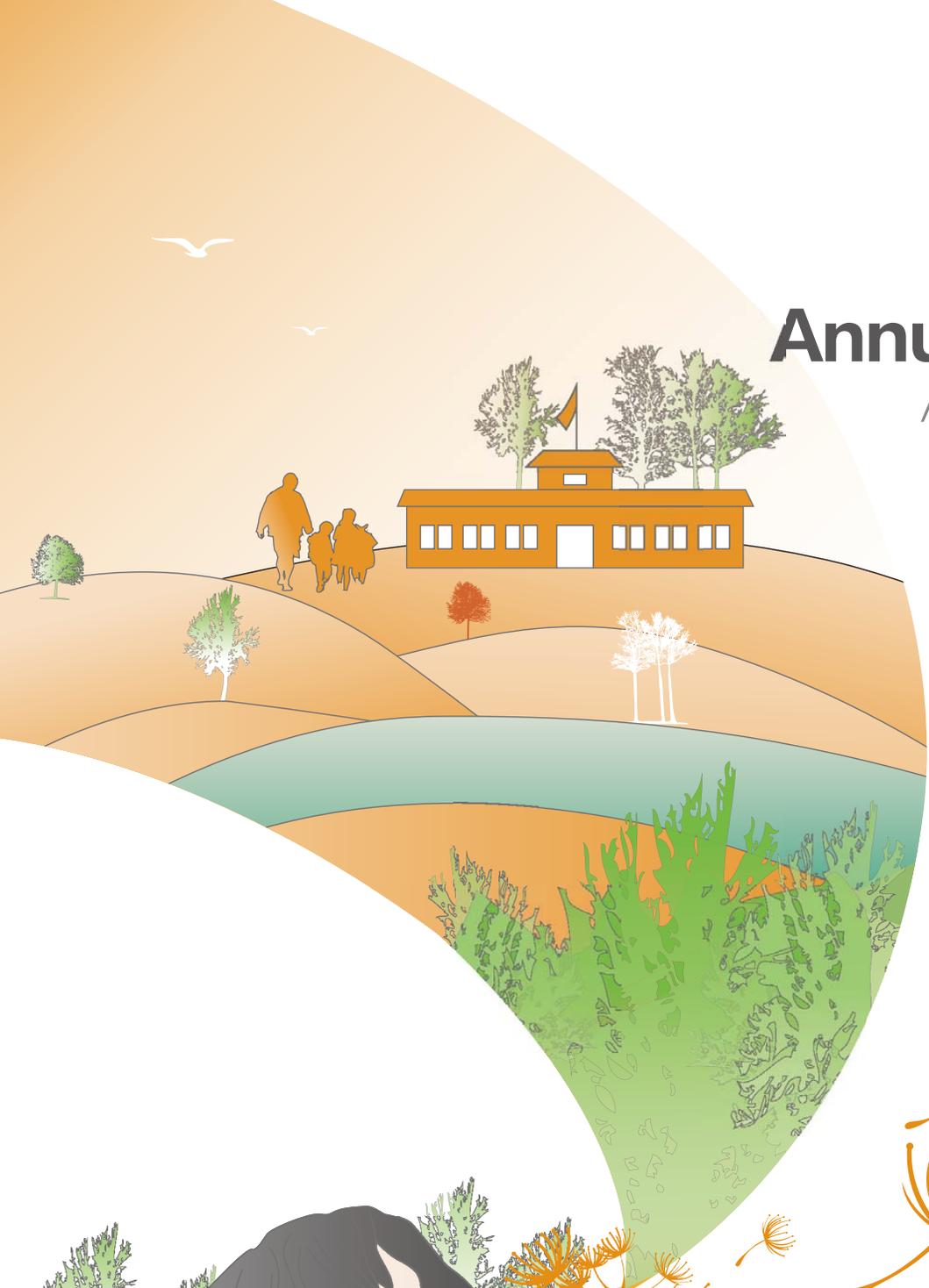


2020

Annual Report

Amway Charity
Foundation



安利公益基金会
Amway Charity Foundation



Preface

Ten years a glance
With the same raging passion
Nothing changes
Our original aspiration
Nothing hinders
Our strides towards our vision
For love transcends space and time
For love connects you and I
With hope for every child to have a fair chance in life
With hope for all to have a better future
A hope more precious than diamonds
A hope for which we give it all
Together we stand guard, we fight, we treasure
Ten years a journey of dust and sweat
Ten years an army of still burning passion
Ten years a history, we march on
Ten years a milestone, we join hands
With you, we start anew



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Celebrate the Decade, Aspire for the Future

Time really flies, as if the ten years of Amway Charity Foundation has passed in the blink of an eye. I still remember the first Board meeting, the first visit to the rural areas, the first time those children smiled for us, and the joy from each achievement. Public welfare is a path we have firmly set ourselves on, and it is also a long, arduous journey. Ten years marks not only a milestone but also a new beginning.

At this special point in time, I look back to see what has driven ACF to become what it is today, what we have done right, what lessons and inspirations we have learned on the future of public welfare organizations and our own development.

In my opinion, the Foundation has done at least three things right —

Firstly, persistence in a heart of charity. Never forget why you started, so you will accomplish your mission; Never lose sight of your intention, so you will travel far. The core reason why Amway Charity Foundation has been widely recognized by the industry and the society, and why it has made so many achievements within just ten years, is that we have never for once forgotten why we started. Such persistence derives from the values of Amway. Neither we nor the company Amway, which has been supporting us all the way, has ever intended to gain any specific benefits through the Foundation. The consensus of all is to truly help those in need and create value for the society through a professional organization and an open, efficient platform. During the process, despite constant project optimization and expertise improvements, we have never derailed from that pre-determined direction. Along the way, Amway and the volunteers, who are mainly Amway Business Owners (ABO), have always been consistently supporting the growth of the Foundation. Regardless of the achievements we made, this remains our anchor, the True North that we pursue.

Secondly, targeted devotion. The Foundation engages in just a handful of projects, but always with in-depth devotion in each. Over the decade, we have never once been distracted, nor have we ever blindly pursued any passing trend. Instead, we have maintained consistent devotion to children's welfare and focused on two key areas, child nutrition and health. The level of devotion and the mindset of long-term thinking enable us to achieve sustainable changes and accumulate positive impact, bringing real changes to children in China, especially those living in impoverished rural areas. We are able to celebrate the results each time we evaluate the physical condition of children, which proves the power of persistence.

Of course, persistence does not equal conservatism, let alone rigidity. Our true focus is on child health and development, with a vision of creating a future of dignity for every child. To this end, we will constantly adjust our aim and optimize our resources for a clearer focus and to provide more in-depth support according to the changes in societal needs.

Thirdly, a forward-looking vision. The projects that ACF engages in, the direction it pursues, and the cause of public welfare in nature, are essentially investments in our future. Professional public welfare organizations are much like angel investors. We need to identify potential that no one else has noticed, and do things that no one



Frances Yu

Chairman, Amway Charity Foundation
December 2020

else has done. Each of our projects, including the Spring Sprout Project, through which we provide kitchen facilities for rural schools, and the Power of 5 Project, through which we provide preschool child nutrition supplements and nutrition education, is designed to fill a void in public welfare. Going forward, we will maintain that momentum as a pioneer as well as that mindset as an innovator to truly invest in a better future for all of us, testing new waters and breaking new grounds for the cause of public welfare.

Ten years went by with major societal changes in China. The success of the Targeted Poverty Alleviation Strategy brings China to a new stage of development, with changing social needs, public welfare needs and challenges faced by vulnerable groups. This is the new normal that the public welfare industry must adapt to, and also a new space of immense potential for making great achievements. Over the past ten years, we have also grown as a professional. Our capabilities have been enhanced with experience. A growing number of kind-hearted individuals and public welfare organizations have joined hands with us, and ACF has won more honors and gained greater trust. Despite the exciting changes, some things remain constant: our original intention, our enthusiasm, our passion.

Ten years on, the passion stays gold. With you by our side, ACF continues its voyage towards a future of better health, greater hope and empowerment for all children in China to live life to the fullest.





Our Vision

We believe in all children that each and every one of them can grow into the best they can be and live life to the fullest.

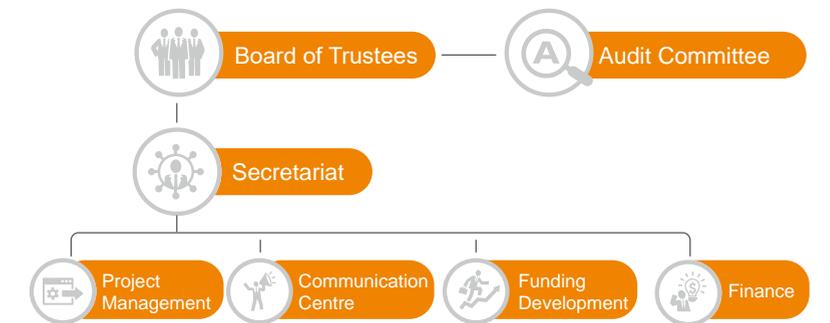
Our Mission

We strive to improve the environment for growth and provide necessary support during key growth period to unlock inherent potential and enable equal development for all children in China.

