by the students themselves, giving them the pleasure and achievement of planting, picking, and cooking their own vegetables.

"Teacher, why is this dish rotten?" "Teacher, how does this cucumber look different from what's sold at the market?" "Teacher, this eggplant is so difficult to pick, how should I pick it?" "Teacher, is that a seven-spotted ladybug on this leaf?" ... In the city, what children most lack is contact with nature. But through the establishment of gardens in schools, they're not only able to improve their knowledge of food, fruits, and vegetables, but also able to engage in a labor of love from an early age, and slowly understand the benefits of sharing and cherishing food, as well as develop good, balanced eating habits.

ACF has worked with the Huizhou Today Online to sponsor "Meals and Love Together: Quality Nutrition Kitchens on Campus" activities, with schools building their own gardens and partners helping organize a wealth of extracurricular activities. In this manner, both teachers and students learn from nutrition courses. In 2017, the first 10 schools in the program entered their harvest season, yielding cucumbers, eggplants, mushrooms, sweet potato seedlings, and more. Children were able to harvest the fruits (or vegetables!) of their own labors.

On December 23, 2017, parent-children activities marking the first harvest season were held on the campus of Beijing Normal University Huizhou Affiliated School, with over 30 families and nearly 100 people attending and enjoying the vegetable garden project together.



"Mom and Dad, come taste my cooking!"

The corner of the campus reflected the soft green of the quiet garden, and struck a calming contrast with the tension of study. The natural, free vegetables emit a fruity fragrance, but its function is more than ornamental: students learn to identify the daily vegetable, and later eat them!

Students' diligent watering and care of the vegetable seedlings often changes their character: brats at home, after turning soil, weeding, and picking out insects, stop worry about getting dirty and doing hard work. They develop a love of labor, know how to share, and cherish good food. Turquoise melon vegetables, bright purple eggplants — they hold them up and are proud of what they' ve accomplished!

As the saying goes, "food is the God of the people" — and these students become little chefs. It used to be that family elders cooked for the kids, but today the parents are tasting the students' "filial piety dishes." The vegetables are not sprayed with pesticides, fertilizers, or growth hormones, so isn' t eating them a delight?

Building Quality Nutrition Kitchens with new partners and helping children thrive



The China Food and Drug Administration (CFDA) joined forces with Amway Charity Foundation in August 2017 to build over 10 Quality Nutrition Kitchens in poor counties of Jiangxi (Longnan) and Anhui (Dangshan), so that local children would be able to obtain comprehensive nutrition. As the investment in the kitchen equipment also led the local government to also invest in student kitchen and canteen infrastructure, children got an even better eating and cooking environment. 2 school principals gave feedback that the investments improved student eating by 30%.



The Amway Charity Foundation received a targeted donation from Danone's subsidiary corporation Nutricia in 2017, donated spontaneously by a number of employees interested in helping early childhood nutrition. They raised **120,000** yuan, which allowed the school for left-behind children in the Baise Revolutionary Old District of Guangxi to purchase professional kitchen equipment for **1,600** children to eat healthy and nutritious meals.

[Caring for Children]

Spreading Warmth Heart to Heart



In addition to solving problems of food and clothing for poor children, Amway Charity Foundation holds cultural activities that touch the hearts of children, help their mental health, and enlightening their inner vitality. From the North China Plains to China's far south, ACF brings its altruistic projects everywhere, filling the country with the echo of the innocent laughter of children.



The "Explore Love" large-scale experiential charity events

Amway Charity Foundation in Chengdu, Sichuan Province, has held charity parent-child activities for families who are barely able to see one another during the week. We have parents and children work together to bravely complete exploration and other team tasks, to allow them to experience the fun of playing together and learning, including about health. Everyone involved bonds with their family members and feels the love of altruism.

On July 21, 2017, the Chengdu Science and Technology News Society accompanied nine children of families with pneumoconiosis (black lung disease) to an event organized by ACF. The event involved carefully arranged cooking, etiquette, makeup, and other unique activities for the children to engage in, in the company of Amway volunteers. Delivering a day of such experiences to young children who come from such difficult circumstances is the greatest reward to the foundation and volunteers.