Amway Charity Foundation

Amway Charity Foundation (ACF) is a non-public foundation established in 2011 with a startup capital of RMB 100 million from Amway (China) Co., Ltd. As the first foundation with a multinational corporate background under the direct supervision of the Ministry of Civil Affairs, ACF focuses on two areas: nutrition and education for impoverished children. More than 4.79 million children have benefited from Amway since its founding in China. In child nutrition, we launched the Spring Sprout Project and the Power of 5 - Preschool Children's Nutrition Improvement Project to provide nutrition improvement support for impoverished children. In child education, we initiated the Sunshine Project and the Rural Children Friendship Community Project, among others, to help children integrate into their respective community and grow safely and happily. In volunteer services, we established the China Volunteers Association (CVA). In industry advancement, we launched the China Philanthropy Talents Development Project. Guided by the philanthropic spirit and actions of Amway (China), we are pooling the love and strength from Amway (China) employees, ABOs and the general public, sharing love with the world and encouraging the harmonious development of people and the society with professional, efficient and transparent operation, to eventually achieve the goal of enabling equal development for impoverished children in China.

Amway Charity Foundation



Organization Brief

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: Paula Peng
Business Scope: Aid vulnerable children, manage volunteer service, establish charitable funds, provide specialized aid, engage in cooperation and exchange, and conduct environmental protection activities.

Organizational Structure

Sponsors: Doug DeVos, Steve Van Andel
Honorary Chairman: Eva Cheng, Gan Chee Eng
Board of Trustees
Chairman: Frances Yu
Vice Chairmen: Vincent Hwang, Martin Liou, Jenny Zhai
Director-General/Secretary-General: Paula Peng
Trustees: Frances Yu, Vincent Hwang, Martin Liou, Jenny Zhai, Angela Keung, Liza Cheung, Rachel Luo, Jia Chen, Katherine Li, Senlin Chen, Wenston Wang, Paula Peng, Li Zhiyan
Audit Committee
 Scott Balfour, Cheng Gang, Winnie Li



Tribute to Our Ten-Year Journey

Ten-Year Story in Numbers

Public Welfare Projects:
16,062
initiatives

Since its establishment, Amway has attached consistent attention to the equal development of impoverished children in China, and has made targeted efforts in areas including nutrition and education. Through a combination of independent operation and financial support, it has carried out a total of **16,062** public welfare initiatives.

Charitable Funds Invested: RMB **930** Million

In the face of urgent public welfare needs, Amway has invested charitable funds of RMB **930** million to build more than **3,800** nutrition kitchens and to offer more than **30** million Little Bits chewable nutrition tablets...Amway is translating Love into tangible changes for children.

Total Children Benefited: **4.79** million

Since Amway's initial presence in China, **4.79** million children have benefited from our actions: school-age children in impoverished areas, children in kindergartens, children with disability, children living in orphanages and Children's Villages...We believe that the future of every child is worth aspiring to.

319 Counties, **31** Provinces

We have walked all over the country, measuring the greatness of China with love. Core projects of ACF, including the Spring Sprout Project, the Power of 5 - Preschool Children's Nutrition Improvement Project, the Sunshine Project and the Rainbow Project, have been implemented across the country, creating a fair chance of growth for children in need.



Received **100** Points on Transparency **6** Years in a Row

Transparency and credibility underpin the existence of public welfare organizations. ACF has always attached great importance to building its credibility and has ensured comprehensive disclosure through a variety of channels, receiving full points on the Foundation Transparency Index by China Foundation Center, six years in a row, ranking first among all public welfare organizations.

8-Time Winner of China Charity Award

With professional project management expertise and tangible public welfare impact, Amway has won its 8th China Charity Award, which is the top authoritative charity award granted by the government, and has become the most awarded winner in the history of the Award.

1.02 Million Volunteers Contributing
2.86 Million Hours

ACF has a total of **1.02** million volunteers nationwide who have contributed a total of nearly **2.86** million hours in volunteer services. Most of the volunteers are ABOs and are actively providing service in various fields, including disability support, education, environmental protection, major contests, emergency rescue and disaster relief.

13 Million Donations

Since its establishment, ACF has won the trust and support of ABOs, charitable individuals, enterprises and institutions at home and abroad, receiving **13** million donations in total. ACF has become a channel where love gathers and warmth transcends.



Ten-Year Journey of Milestones

2011-2021

2011

- Established in Beijing, ACF launched three major projects, namely the Spring Sprout Project, the Rainbow Project and the Sunshine Project.
- The first Spring Sprout Kitchen was built in Guangxi in September.



2012

- The Spring Sprout Project volunteer supervision initiative was launched, with approximately 1,000 volunteers supervising Spring Sprout Kitchens onsite every year.
- The first Rainbow Dream Centre was launched.

2013

- The China Philanthropy Talents Development Project was launched.
- With RMB 1 million in support from the central government, "Caring Communities" were built in 21 cities, benefiting a population of 370,000.
- Periodical results of the Spring Sprout Project were released, showing significant improvement in students' physical health and intelligence level.
- ACF announced its commitment at the Clinton Global Initiative (CGI) annual meeting in New York to build another 2,000 Spring Sprout Kitchens.

2014

- With "Get Home Safe" as its theme of the year, the Sunshine Project was carried out with activities on child safety education in 77 cities of 20 provinces throughout the year.
- As China's first professional research funding platform on child nutrition, the Nutrilite Institute of Children's Nutrition was established.
- The 3000th Spring Sprout Kitchen was built in Xinjiang, and the Spring Sprout Kitchen +1 campaign was carried out online, attracting 150,000 participants.
- The "A Special Lunch" film was released, arousing great public attention to child nutrition.

2015

- The "White Rice Only" campaign was launched online and generated nearly 100 million views and interactions, attracting 38,000 people to donate a total of RMB 900,000 to the Spring Sprout Project.
- The Power of 5 Project that Amway has launched in countries around the world was brought to China to provide nutritional improvement support for children aged 3-5 in impoverished areas.
- The Little Bits chewable nutrition tablet, specially designed for preschoolers, was co-developed with the Chinese Society of Nutrition.
- ACF was awarded the 4A Foundation Certification by the Ministry of Civil Affairs.

2016

- The International Childhood Nutrition and Poverty Alleviation Forum and Fifth Anniversary of Amway Charity Foundation was held, at which ACF released its Strategy of Poverty Alleviation with Nutrition.
- The first Power of 5 Charity Run event was held to build a bridge of charity between children in urban and impoverished areas.
- On the May 20th "Student Nutrition Day of China", ACF joined hands with the China Children and Teenagers' Fund and other organizations to host the "Food on Head" campaign, a major public welfare advocacy initiative that attracted nearly 100 million views and interactions, with 78,000 people donating a total of RMB 1.26 million.
- The first 99 Charity Partner event was launched.



2017

- Milestone achievements were made in the Power of 5 Project, as published in the project effectiveness assessment report released by the Chinese Center for Disease Control and Prevention and Beijing Normal University (BNU).
- ACF worked with Tencent Foundation to launch the first Nutrilite Weight Management Charity Walk via the WeChat platform.

2018

- In his proposal "Improving the National Child Nutrition Strategy and Targeting Key Growth Stage of Age 3-5", Zhu Yongxin, Standing Committee member of CPPCC National Committee, vice chairman of the Central Committee of the Democratic Progressive Party and a prestigious education expert, affirmed the positive results from the Power of 5 Project for children in impoverished areas.
- The Amway Targeted Poverty Alleviation Fund was established to aid and support to impoverished areas in China.

2019

- Nutrilite Institute of Children's Nutrition initiated forward-looking research in child nutrition. The Nutrilite Nutrition Map was officially launched at the same time.
- Zhou Hongyu, member of the Standing Committee of the National People's Congress (NPC) and NPC deputy, submitted to NPC a proposal titled "Suggestions on Improving the National Child Nutrition Strategy and Targeting Key Growth Stage of Age 3-5".
- The My Fancy Meal campaign series generated 500 million views online and nearly 190,000 donations totaling RMB 2.058 million (including monthly donation).
- A second project effectiveness assessment report on the Power of 5 project was published.

2020

- ACF facilitated Amway's donation of RMB 11 million-worth of anti-pandemic materials.
- ACF facilitated Amway's donation of RMB 26 million-worth of Atmosphere Air Purifiers to expedite class resumption of schools in Hubei Shiyuan.
- ACF donated RMB 5 million to set up a targeted fund for the Health Kit Project to protect children in impoverished areas against the pandemic.

Ten-Year Celebration in Messages

“ The projects of Amway Charity Foundation have driven much support from charitable individuals and the government. We look forward to strengthening our partnership to better the lives of children in poverty-stricken areas.

—Gu Xiulian, Director of the China Next Generation Care Working Committee

“ I always admire Amway’s creativity and enthusiasm. All public welfare organizations, including us, shall look up to it.

—Lu Mai, Secretary General of China Development Research Foundation

“ The establishment of Amway Charity Foundation is of great symbolic significance in the history of public welfare and charity in China.

—Wang Zhenyao, President of China Global Philanthropy Institute

“ Building kitchens for schools bears significance and serves as a great example of cross-sector collaboration.

—Dr. Margaret Chan, Director-General of the World Health Organization

“ Amway Charity Foundation has grown into one of the most influential foundations in China within just ten years since its establishment. Through its efforts in the Spring Sprout Project and the Power of 5 Project, the Foundation has become a leader and a role model in child nutrition improvement in China. In addition, the Foundation has received full points and ranks first on the Foundation Transparency Index by China Foundation Center, six years in a row. A big thumbs-up to you!

—Cheng Gang, President of the Foundation Center Network

“ The Spring Sprout Kitchens are great examples that demonstrate the national policy of Free Lunch for Children Initiative in action, and provide an effective basis for evaluating the effect of the national policy. The Spring Sprout model provides guidelines to solving nutrition-related painpoints of children in impoverished areas.

—Song Wenzhen, expert on issues related to Chinese children and Director of the Office of the Women and Children Working Committee of the State Council

“ Power of 5 significantly improves child nutrition and shall be further rolled out. Practical experience in countries around the world shows that the child nutrition intervention project is highly cost effective, with benefit as high as 5-200 times of the cost.