Event frequency:
Monthly



Event location:
Amway Chengdu Experience Museum



Target audience: 3-10-year-old children of migrant workers in cities enrolled in kindergartens or schools

The "Amway Kitchenette": caring for autistic children

To help as many autistic children as possible, ACF, along with the Yi Tong Rehabilitation Agency, works with the husband-and-wife couple Yang Hua and Zhang Zhihong in leading volunteers to provide service in this area on a regular basis.

Along with providing rehabilitation for autistic children and volunteer expertise, ACF has set up a new rehabilitation course, the "Amway Kitchenette." Volunteers work with children to make pizza, egg tarts, and play games. The kitchenette makes a huge difference, including through hands-on interaction specially designed for children; such activities greatly enhance the ability of children with autism to engage their gross motor skills, while at the same time allowing them to improve their ability to communicate with the outside world through the language of game.



Activity hours

On the first Friday of each month, a special rehabilitation counselling course is held in the activity room of the Yi Tong Autism Rehabilitation Centre to assist children in rehabilitation training.



Venue

Tianjin Yi Tong Rehabilitation Agency



Target audience

Autistic children and their parents; staff of rehabilitation institutions

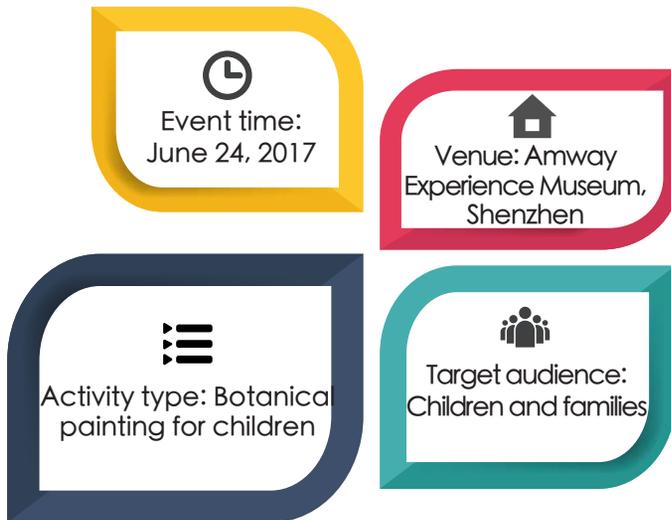


Activity type

Regular family day activities involving parents and children, birthday parties, dumplings contests, other activities. The project helps rehabilitation institution teaching staff, parents and friends to organize classes on themes of health and nutrition and enrich the lives of participants.

"Adding color to life"

— Botanical painting for children in Shenzhen



The Amway Charity Foundation held painting activities attended by 15 families in Shenzhen. The theme of the activities was to "focus on plants; focus on the future," including an introduction to the art of painting by hand. Organizers also took the opportunity of the 19th International Botanical Congress held in Shenzhen to stimulate the kids' focus on plants and enthusiasm for painting. Children involved in the event painted coniferous cherries, alfalfa, broccoli, ginkgo, garlic, and other plant patterns. Such innocent paintings will become memories of a joyous childhood.



[Industry Promotion and Public Advocacy]



From a starting point of love and helping the vulnerable, to participating in the management of public services; from promoting the construction of the legal system to safeguarding social equality, advocating social innovation, and promoting social progress — the development of contemporary charity work has greatly exceeded the scope of the past and is now reaching a new stage. The ACF has always firmly believed that the growth of every public interest organization must be linked to the development of industry, and that promoting industry progress is also an important part of foundation work. For the public good, ACF is interested in a model in which everyone gets involved, so that more people are participating in the public good and changing social problems themselves. Public welfare work is a means for transmitting values based on trust, and the warmth and personal interactions it can bring about are to the benefit of all.

The Nutrilite Institute for Child Nutrition

The Nutrilite Institute for Child Nutrition is the first professional research platform for children's nutrition issues established by ACF and the China Nutrition Society for the purpose of selecting innovative and forward-looking public welfare children's nutrition projects and research topics, in order to support the development of China's charity space for children.

In 2016, the institute began to choose the first research project supported by the Map of Child Nutrition in China, which used literature research and other methods to aggregate the latest and most authoritative national child nutrition-related data, and produce it as an interactive map. This also allowed promoting relevant academic research and guiding other charitable funding projects.