—Zhu Yongxin, Standing Committee member of and Deputy Secretary General of the 13th CPPCC National Committee and vice chairman of the Central Committee of the Democratic Progressive Party

“ The Power of 5 - Preschool Children’s Nutrition Improvement Project aims to help children aged 3-5 in impoverished areas of China gain access to the necessary nutritional support during key growth period by providing systematically-established nutritional improvement solutions, and has made milestone achievements.

—Zhu Xisheng, Secretary General of the China Children’s Foundation

“ By giving full play to the project operation strengths of the public fund and the strengths of Amway in nutritional foods, the joined forces accurately target the nutrition and health problems of children in impoverished areas, bringing enhancements in physical health while supporting all-round physical and mental development of children.

—Zhao Donghua, Vice President of All-China Women’s Federation

“ It is a great honor to know such a loving and passionate partner as the Amway Charity Foundation who is devoted to the cause of charity in China! The Foundation’s achievements in public welfare over the past ten years are well recognized, especially in the field of child nutrition, with the Spring Sprout Project and the Power of 5 Project being role model programs to the industry. More importantly, through its efforts, the Foundation has brought that equal chance of development to thousands of children from impoverished families in China, which is simply admirable!

—Peng Jianmei, former Secretary-General of China Charity Alliance



Ten-Year History of Honors



2005/08/09/10
11/13/15/21

The Spring Sprout Project and the Power of 5 Project were awarded the China Charity Award by the Ministry of Civil Affairs, the top national charity award.



2013/14/15

Ranked among the Forbes China Best Charities List.



2014/15/16/17
18/19/20

The Spring Sprout Project, the China Philanthropy Talents Development Project and the Power of 5 Project were honored as “Outstanding Projects in Chinese Corporate Citizenship”.



2015/16/17
18/19/20

Received full points on the Foundation Transparency Index by China Foundation Center.



2015

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



2016

Awarded China Public Welfare Medal of Excellence at China Public Welfare Summit



2017

Won the “Development Strategy Contribution Award” as an outstanding role model as a foreign-funded corporate citizen in China



2018

The Power of 5 won the Southern Weekend “Sustainable Targeted Poverty Alleviation Project of the Year”



2018/19/20

Won Best CSR Project and Best Influence Award by CSR China Education



2020

Awarded Top 10 Charitable Enterprises of the Year by iFeng Activist League



Poverty Alleviation with Nutrition

The year 2020 is the final year of the national Targeted Poverty Alleviation Strategy. As of the end of November 2020, all 832 impoverished counties in China identified by the State Council Leading Group Office of Poverty Alleviation and Development had been lifted out of poverty, marking the success of the national poverty alleviation initiative, which is a historic achievement. While facilitating the implementation of the Targeted Poverty Alleviation Strategy, ACF gives full play to its unique strengths in improving the nutritional status of children in poverty-stricken areas and supporting the healthy growth of children in line with its strategy of Poverty Alleviation with Nutrition to create a better future for children in impoverished areas and to safeguard sustainable effect of Targeted Poverty Alleviation, building momentum for long-term, sustainable development of China.





Poverty Alleviation with Nutrition

Keys to Solving Poverty

Society **Environment**
Economy **2015-2030**

The United Nations has put forward 17 sustainable development goals, which aim to lead the world onto the path of sustainable development by comprehensively solving problems in social, economic and environmental dimensions within 2015-2030, many of which are closely related to nutrition and health.

According to the State Council Program for the Development of Chinese Children (2011-2020), "intervention nutrition and health programs shall be implemented to improve the nutritional status of pre-school children in impoverished areas", with resolving the issue of malnutrition of children under five listed as a key objective.

5岁
2011-2020

2030

Healthy China 2030 stresses that children's health must be prioritized with strengthened intervention.

Joint Effort

Collaboration with professional institutions and organizations to develop innovative solutions, drive public policy optimization and form an effective, long-term mechanism to address nutrition and poverty issues.

Targeted Support

Targeted nutritional improvement initiatives for children in three age groups, namely 0-3, 3-5, and 6-15, in impoverished areas.



Knowledge-Based Alleviation

Nutrition and health education for parents, schools, the general public and other stakeholders to create a favorable environment for child growth.





Project rolled out in 833 kindergartens across 24 counties of 11 provinces and autonomous regions	Over 35 million Little Bits child nutrition tablets distributed	More than 20,000 hours of nutrition education provided	Over 90,000 children benefited
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Power of 5 Preschool Children's Nutrition Improvement Project

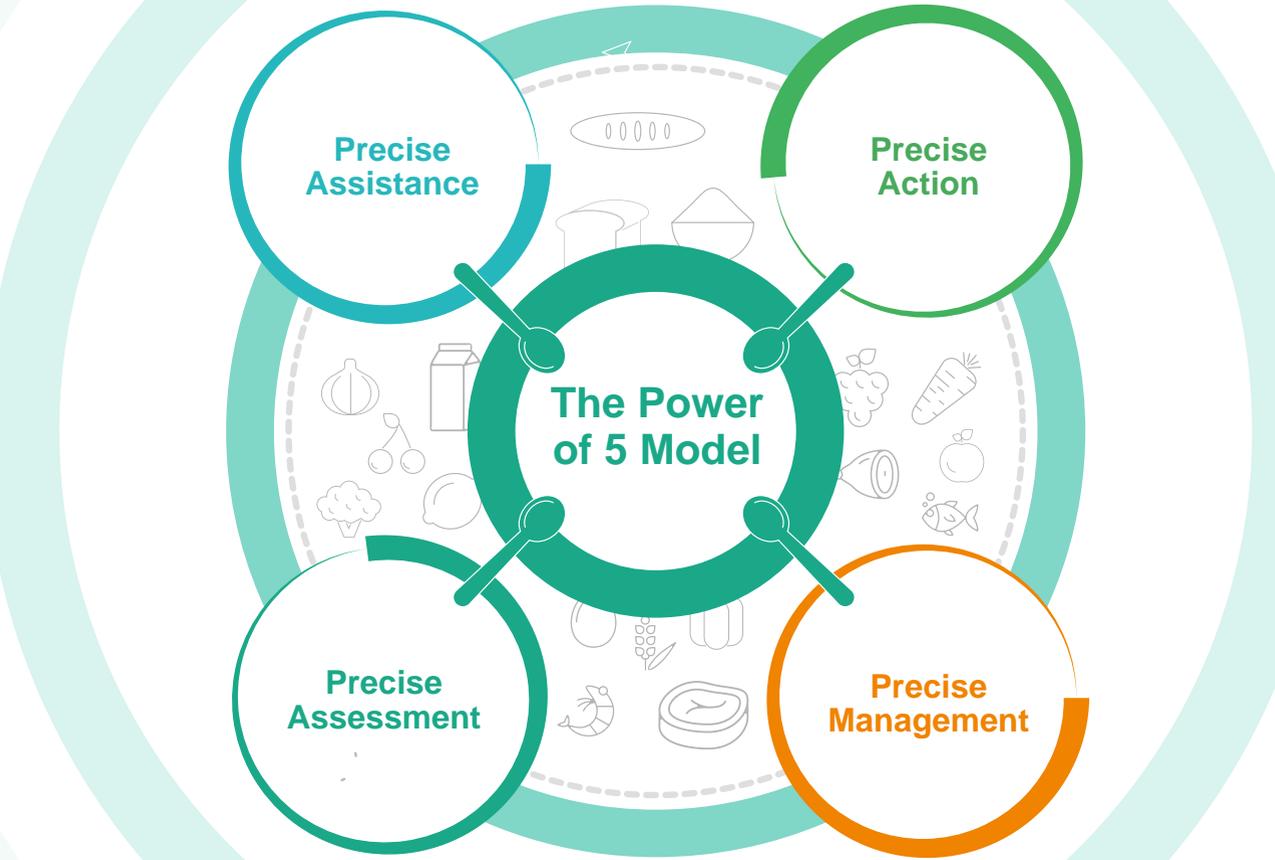
Time period: 2015-present

Partner institutions: China Development Research Foundation, China Children and Teenagers' Fund, Chinese Nutrition Society

Overview: The project provides Chinese children aged 3-5 in impoverished regions with Little Bits chewable nutrition tablets, organizes educational events on nutrition and health, and supports the healthy growth of children in impoverished areas

Based on the objectives of the National Nutrition Plan by the State Council, the Power of 5 Project leverages the strengths of ACF to address key social needs and support the national strategy of Targeted Poverty Alleviation by focusing on nutritional improvements for children aged 3-5.

Power of 5 provides free physical examination and sample survey for children in impoverished areas, especially areas falling subpar on parameters including average growth retardation, anemia and microelement intake.



- A "1+3+5" assessment system for accurate, all-round assessment of project value:
- Growth assessment once a year
 - Cognitive assessment once every 3 years
 - Social influence assessment once every 5 years

A mobile management platform with the profile of every participating child has been established to track Little Bits intake, with regular body index updates to closely monitor the nutritional improvement of each child.



Project Strengths:



China's first charitable project on nutritional improvement for children aged 3-5



China's first QS-certified not-for-profit nutritional product under the new national standards



China's first course system on nutrition and health of preschool children



Nutrition Intervention

Amway Charity Foundation, together with the Chinese Society of Nutrition, co-developed the Little Bits chewable nutrition tablets, a charitable product specially designed and offered free for preschoolers in impoverished areas in China to ensure sufficient nutrition during key growth period.



Little Bits
A Charitable Nutritional Product Crafted with Care

Nutritious for healthy growth:

Little Bits tablets are rich in 17 nutrients, including calcium, iron, zinc, folic acid and nicotinamide, to provide all essential vitamins and microelements to support the healthy growth and development of children.