In 2017, the Nutrilite Institute for Child Nutrition organized a brainstorming seminar for cross-disciplinary experts to explore the possibility of research and public interest practices in the field of childhood nutrition and related disciplines, which laid the foundation for the direction of the institute's work.

The core research direction of the institute

Without changing the type of food, will changing the manner in which food is presented help children make healthier choices? Can small rewards for choosing healthy foods help children develop long-term healthy eating habits? Children are likely to choose healthy foods because of small changes, and helping children create a healthier decision-making environment through a "choice architect" may be a way to improve the nutritional health of children for the lowest expenditure.



Nutrition is the basis of growth and development, and proper exercise can further promote nutrient absorption and physical development. How should we best design an appropriate balance between the developmental characteristics of children in different age groups and regions, while allowing children to enter a positive feedback cycle of nutrition and exercise, thereby maximizing nutritional health and addressing the twin challenges of malnutrition and obesity?

Micronutrients have an impact on a child's mental state, which in turn affects the absorption of other nutrients. If music can help make even cattle bigger and stronger, cannot the right music played in the cafeteria help children eat more, waste less, and develop more optimally? Perhaps music can even help the funding for nutrition improvement for rural compulsory education students go even further.

"99 Charitable Partners" campaign

The Amway Charity Foundation launched the "99 Charitable Partners" campaign during Tencent's own charity promotion activities. The "99 Charitable Partners" allows users to change their exclusive avatar in WeChat, which they then share with a circle of friends and simultaneously show their own interest in charity while also driving sharing and donations to the Power of Five program. This sort of social media-powered marketing also shows a philanthropic and positive public image for Amway.



Event date and time: 2017, September 7-9

Activity type: Tencent Donate for Love Game

Event snapshot:

Attracted 31,000 marketing partners, employees, and members of the public to enroll; attracted a total of 38,000 people to launch "donate together" actions for the Power of Five project, garnering 80,000 participants and raising 3.03 million yuan.

26.4 billion steps



Since April 1, 2017, Amway has joined hands with experts at Tencent to carry out "Nutralite Weight Management Charity" activities, where participants in a WeChat campaign "donate" 5,000 steps, for which Amway donates 0.5 yuan toward the Power of Five project, helping the 3-5-year-olds from poor areas improve their nutrition. The event has attracted more than 2.1 million people to donate 26.4 billion steps, bringing 2.64 million yuan in donations for the project.

[Volunteer Action]



Data from volunteers

Over 1,000 voluntary events held:

Volunteers have contributed over 134,729.5 hours over the year:

Total donated cash of 2,062,546.25 yuan across all activities

To be a narrator in a silent world

On March 14, 2017, the Amway sign language team, together with the Beijing Shu Yu Hearing Rehabilitation Center, took children with hearing impediments on a tour of the China Science and Technology museum. Our 23 volunteers accompanied the children throughout the tour, letting them experience the mysteries of nature, the human body, ancient dinosaurs, and more. Hearing-impaired children felt the charm of science and technology in their own unique way.

Children with perfectly normal hearing visit the museum on a regular basis — but it's a much rarer learning opportunity for those with hearing impairments, who have difficulty communicating with the outside world. Most of the hearing-impaired children who come to visit the museum are about 10 years old — an age of curiosity. Children, with the help of volunteers, come into close contact with the exhibits, and the museum's novel, interactive features grab their attention and allow the children, eager for knowledge, to plunge into the ocean of science and technology.





A beautiful site: running together before the sun

On November 25, 2017, the ACF organized the "Amway Nutrilite Fun Run: Supporting the Special Olympics." The special participants and volunteers formed a team of about 150, with over 5,000 runners, for the starting line in the Datong Jiari Plaza. They ran along Shendi South Road, Shendi East Road, past the Ecological Park, Vanilla Garden, and finally back to Datong Jiari Plaza. The joint run embodies the spirit of the Special Olympics and highlights how both those with disabilities and without can enjoy the same activity.

On the surface it was a simple sports activity, but immense volunteer efforts went in behind the scenes. Some of the special athletes have varying degrees of cognitive impairment, making it difficult for strangers to interact with them. Therefore, they must be accompanied by patient, trustworthy, and long-serving volunteers with relevant experience. Throughout the event, Amway volunteers fully demonstrated the necessary strict organization, discipline, and efficiency, completing all of the assigned services. Our special athlete friends, with guidance and encouragement from Amway volunteers, joined the activities, experienced success, shared happiness, and established self-confidence, so that the spirit of "integration" in the Special Olympics was well realized.



The “Run for Love” parent-child fun run

On September 23, 2017, the “Run for Love” parent-child carnival activities were held in the Ningxia Yanchi Great Wall Park. Over 50 families from the county's three elementary schools, including students, parents, and the general public, enrolled in the event. During the activity Amway (China) and Faner Co. Ltd.’s Ningxia branch donated 15,000 yuan worth of books to the county’s three elementary schools.

This parent-child fun run was for nearly four kilometers. With the goal of improving children's overall competencies, there were five obstacles that had to be overcome. After completing the obstacles and obtaining five colored handprints, the children received a "Charity Talent" medal. The event not only exercised the physical endurance and coordination of children and strengthened their physique, but also brought parents into a cooperative game with them to overcome the obstacles, helping children appreciate the importance of teamwork and promoting their healthy growth.

The Jiuzhaigou Disaster relief operation

On August 8, 2017, there was a sudden Richter 7.0 earthquake in Jiuzhaigou County, Aba Prefecture, Sichuan. Amway Company and the Amway Charity Foundation were highly concerned about the fallout and among the first to respond to the government's call. We dispatched around 2,000 bottles of hand disinfectant, worth over 100,000 yuan, and through the China Children and Teenagers Fund transported supplies to the disaster area. In addition, Amway’s Sichuan Branch actively organized various volunteer service teams to join in the volunteer jumble sale at the Chengdu High-tech Zone, with all proceeds from sales being donated for rebuilding efforts.





Volunteer activities to care for children of migrant workers

In today's age of the internet, computers present a rich and varied world, but for some rural children, a basic computer — taken for granted by urban families — is still out of reach. Seeing this, ACF, in conjunction with the Henan Provincial Bureau of Industry and Commerce and the Nanyang Industry and Commerce Bureau, jointly donated 100 computers to Nanyang Tanghe County No. 4 Primary School so they could build a bridge of communication with the outside world. This is vital for children in mountainous areas who are isolated and in need of care.

Event date: February 24, 2017

Venue: Nanyang Tanghe County No. 4 Primary School

Target of activity: children of migrant workers in cities

Activity type: Help children establish an "Amway Seedling Multimedia Learning Center"

Over 1,600 students in the Nanyang Tanghe County No. 4 Primary School are children of migrant workers in cities, totaling 30% of the student body. The Amway Seedling Multimedia Learning Center has effectively improved the learning environment for these children and provided a long-term set of activities for the local Amway volunteer team to offer loving care to migrant children. Amway volunteers have brought lively and interesting computer training courses to the kids, enriching their cultural life.

[Financial information]

审 计 报 告

中平建华浩审字（2018）第 19007 号

安利公益基金会：

我们审计了后附的安利公益基金会财务报表，包括 2017 年 12 月 31 日的资产负债表、2017 年度的业务活动表和现金流量表以及财务报表附注。

一、管理层对财务报表的责任

编制和公允列报财务报表是安利公益基金会管理层的责任，这种责任包括：(1) 按照《民间非营利组织会计制度》的规定编制财务报表，并使其实现公允反映；(2) 设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

二、注册会计师的责任

我们的责任是在执行审计工作的基础上对财务报表发表审计意见。我们按照中国注册会计师审计准则和《基金会财务报表审计指引》的规定执行了审计工作。中国注册会计师审计准则要求我们遵守中国注册会计师职业道德守则，计划和执行审计工作以对财务报表是否不存在重大错报获取合理保证。

审计工作涉及实施审计程序，以获取有关财务报表金额和披露的审计证据。选择的审计程序取决于注册会计师的判断，包括对由于舞弊或错误导致的财务报表重大错报风险的评估。在进行风险评估时，注册会计师考虑与财务报表编制和公允列报相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。审计工作还包括评价管理层选用会计政策的恰当性和作出会计估计的合理性，以及评价财务报表的总体列报。

我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

三、审计意见

我们认为，安利公益基金会财务报表在所有重大方面按照《民间非营利组织会计制度》的规定编制，公允反映了安利公益基金会 2017 年 12 月 31 日的财务状况以及 2017 年度的业务活动成果和现金流量。