Yummy flavor for good habit:

The sweet taste of Little Bits is created with xylitol and Luohanguo (momordica grosevonis) without any added sugar, relieving the concern for tooth decay or obesity.

Designed with love for child safety:

Chewable tablets are designed to avoid the risk of water contamination and a choke-proof hole in the middle prevents suffocation.

Nutrition Education

The perception of nutrition has lasting effect throughout children's life. ACF has identified kindergarten teachers as key actors in the Power of 5 Project, and partnered with East China Normal University to develop a course system on 5 key areas of children's growth, namely health, art, society, language and science, to combine nutrition education and all-round development and to ensure the healthy growth of children.





Power of 5 Plus Upgraded Contents, Fortified Impact

From “Food” Education to “Health” Education

Since its launch, the Power of 5 food education course system has been widely praised by kindergarten teachers, students and parents around the world as it effectively closes the gap in knowledge about child nutrition among parents and caregivers in impoverished areas. ACF has been consistently upgrading the content of the food education courses. In addition to contents including nutrition-related knowledge, additional courses on sports, health, awareness training, comprehensive development of children and other contents have been added to the curriculum to comprehensively support the healthy growth of children.

A Small Kitchen, A Big Difference

During project implementation, ACF found that some kindergartens did not have even the basic catering facilities. Since 2019, ACF has further strengthened its public welfare support for nutrition and equipped 120 kindergartens in five provinces with kitchens. Thanks to the effort, more than 4000 children now have easy access to nutritious meals.

“Little Beds” for Kindergartens

Adequate sleep is no less important to the healthy growth of preschool children than nutrition. Since 2019, ACF has equipped 47 kindergartens in Hunan Sangzhi with beds for children. On June 20, 2020, upon the application of the local education bureau, ACF donated 800 beds for 106 classes of kindergarten kids in Yunnan Funing, one of the Power of 5 project sites, so that 800 young children can get their much-needed sleep during daytime for healthier growth.

A Story of Power of 5

Mom Smiles Again

Jineng Xiaofei lives in the Daliang Mountains. When he was four, he fell seriously ill. The consequent medical treatment brought huge debts to his family. Xiaofei’s parents, a young couple with three children, were under extreme pressure. Xiaofei’s father had to leave their hometown for work, and his mother almost never looked happy. In the year the father left for work, ACF brought the Power of 5 Project to Xiaofei’s kindergarten. Xiaofei and his friends have been able to enjoy the Little Bits nutritional supplements and also the interesting health courses every day. Xiaofei is getting stronger by the day, and his health is no longer a worry that saddens his mother. Now, she is able to greet Xiaofei’s father with a long-lost smile when he comes home.

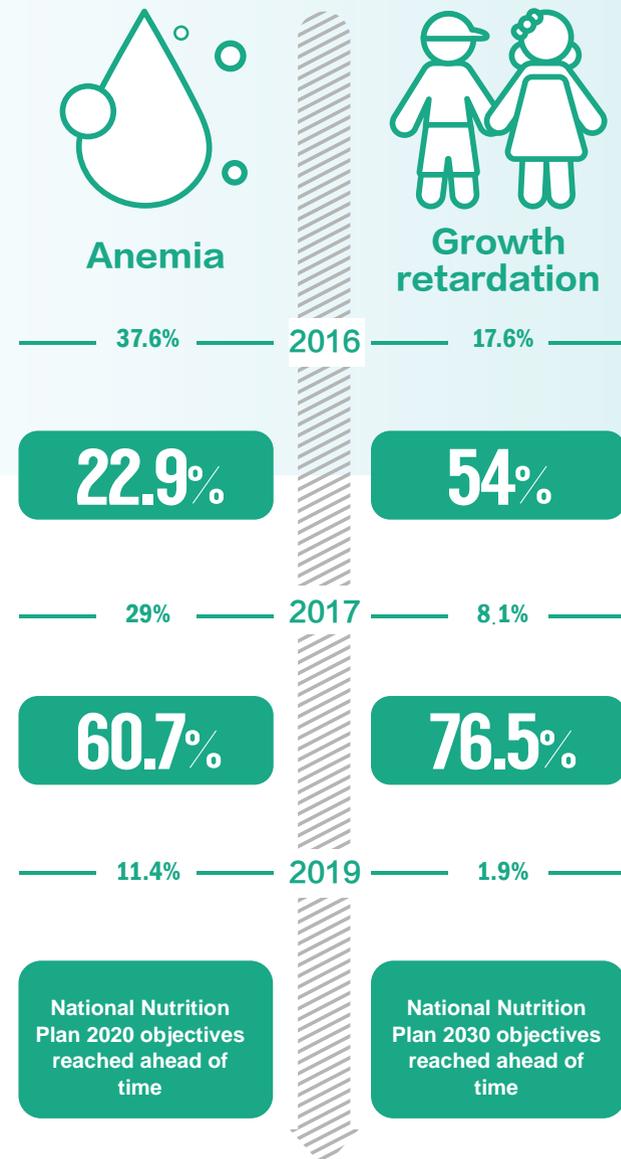
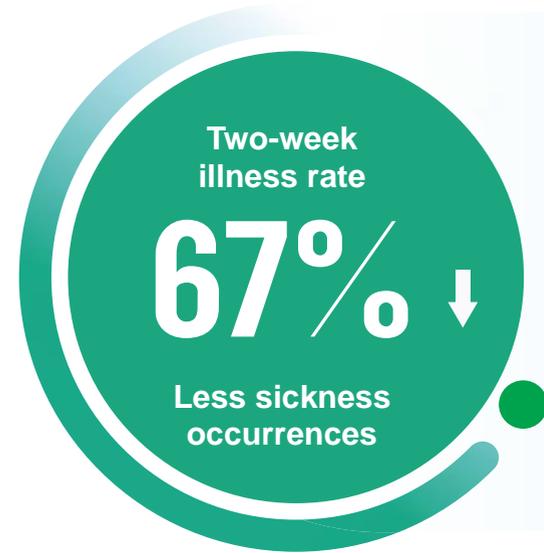


Scan QR code to watch the charity film Happiness in Healthy Growth



Result Assessment

The Chinese Center for Disease Control and Prevention and the Institute of Psychology, Chinese Academy of Sciences worked with ACF to assess the project effectiveness in 2017 and 2019, revealing the following results:



Out of Bounds: Empowering Public Welfare

Project Referenced by NPC and CPPCC Standing Committee Members

Zhu Yongxin, CPPCC Standing Committee member, vice chairman of the Central Committee of the Democratic Progressive Party and a renowned educator, made multiple data references to the Power of 5 Project in his proposal at the Chinese People's Political Consultative Conference (CPPCC) in 2018. Zhou Hongyu, member of the Standing Committee of the National People's Congress (NPC) and NPC deputy, referred to the Power of 5 Project in his proposal to the 2019 National People's Congress.



Power of 5 Nominated for Project of the Year at the Internet Good Summit of China

On June 14, the 2020 Internet Good Summit of China hosted by Tencent Charity was held online. In the face of the sudden pandemic outbreak, a special tribute was paid to the public welfare donors during the pandemic at the Summit, with recommendations of excellent public welfare institutions and projects in four dimensions, namely "energetic charity", "ecological collaboration", "proactive exploration" and "forward-looking vision". The Power of 5 Project by ACF was successfully nominated among more than 3,000 public welfare project candidates.



Support for Government Implementation of the National Targeted Poverty Alleviation Strategy

The year 2020 is one that saw the eventual success of China's battle against poverty. Lixian County of Gansu Province, one of the last 52 impoverished counties in China, was facing severe and compounded challenges of pandemic prevention and poverty alleviation. ACF formulated plans to provide targeted public welfare support to Lixian County, aiming at more than 18,000 children in 219 local kindergartens, via two major public welfare projects, Health Kits and Power of 5. A total public welfare investment of RMB 3.2 million was put in to extend full coverage for kindergarten children across the county and to ensure healthy growth and pandemic prevention.



Collaboration with World Food Program to Innovate Child Nutrition Education Model

ACF and the World Food Program (WFP) carried out a pilot nutrition and health education project in Jingxi County, Guangxi Zhuang Autonomous Region, to provide ACF-designed "Food Education Kits" and online training courses for preschool teachers, in joint exploration for an easily replicable and highly effective model of child nutrition education. The pilot project covered more than 2,000 preschool children in 20 kindergartens in Jingxi city.





The Spring Sprout Project

Time period: 2011 – 2016

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

Overview: A project dedicated to providing fresh and nutritious meals to children by building Spring Sprout Kitchens and training kitchen administrators at rural schools in impoverished areas in China.

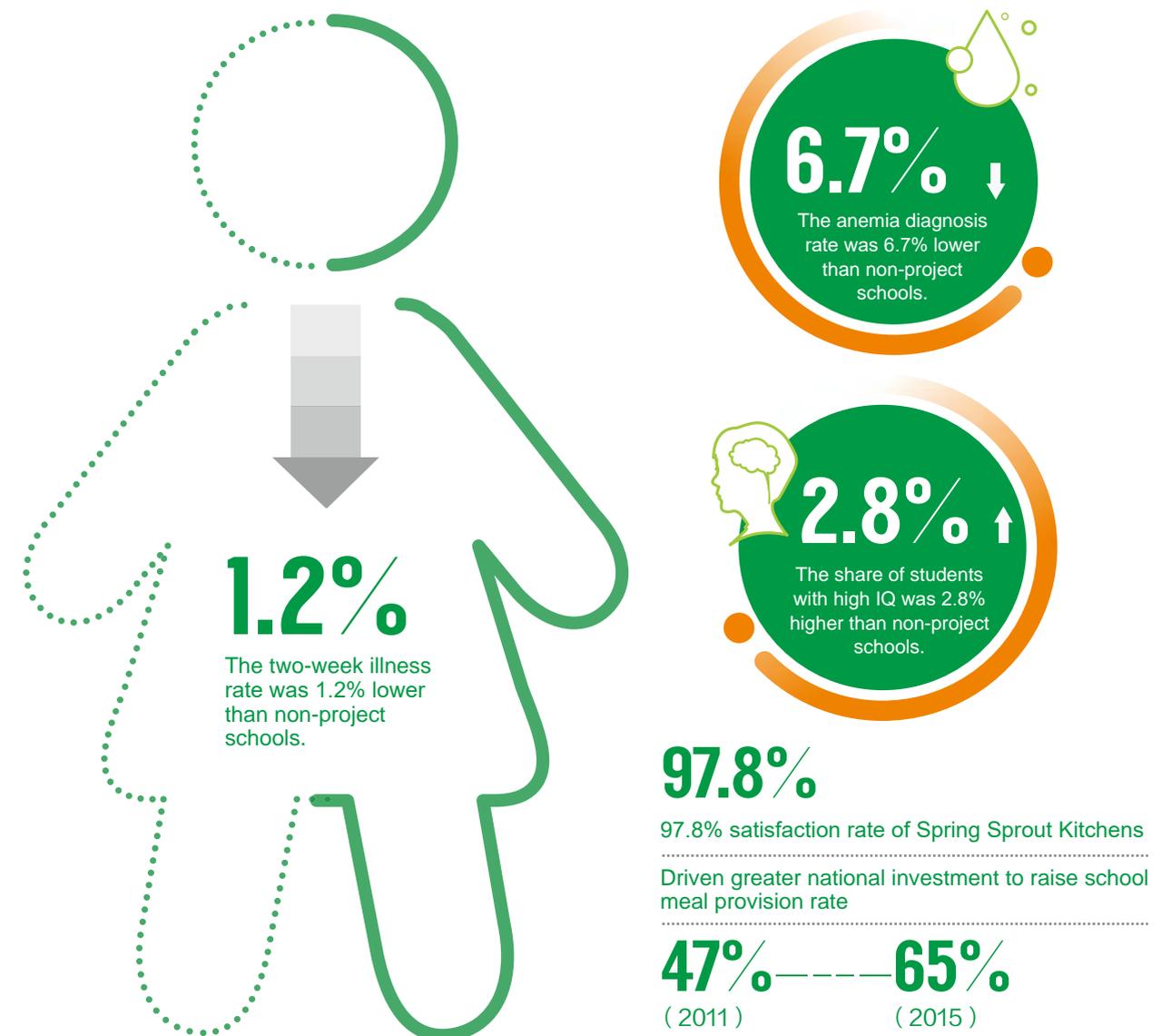
During project implementation, ACF has established a mechanism for declaration, implementation, supervision and evaluation that covers all processes of the project, forming a unique Spring Sprout model that deeply engages multiple parties including the government, NGOs and volunteers, and bringing sustainable influence on nutrition-related charity work and public welfare project management.

During project implementation, ACF has established a mechanism for declaration, implementation, supervision and evaluation that covers all processes of the project, forming a unique Spring Sprout model that deeply engages multiple parties including the government, NGOs and volunteers, and bringing sustainable influence on nutrition-related charity work and public welfare project management.

A Bridge on the Road to Growth: Effect-Oriented Public Welfare

ACF understands that nutrition is only a pathway to solving child development-related problems. The real goal of the Spring Sprout Project is to ensure healthy growth of children. As it carried out the Project with a clear vision, ACF brought in professional medical and health research institutions to regularly evaluate the growth status of children at project sites and to assess the actual benefit of the Project for children.

In 2013, ACF invited experts from the National Working Committee on Children and Women (NWCCW) under the State Council, the Chinese Nutrition Society (CNS), the International Life Sciences Institute (ILSI) and other organizations for professional guidance. According to the Institute of Child and Adolescent Health of Peking University's research into the health and physical condition of the students in schools with Spring Sprout Kitchens, the Project achieved gratifying results:



An Open Platform That Pools Forces for Public Welfare

In the public welfare ecosystem, ACF takes on the role of resource provider and integrator especially in child nutrition improvement and other areas where the wide coverage, long cycle and high investment requirement exceed the power of any individual public welfare organization. In the process of project implementation, ACF has fully engaged forces from all sectors of society, giving full play to the strengths of various organizations to form a joint force for child nutrition improvement.



A Lever that Engages Multiple Resources

The Spring Sprout Project is also an innovative investment case with social influence in China. During the course of the Project, ACF has also transformed the method of investment from simplistic facility building to providing a proven and mature model that solves nutrition-related problems of school children for local governments, schools, charitable enterprises, public welfare organizations and the general public, and has attracted extensive investment of social resources. ACF invested RMB 170 million in the Spring Sprout Project and raised as much as RMB 860 million from across the society.



A Window of Awareness for All to Understand Child Nutrition Problems

Improving the visibility into important social issues is an important mission of public welfare organizations and also an important path to truly establish a sustainably effective mechanism for the eventual resolution of societal problems. In the process of firmly implementing the Spring Sprout Project and effectively improving child nutrition, ACF has also carried out a wide range of public welfare advocacy initiatives to address child nutrition deficiency, engaging more to become supporters and partners for child nutrition improvement.

White Rice Only

- On May 20th, the Student Nutrition Day in China
- People were invited to eat just a bowl of plain rice for one selected meal
- To experience the nutritional difficulties of children in impoverished areas
- And to donate the money they would have spent on other dishes to support child nutrition improvement
- The campaign generated **45 million** views on Weibo
- And **100 million** views from media coverage.



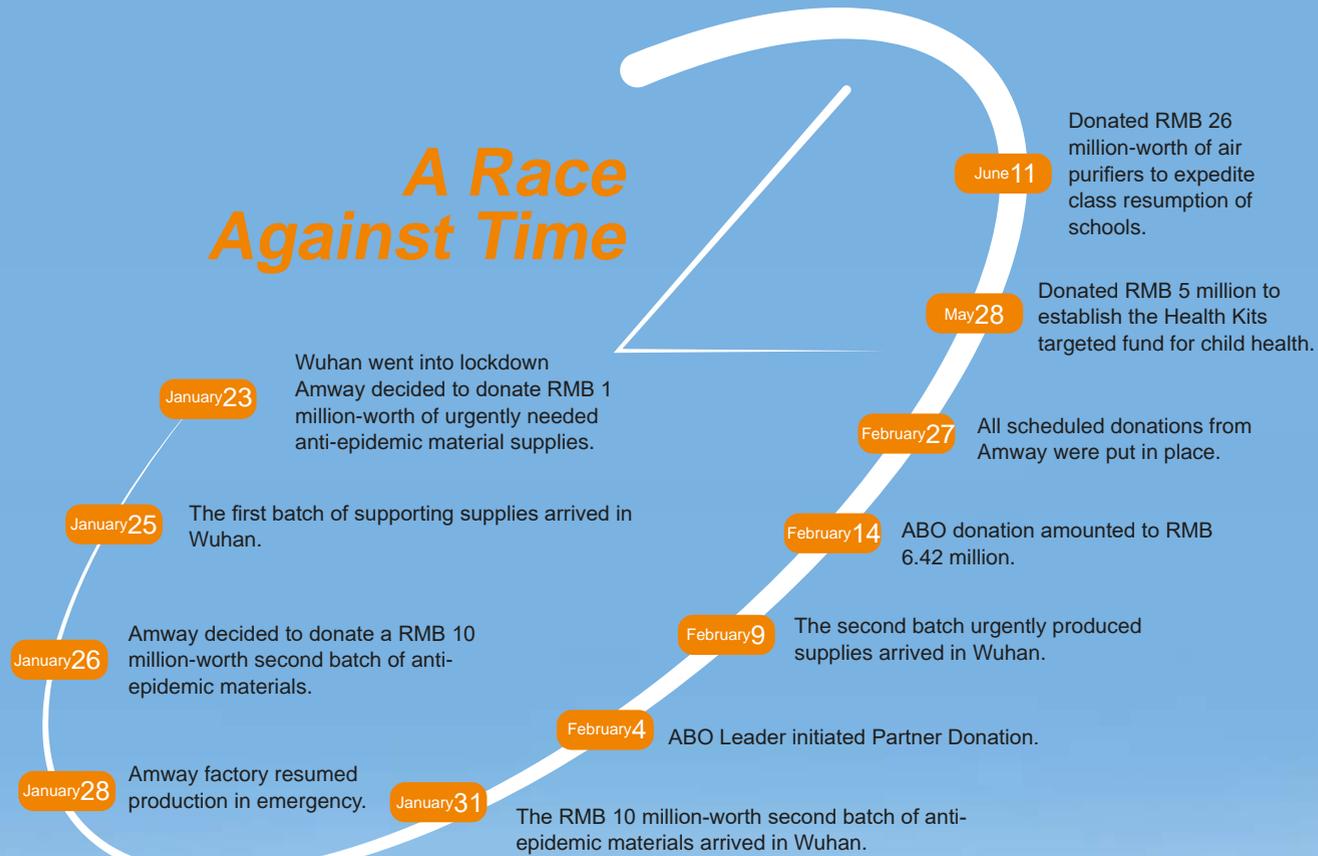


Our “Battle against the Pandemic”

At the beginning of the year 2020 when everyone was still immersed in the joyful Spring Festival, the sudden outbreak of COVID-19 pandemic swept across China. Every major crisis becomes a battlefield that tests public welfare organizations for their emergency response and social mobilization capabilities. ACF took action immediately and devoted itself to this national battle against the pandemic. Donating supplies, raising funds, volunteering, we are always on the frontline. Resolving emergency problems while ensuring sustainable project impact, we always act with professional attitude and capabilities. The experience becomes a collective memory for all of us, and also one of ACF’s assets accumulated during its history of development.