北京中平建华浩会计师事务所有限公司

中国注册会计师：



丑日

中国注册会计师：



中国·北京

二〇一八年一月二十五日

Appendix 1

Balance sheet

Reporting unit:

Amway Public Welfare Foundation

December 31, 2017

Unit of account: RMB

Assets	Line no.	Year-start number	Year-end number	Liabilities and net assets	Line no.	Year-start number	Year-end number
Current assets:				Current liabilities:			
Currency assets	1	19,434,085.80	10,054,406.96	Short-term borrowing	24		
Short-term investments	2	55,000,000.00	79,000,000.00	Payments due	25	299,981.60	67,732.00
Accounts receivable	3	187,954.11	339,552.25	Taxes payable	26	42,153.22	28,179.42
Prepaid accounts	4			Accounts received in advance	27		
Inventory	5			Wages payable	28		
Expenses to be amortized	6			Prepaid Fees	29	40,000.00	35,000.00
Long-term debt investments due within one year	7			Projected liabilities	30		
Other current assets	8			Long-term liabilities due within one year	31		
Total current assets	9	74,622,039.91	89,393,959.21	Other current liabilities	32		
				Total current liabilities	33	382,134.82	130,911.42
Long-term investments:							
Long-term equity investments	10			Long-term liabilities:			
Other long-term investments	11			Long-term borrowing	34		
Total long-term investments	12			Long-term payables	35		
Fixed assets:				Other long-term liabilities	36		
Original price of fixed assets	13			Total long-term liabilities	37	-	-
Less: Accumulated depreciation	14						
Net fixed assets	15	-	-	Fiduciary agent liabilities:			
Construction in progress	16			Trusted agent liabilities	38		
Cultural and heritage assets	17			Total liabilities	39	382,134.82	130,911.42
Fixed assets in liquidation	18						
Total fixed assets	19	-	-				
				Net assets:			
Intangible assets				Non-limited net assets	40	68,785,089.40	82,167,724.07
Intangible assets	20			Limited net assets	41	5,454,815.69	7,095,323.72
				Total net assets	42	74,239,905.09	89,263,047.79
Entrusted agent assets:							
Entrusted agent assets	21						
Long-term amortization costs	22						
Total assets	23	74,622,039.91	89,393,959.21	Total liabilities and net assets	43	74,622,039.91	89,393,959.21

Appendix 2

Statement of operational activities

Compiling unit: Amway Charity Foundation 2017

Unit of account: RMB

Project	Line no.	Number of		Total	Non-restricted	Restricted	Total
		previous year	current year				
		Non-restricted	Restricted				
I. Income							
Of which: donation income	1	11,393,168.99	16,258,316.67	27,651,485.66	14,486,200.00	8,983,730.92	23,469,930.92
Revenue from service delivery	2						
Merchandise sales revenue	3						
Government subsidy income	4						
Investment income	5	1,549,083.41		1,549,083.41	2,095,234.79		2,095,234.79
Other income	6	92,659.12		92,659.12	115,259.39		115,259.39
Total income	7	13,034,911.52	16,258,316.67	29,293,228.19	16,696,694.18	8,983,730.92	25,680,425.10
II. costs							
(i) Cost of operational activities	8	18,476,937.92		18,476,937.92	9,865,926.00		9,865,926.00
(ii) Management costs	9	446,442.02		446,442.02	357,214.88		357,214.88
(iii) Funding costs	10	1,101,297.98		1,101,297.98	434,141.52		434,141.52
(iv) Other costs	11			0.00			0.00
Total costs	12	20,024,677.92	0.00	20,024,677.92	10,657,282.40	0.00	10,657,282.40
III. Net restricted assets converted to net unrestricted assets	13	13,140,523.87	-13,140,523.87	0.00	7,343,222.89	-7,343,222.89	0.00
IV. Adjustment of net assets	14						
V. Changes in net assets (if net assets are reduced, this is signified by "-")	15	6,150,757.47	3,117,792.80	9,268,550.27	13,382,634.67	1,640,508.03	15,023,142.70