A Race Against Time



Our Story of Battling against the Pandemic

Stay Strong, Wuhan!

On January 23, a day when we were still enjoying the Spring Festival, the news broke that Wuhan had gone into lockdown. It was the first time in the history of epidemic prevention in China for a city of such scale to take emergency action. The lockdown revealed the critical severity of the outbreak, and also the shortage of emergency health protection supplies. Time meant life. ACF supported Amway in a public welfare race against time.

On the day of the Wuhan lockdown, Amway made the decision to donate RMB 1 million-worth of urgently needed anti-epidemic material supplies. However, the first challenge arose immediately. With transportation to Wuhan cut off, how were the materials to be delivered to those in need without delay? Amway's logistics department in Guangzhou urgently contacted the freight trains and secured space in an almost fully loaded carriage to deliver the Amway materials. Amway employees in Wuhan applied and obtained the required emergency pass, within one day. The first batch of supporting supplies arrived in Wuhan from Guangzhou within 3 days and were delivered to Wuhan First Hospital on the same day.

On January 26, Amway initiated the production of a RMB 10 million-worth second batch of anti-epidemic materials, in preparation for donation. The Company's management was firmly aligned: "If we can, we must." To ensure smooth production of anti-epidemic materials, on January 28, the fourth day of the Lunar New Year, with the support of the Management Committee of Guangzhou Development Zone, the employees of the factory returned to Guangzhou ahead of time to produce at full capacity and provide disinfection and protection supplies for Wuhan and those most in need across the country.

On January 31, the first portion of the RMB 10 million-worth second batch supplies arrived in Wuhan. On February 9, the remaining of the second batch supplies, urgently produced, arrived in Wuhan. Over the ten critical days, Amway deeply devoted itself to the battle against the pandemic by leveraging its core capabilities as a leading enterprise. Because of the priority supply to Wuhan, Amway anti-bacterial hand sanitizer and other anti-epidemic products went out of stock nationwide. Nonetheless, the ABOs fully supported the Company's decision to give priority to those in the greatest need, even if it meant product shortage for them.

It was one shared voice of all Amway people that resonated across and beyond: Stay strong, Wuhan. We are right by your side.





Our Story of Battling against the Pandemic

“Health Kits” for Kindergartens

After the longest winter break in history, kindergartens in Zhuxishan Village, Shanghexi Township, Hunan Province finally ushered in the first day of school resumption. For the teachers and parents, the biggest concern and challenge at that time was to ensure children’s safe return to classes, with the pandemic outbreak still going on and the kindergarten being a place of high density of young children, a group susceptible to COVID-19. To their relieve, the day brought to the kindergarten not only the children but also a special gift, the “Health Kits” donated by ACF. From the kindergarten version of the Health Kits, teachers took out alcohol spray bottles to carefully disinfect doormat, desks and chairs, attending to all details. “Wear a mask”, “take body temperature” and “wash hands frequently” were knowledge that children had mastered during the break. When teachers distributed the Health Kits to them, the children could not help but show a happy smile upon opening each protective kit, in which they found toothbrushes, towels, toothpaste and hand sanitizers covered in prints of various cartoon characters. The adorable protective items helped children develop good habits of taking care of their daily hygiene. Teachers and parents felt much relieved, and children may again enjoy their carefree days as before. Since May 2020, ACF has invested a total RMB 5 million in a targeted fund for “Health Kits”. As of now, the Project covers 1,642 kindergartens across 30 provinces including Tibet, Qinghai, Gansu, Guizhou and Hunan, providing health protection support for more than 48,600 children to ensure their growth in a healthy and safe environment.



Scan QR code to learn more about ACF’s Anti-epidemic Battle Story

Our Story of Battling against the Pandemic

Because I Am Part of the Community

With the outbreak worsening, many families in communities of Wuhan were facing the challenge of food shortage to various degrees. Upon learning that an elderly couple in her community were in quarantine at home without food supply, Amway volunteer Feng Shuang prepared meals with her own food and brought them to the elderly couple.

At the beginning of February, when Feng Shuang was going downstairs, an elderly neighbor, whom she barely knew, stopped her and asked: “Dear, do you know how to buy things? I have no food left but preserved fish and meat at home.” At that time, the property management team and the community had already started to take action. By way of group buying, they connected with supermarkets, collected information on elderly residents in the community and helped sourcing and delivering the needed supplies. But the community staff was limited and helpers were much needed, especially for delivering the supplies.

Feng Shuang took the initiative to contact the community, coordinated with the property management team and set up a fleet together with other volunteering residents to deliver group purchase materials in the community. Among the three drivers in charge of the delivery tasks, Feng Shuang, born in 1980s, is the only female. Together, the three drivers delivered as much as 1000kg of supplies each day. To prevent cross-infection and minimize personnel contact, the three volunteers worked nonstop from 11am to 2:30pm every day to distribute materials to the gate of each building so that residents could access the supplies without leaving the building. Every day, after delivering 1000kg of supplies, Feng Shuang would be covered in sweat, with arms and legs shaking.

Now she is a star in the community whom everyone knows and asks from time to time: “Hey Feng Shuang, what should we buy together next?” With a big smile, she is always happy to help and makes the best arrangements. For some elderly residents who are less familiar with group buying on mobile phones, she is always very patient and willing to teach them until they learn. When asked why she would do this, Feng Shuang replied: “Because I am part of the community!”





Total Investment
RMB

4.35 Million

Funded
53 Projects

Benefited
47,000 People



Amway Targeted Poverty Alleviation Fund

At the end of the year 2020, the national strategy of Targeted Poverty Alleviation came to a successful end with all impoverished counties in the country lifted out of poverty. This is a historic moment that all of us should be proud of. In 2018, in response to the national strategy of Targeted Poverty Alleviation, Amway launched and established the Targeted Poverty Alleviation Fund to support impoverished areas in China with targeted efforts. Love transcends boundaries, and we spare no effort.



Listen - It Is the Sound of Growth

In Baimin Village, Shuoliang Town, Tiandong County, the Baimin Primary School has a campus radio station established five years ago. Grade 6 student He Shujing, the new radio station master, believes that the radio station has brought great changes to her life and her personality alike. Three years ago, although she was shy and timid, He Shujing was curious about the radio station and signed up to become a broadcaster. Three years later, as the equipment of the radio station went through constant upgrades, she has grown from a broadcaster to the new station master. Now she is more outgoing and confident. The year 2020 marks the fifth year of the "Voice of Spring Sprout" program. By building campus radio stations for rural schools and training young broadcasters, ACF not only enriches school life for students but also supports more children in growing with greater confidence and health. Wang Ou, a well-known actress, has been the spokesperson for the "Voice of Spring Sprout" program for three years in a row and has recorded many stories for children.



For the Sunshine in Children's Heart

On November 20, Amway volunteers came to Liuci Primary School in Nanchuan Village, Guihua Town, Xian'an District, Xianning City, to carry out "Spring Sprout - A Day in My Life", a targeted poverty alleviation initiative. The school is located in the north of Mufu mountains, an area with limited transportation and severe economic difficulties, where villagers mainly rely on remittances from migrant workers. Nearly all students at school are children left behind as their parents are almost never around. The targeted poverty alleviation initiative brought the urgently needed air conditioners, computers and printers to the school. Seeing the gifts brought by volunteers and enjoying the pleasure of learning and playing games with volunteers, the children were thrilled with big smiles on their faces. The love and care from all parties will help them grow into bright teenagers who will happily help others and care for the society just like the volunteers who have helped them.





Red Palms from Hand Claps of Appreciation

Located in Wenshang South Station Street of Jining City, Liyin Primary School has 411 students in 12 classes across Grades 1-6. The school was poorly equipped. Teachers were using computers with low performance and slow response purchased ten years ago, which severely affected the efficiency of their work. On November 24, Amway volunteers came into the school and brought a special gift to the teachers. Upon the sight of the high-performance laptops, the teachers were clapping their hands so hard that their palms went red. "With these new laptops, it will be much easier for us to prepare for classes. No more wait for the slow response," one teacher said, "In the future, we will be able to search for more and better educational resources on the Internet to bring life to our classroom and make learning fun and efficient for our children." Teachers are the bridge that connects children with the world, and high-performance computers are the bridge that connects teachers with the world of information. A world of wonders unfolds for the children to explore.



Song of Reading on Campus

It was almost the end of the year, but the sound of reading was particularly loud in four schools in Xi'an, Baoji, Hanzhong and Weinan. The volunteers came to the school again, bringing to the children not only a lot of new books and school supplies, but also a team of professional broadcasters. Like a friend, books are indispensable for children's growth. Reading and loving books are habits that will benefit children throughout a lifetime. Reading aloud, sharing, reading with volunteers and innovative ways of teaching allow children to experience the fun of reading while mastering the skills of reading aloud. ACF also donated to each school a "Shared Library for Reading Partners" where well-known broadcasters serve as the teacher, with regular "Reading Partner" activities organized in collaboration with ACF volunteers.

The "Reading Partner" child care campaign has already come to Season III in which ACF provides targeted support to share the treasure in books among students.



Registered Amway
Volunteers Nationwide

1.02 Million

Established

202

Volunteer Service Teams

Volunteer Service

2.86 Million Hours



Amway Volunteers

"To honor the elderly, as we would for our own aged parents, and care for the young, as we would for our own children." The governance ideals and traditional merits that Chinese people have practiced since ancient times are in line with the values of ACF. As early as in 2003, Amway established the Amway Volunteer Association, one of the largest corporate volunteer service teams in China. With the establishment of ACF in 2011, Amway Volunteers entered a stage of rapid development in which Amway volunteers are actively providing service in various fields, including disability support, education, environmental protection, major contests, emergency rescue and disaster relief.