Appendix 3

Cash flow statement

Compiling unit: Amway Charity Foundation 2017

Unit of account: RMB

Project	Line no.	Amount
I. Cash flow from operational activities		
Cash received from donations	1	23,469,930.92
Cash received for receipt of contributions	2	
Cash received from the provision of services	3	
Cash received from sales of goods	4	
Cash received from government subsidy	5	
Other cash received in connection with operational activities	6	116,539.36
Subtotal, cash inflows	7	23,586,470.28
Cash paid for donations or financial assistance	8	9,214,259.26
Cash paid to employees and paid for employees	9	1,578,093.61
Cash paid for the purchase of goods to receive services	10	
Other cash paid in connection with operational activities	11	100,513.00
Subtotal, cash outflows	12	10,892,865.87
Net cash flows from operational activities	13	12,693,604.41
II. Net cash flows from investment activities		
Cash received for recovery of investments	14	212,000,000.00
Cash received for return on investment	15	1,942,356.68
Cash recovered from disposal of fixed assets and intangible assets	16	
Other cash received in connection with investment activities	17	
Subtotal, cash inflows	18	213,942,356.68
Cash paid for the purchase and construction of fixed assets and intangible assets	19	
Cash paid for outward investment	20	236,000,000.00
Other cash paid in connection with investment activities	21	
Subtotal, cash outflows	22	236,000,000.00
Net cash flows from investment activities	23	-22,057,643.32
III. Cash flows from fund-raising activities		
Cash received from borrowing	24	
Other cash received in connection with fund-raising activities	25	
Subtotal, cash inflows	26	
Repayment of cash paid by borrowing	27	
Cash paid for interest payments	28	
Other cash paid in connection with fund-raising activities	29	
Subtotal, cash outflows	30	
Net cashflows from fund-raising activities	31	
IV. impact of exchange rate movements on cash	32	-15,639.93
V. Net increase in cash and cash equivalents	33	-9,379,678.84

Money funds

Types of money funds	Currency type	Year-start book balance (RMB equivalent)	Year-end book balance (RMB equivalent)
Cash	RMB	0.00	0.00
Bank Deposit	RMB	19,434,085.80	10,054,406.96
Other money funds	RMB	0.00	0.00
Total		19,434,085.80	10,054,406.96

Cost of business activities

Project	Amount incurred during the year	Previous year amount incurred
Cost of donated projects	9,865,926.00	18,476,937.92
Cost of service delivery	0.00	0.00
Cost of merchandise sales	0.00	0.00
Government subsidy expenditure	0.00	0.00
Business taxes & extensions	0.00	0.00
Total	9,865,926.00	18,476,937.92

Donation income shown

Project	Amount incurred during the year	Previous year's occurrence
Limited donation income	8,983,730.92	16,258,316.67
Among them: money donations	8,983,730.92	16,258,316.67
Non-monetary donations	0.00	0.00
Income from non-qualified donations	14,486,200.00	11,393,168.99
Among them: money donation	14,486,200.00	11,393,168.99
Non-monetary donations	0.00	0.00
Total	23,469,930.92	27,651,485.66

Income from large donations

In 2017 Amway Charity Foundation donated revenues of 23,469,930.92 yuan, the portion of which exceeds 5% of total donation revenue is shown below:

Donors	Amount during the year			Purpose of donation
	Restricted	Non-restricted	Total	
Amway (China) Commodity Co., Ltd.	2,318,800.00	14,481,200.00	16,800,000.00	Charitable projects
Of which: money donation	2,318,800.00	14,481,200.00	16,800,000.00	
Non-monetary donations	0.00	0.00	0.00	
Total	2,318,800.00	14,481,200.00	16,800,000.00	

Fundraising Summary

In 2017, Amway Charity Foundation received donations of 23.47 million yuan, of which Amway (China) donated 16.8 million yuan.

Large donation by marketers (over 10,000 yuan)

Fundraising amount of **3.89** million yuan

Including special funds, individual donations, and so on, in order to encourage the participation of marketers, Amway (China) launched the "Company matched donation" incentive measure, where qualified marketing staff with Amway (China) may donate (within a certain range) and Amway will match the same amount.

Amway (China) Sydney seminar

Funding: **140** million yuan

Other

Funding: **138** million yuan

All contributions were spent on the key Power of Five project

Online support platform



Dedicated funds

From 2011-2017, **16** special funds donated **22.87** million yuan to Amway Charity Foundation.

The circumstances with 2011-2017 special funds: a total of **7** loving people and **9** pairs of loving couples are sowing love and hope — thank you!



[Organizational governance]

Council meetings and resolutions

In August and December 2017, the Amway Charity Foundation held the third and fourth meeting of the Second Board of Governors to consider and adopt the work and financial report of the Foundation.

Large payment targets for major charity projects (500,000 and above)

Project	Large Payment Objects	Amount paid	% of annual public interest expenditure	Use
Power of Five	China Children and Teenagers Fund	3,300,000.00	33.45	Dedicated fund for Power of Five
	China Development Research Foundation	2,500,000.00	25.35	Power of Five volunteer fees for early childhood education, Rural Preschool Study Institute
Quality Nutrition Program	Shandong Jinbaite Commercial Kitchenware Co., Ltd.	585,700.76	5.59	Quality Nutrition Kitchen equipment purchases

According to the supervisory board, the above suppliers are not related to Amway (China) Commodity Co., Ltd., or Foundation management personnel

Affiliated Transactions

Related party name:
Amway (China) Commodity Co., Ltd.

Name of legal person:
Huang Demeng

Relationship with the foundation:
Founder, company from which council members come, major donor

Nature of related transactions: Donations

Associated transaction amount: 16.8 million

Major complaints, arbitration: none

Significant purchase or sale of assets: none

Cases in which directors and managers are subject to regulatory penalties: none

Response to an unexpected situation or media challenge: none

Improving information disclosure mechanisms

Amway Charity Foundation communicates with stakeholders and the public in a proactive and open manner. The Foundation regularly provides genuine, accurate, timely, and thorough work reports, business status updates, and financial audit reports to the relevant units and regulatory authorities, actively discloses to the public the Foundation's income and expenditures, progress on projects, and development direction, and publishes the core contents of its annual work report in the designated publications of the Ministry of Civil Affairs. It also takes the initiative to participate in the Ministry of Civil Affairs' social organization assessment work.

Information disclosure channels



Strict internal controls and management

Amway Charity Foundation applies the multinational enterprise management experience of the founding firm - Amway - to the management of the Foundation. We continue to improve the Foundation's management systems through process control, risk control, brand management, and other activities, to enhance and standardize the Foundation's operations, safeguard against management risk, and improve brand influence.



The core work of the Amway Charity Foundation in 2018 will continue to revolve around Power of Five, with a sustained commitment to improving early nutritional health in children in poor areas. We will redefine the social value of ACF: not only to help malnourished children out of nutritional poverty, but also to make society aware of the important value and social significance of childhood nutrition in the development of children.

In the face of adjustments and opportunities in public welfare work under new circumstances, in 2018 we explicitly established the following priorities:

First, to promote the "Preschool Child Nutrition Improvement Project," to become a national CPPCC proposal, the first step to open policy promotion.

In 2016, General Secretary Xi Jinping proposed a national strategy for precision-targeted poverty alleviation. In the same year, we released ACF's nutrition poverty alleviation strategy and launched the Power of Five project. Power of Five is a case of just the sort of innovative spirit required. In 2018, ACF will promote the Power of Five Preschool Child Nutrition Improvement Project to become a CPPCC proposal, presented to the political and business community, so that we can work together on it.

Second, we will continue to expand the scale of the Power of Five project.

In 2018, the ACF will expand the area covered by the Power of Five project, with plans to reach 10 provinces and 24,000 preschool children. At the same time, the Foundation will conduct three comparative studies of project implementation to demonstrate the importance and effectiveness of nutritional support for children under five years of age.

Third, the Nutrilite Institute for Child Nutrition will be a platform to carry out research on child nutrition and development.

According to surveys, there are significant discrepancies in the development of brain nerves in nutritionally healthy children versus malnourished children — yet there are scant few studies on this topic. The Foundation will carry out more research on the impact of nutrition impact on children's development and fill the gaps in this area by supporting more experts in researching it.

Four, continuing to use social media to reach the public and increase influence.

In 2018, we will launch a Power of Five film when school begins in September, in order to communicate our message via social media and demonstrate the value of the Power of Five project, and win more public attention and support for the foundation.

Five, joining hands with like-minded people and partners.

In the future, the Foundation will continue to work with relevant agencies to promote the resolution of child nutrition issues, strengthen cooperation in relevant industries, and engage with the public to create more opportunities for individuals who care about these issues to participate in carrying out and talking about our projects.





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