I Shall Be the Guardian of Children's Health

Smile is the signature of Caiwangyijia, a Gen-Y Tibetan Amway volunteer who joined ACF Qinghai Volunteer Service Team in December 2019 and is now a proud Amway Volunteer. During the National Day holiday, Caiwangyijia found that children at the school where he was based were facing hidden food safety dangers. Together with officers from Yushu Market Supervision and Administration Bureau stationed in the village, he held a food safety lecture for the children and their parents. "Anyone here who often buys snacks near the school gate?" "Anyone here who loves to eat Malatang?" A few simple questions revealed the students' daily eating habits. Caiwangyijia and the officers explained the hazards in the street snacks and drinks that the students liked. After listening to the lecture, the children agreed that, for their own health, they would not eat those street snacks any more... With relief, Caiwangyijia showed his signature smile again.



Livestreaming Sales Comes to Our Village!

Liangshan was a town in Shenyang Xinmin suffering from sustained economic difficulty, where average annual income of a villager being less than RMB 10,000. The town grows apples, watermelons and other specialty produce but was not able to sell them at profitable prices, and the villagers knew nothing about online sales. The COVID-19 outbreak made it even more difficult for the villagers to make a living. In October, ACF volunteers, along with officers from the Liaoning Branch of Amway, Shenyang Radio and TV Station FM98.6, Shenyang Market Supervision and Administration Bureau and Shenyang Municipal Committee of Communist Youth League, brought the first "Amway Poverty Alleviation and Rural Support Livestream Studio" to Liangshan Town.

As part of the Demonstration Project of Youth Participation in Social Governance initiated by Shenyang Municipal Committee of Communist Youth League, volunteers brought the livestream sales model from the city to the countryside, and assisted Liangshan in cultivating local e-commerce talents. Under the guidance of the volunteers, youth representatives from 15 villages made an attempt at livestream sales, and successfully turned mobile phones into their new "farming tool", unlocking immense potential for villagers to earn more income. The livestreaming session had an audience of 12,200 and sold 1,000 kg of agricultural produce.





“Metamorphosis” of Village School within 72 hours

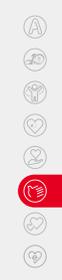
“Wow, the classroom is so much brighter! And there are multimedia classrooms and books! We don't have to worry about the leaking roof on rainy days any more...” Teacher Hou Xing said excitedly and emotionally, “I can't believe such wonder could be made within three days!”

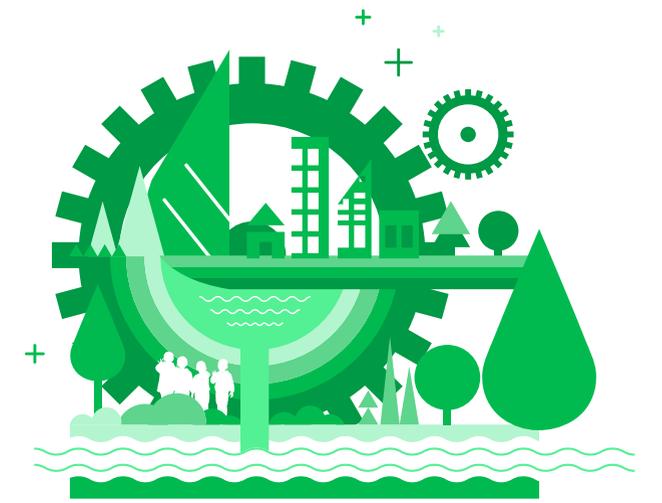
The Chuanyanshan Primary School in Tongxihe Town, Xupu County, had always been in disrepair, with leaking roofs, poor classroom lighting and outdated teaching equipment. During their September 3-5 visit, Amway volunteers carried out a 72-hour makeover public welfare initiative. However, the sudden heavy rain on the next day stalled the outdoor painting work, which was only half completed according to the plan. When the rain finally stopped at 7 pm, the volunteers lit up the playground and the fence with car lights, worked throughout the night without resting, until the time loss during the day had been made up for. On the morning of the third day, teachers, students and parents were shocked upon the sight of the changes. “You brought warmth to all seasons...” The children sang with their tender voice, hugging the volunteers tightly.



On a Silent Battlefield, They Fight

Since the pandemic outbreak, Sister Wang, an Amway volunteer in her 60s in Hubei Jingmen, had been thinking about ways to contribute. When she learned that her community was recruiting volunteers for pandemic prevention in public areas, she did not hesitate and signed up right way. Sister Wang assisted with the cleaning and disinfection tasks. From 9:00 to 11:00 every morning, she carefully cleaned the elevators and removed garbage in public hallways, disinfecting the elevators inside and outside, from ceiling to inner walls, doors and buttons. For more than 20 days, she kept to her post and worked relentlessly. “I don't have any other expertise to offer. I can't fight on the front line like doctors and nurses. Compared to what they do, the things I do are not worth mentioning. It's a difficult time for everyone. I feel more at ease when doing what I can and as much as I can to help.”





Industry Advancement & Public Advocacy

Since its establishment, ACF has assumed the responsibility of driving the professional development of the industry, and has been consistently making its contribution to the development of the industry by cultivating professionals, supporting key projects and hosting forums of the industry. Meanwhile, in order to further enhance its brand influence, ACF makes full use of short videos and other emerging means of communication to further engage the general public in the field of public welfare, advocating for public welfare projects, raising social awareness of child nutrition issues, and forming a joint force across the whole society to support the nutritional improvement of impoverished children.



Share Experience and Drive Development of Corporate Foundations

On November 26, the 2020 annual meeting of China Foundation Forum (CFF), one of the most influential platforms in the public welfare industry, was held online. ACF, together with Fujian Zhenro Foundation and Beijing Corporate Citizenship in Action (CCiA), hosted the panel “Breakthrough for Corporate Foundations: Evolution in Public Engagement” for experience and insight sharing on corporate foundation innovations to strengthen public engagement and to drive societal sharing and social co-governance. The panel was received with profound resonance as leaders of many corporate foundations joined the discussion. Representatives from other companies also said that they would make effort to establish their own corporate foundation as part of their corporate social responsibility, to make greater contribution to the society.



Report on Chinese Child Nutrition and Development

As China's first professional research funding platform on child nutrition co-established by ACF and the Chinese Nutrition Society, Nutrilite Institute of Children's Nutrition selects innovative and forward-looking public welfare projects and research topics on child nutrition to support and facilitate the development of children's charity in China.

In 2020, Nutrilite Institute of Children's Nutrition, together with China Nutrition Society, commissioned an expert team on child nutrition, education and psychological development from Peking University, Renmin University of China and the Chinese Center for Disease Control and Prevention to analyze child nutrition development in China over the past decade based on publicly available data from research institutions and relevant government departments and to form forecasts on the trend in child development, providing reference and implications for public welfare institutions and policy research institutions focused on growth of Chinese children.



Facilitate International Anti-Poverty Activities

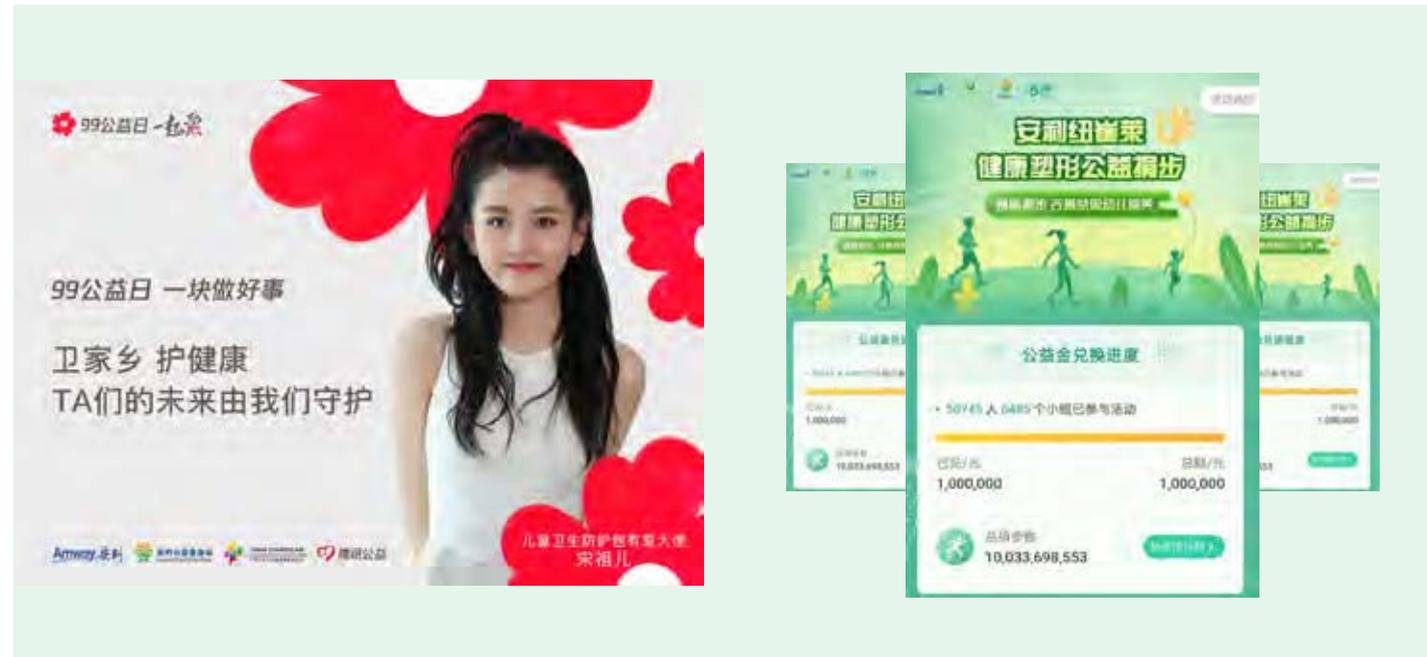
Hosted by the China Development Research Foundation, the International Conference on Poverty Reduction and Early Child Development plays an important role in public welfare for child development internationally, and welcomed its seventh conference this year. As a member of the children's charity community, ACF proactively participates in the work of the Conference and has supported conference organization four years in a row, investing more than RMB 3.5 million in total. The goal of the Seventh International Conference is to share China's experience in poverty alleviation and child development with the international society, and to learn from the experience of other countries to inform China's child development in the “post-poverty era”.



Protect Hometown, Safeguard Health”

In 2020, ACF launched the Fifth 99 Charity Day campaign. In response to the COVID-19 challenge, the campaign was themed “Protect Hometown, Safeguard Health” to encourage Amway employees, ABOs and charitable individuals of the society to donate “Health Kits” to children in their respective hometown so that the children could return to school safely and grow healthily. Lareina Song, an emerging young actress in China, was invited to speak as the Love Ambassador.

41 Urban Agglomerations Nationwide
11,000 Participants
 Accumulative donation over RMB **2,000,000**
 (incl. matching donations)
 Over **15,000** children benefited



Measure Love with Steps, Provide Nutrition with Action

COVID-19 aroused great public concern about health. ACF partnered with Tencent WeChat platform to launch the “Nutrilite Fitness Donation of Steps” campaign to encourage participants to not only improve their personal health through exercising but also “donate” the number of steps recorded on WeChat Sports, for which Amway would make matching donations to support ACF child nutrition public welfare projects. This win-win initiative that benefits donors and beneficiaries alike received strong public support.

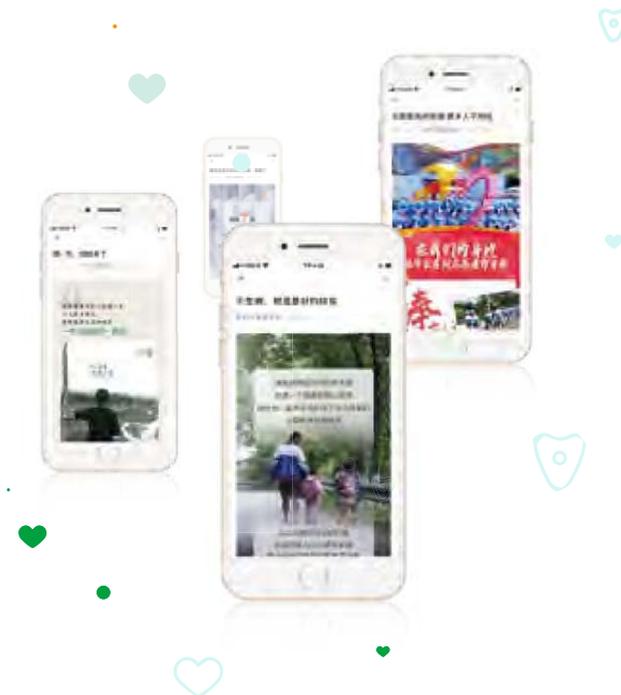
50,745 participants
10,033,698,553 steps donated

“Love, Amway” Public Advocacy Activities

Leveraging trends like the upsurging short videos, ACF makes full use of new media platforms to share the warmth of charity and to stimulate public enthusiasm and participation in children’s charity. In 2020, ACF launched the “Love, Amway” series of advocacy activities to share the heart-warming stories of ACF beneficiaries through graphic stories and short videos. The campaign generated more than 5,000 views and was a great success.



Scan QR code
 Watch “Love, Amway” Stories



Public Welfare Experts, Let’s Join Hands!

In light of the COVID-19 outbreak, Internet-based innovations surged with numerous new public advocacy initiatives in full swing. In 2020, ACF leveraged the WeChat platform to host the first “Public Welfare Experts” campaign online for participants to learn about child nutrition, family health and parent-child education, complete quizzes, advocate for public welfare actions among their friends, and become true Public Welfare Experts. The informative, interesting and meaningful online initiative was well received with extensive public participation.

More than **5,000** participants as at the end of December





2020 Financial Summary

Auditor's Report

BZCPA (2021) No. 19002

To the Amway Charity Foundation,

We have audited the attached financial statements of the Amway Charity Foundation, including the December 31st, 2020 Balance Sheet, the 2020 Statement of Business Activities, the Cash Flow Statement, and the Notes on Financial Statements.

1. Management Responsibility for Financial Statements

It is ACF management's responsibility to prepare and present financial statements that give a true and fair view. This responsibility includes: (1) to prepare and present financial statements that give a true and fair view in accordance with the Regulation on Foundation Administration and the Accounting System for Nongovernmental Non-profit Organizations; (2) To design, implement and maintain internal controls so that the financial statements are free of material misstatement, whether due to fraud or error.

2. Certified Accountant 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 of material misstatement.

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

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

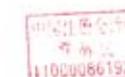
3. Audit Opinion

In our opinion, the financial statements provide the information required by the Regulation on Foundation Administration and the Accounting System for Non-Governmental Non-Profit Organizations in the manner so required and provides a true and fair view of the financial status of ACF as of December 31, 2020, the results of business activities and cash flow in 2020.



Beijing Zhongpingjian Haohua Certified Public Accountants Co., LTD Beijing China

China Certified Accountant:



China Certified Accountant:



Beijing China

March 5, 2021

Balance Sheet

Compiled by: Amway Charity Foundation 2020-12-31 Unit: Yuan (RMB)

Assets	Row No.	Year-beginning	Year-end	Liabilities and net assets	Row No.	Year-beginning	Year-end
Current assets:				Current liabilities:			
Money capital	1	6,474,370.05	71,022,005.95	Short-term borrowings	24		
Short-term investments	2	85,000,000.00	32,000,000.00	Accounts payable	25	673,589.00	355,950.10
Accounts receivable	3	350,393.71	49,065.99	Taxes payable	26	47,828.86	19,651.44
Payment in advance	4			Account received in advance	27		
Inventories	5			Wages payable	28		
Prepaid expenses	6			Provision for expenses	29	178,790.80	121,000.00
Long term debt investments maturing in a year	7			Accrued liabilities	30		
Other current assets	8			Long term liabilities due within one year	31		
Total current assets	9	91,824,763.76	103,071,171.94	Other current liabilities	32		
				Total current liabilities	33	900,208.66	496,601.54
Long term investments:							
Long-term equity investment	10			Long term liabilities:			
Other long-term investments	11			Long-term borrowings	34		
Total long-term investments	12			Long-term accounts payable	35		
Fixed assets:				Other long-term liabilities	36		
Fixed assets-cost	13			Total long-term liabilities	37		
Less: Accumulated depreciation	14			Entrusted debt:			
Fixed assets-net value	15			Entrusted debt	38		
Construction in progress	16			Total liabilities	39	900,208.66	496,601.54
Cultural relics and cultural assets	17			Net assets:			
Disposal of fixed assets	18			Unrestricted net assets	40	87,992,325.72	98,791,353.06
Total fixed assets	19			Restricted net assets	41	2,932,229.38	3,783,217.34
Intangible assets:				Total net assets	42	90,924,555.10	102,574,570.40
Intangible assets	20			Entrusted assets	21		
Entrusted assets:				Long-term prepaid expenses	22		
Entrusted assets	21			Total assets	23	91,824,763.76	103,071,171.94
Long-term prepaid expenses	22						
Total assets	23	91,824,763.76	103,071,171.94	Total liabilities and net assets	43	91,824,763.76	103,071,171.94

Business Activity Statement

2020

Compiled by: Amway Charity Foundation Unit: Yuan (RMB)

Items	Row No.	Previous year			Current year		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Income:							
Income from donation	1	10,841,452.46	8,723,889.61	19,565,342.07	15,285,800.00	19,447,677.73	34,733,477.73
Income from offering services	2						
Income from selling commodities	3						
Income from government subsidies	4						
Income from investments	5	2,489,186.87		2,489,186.87	1,641,751.59		1,641,751.59
Other income	6	89,780.91		89,780.91	508,341.32		508,341.32
Total income	7	13,420,420.24	8,723,889.61	22,144,309.85	17,435,892.91	19,447,677.73	36,883,570.64
Expenses:							
Business activity expenses	8	22,370,703.09		22,370,703.09	23,858,880.96		23,858,880.96
Management expenses	9	1,260,273.76		1,260,273.76	1,051,346.69		1,051,346.69
Financing expenses	10	185,979.38		185,979.38	323,327.69		323,327.69
Other expenses	11						
Total expenses	12	23,816,956.23		23,816,956.23	25,233,555.34		25,233,555.34
Unrestricted net assets converted from restricted net assets	13	9,975,483.95	-9,975,483.95		18,596,689.77	-18,596,689.77	
Adjustments of net asset	14						
Amount changes in net assets ("-" means decrease)	15	-421,052.04	-1,251,594.34	-1,672,646.38	10,799,027.34	850,987.96	11,650,015.30

Cash Flow Statement

2020

Compiled by: Amway Charity Foundation

Unit: Yuan (RMB)

Items	Row No.	Amount
Cash flows from business activities:		
Cash received from donation	1	34,733,477.73
Cash received from membership fees	2	
Cash from offering service	3	
Cash from selling commodities	4	
Cash received from government subsidies	5	
Other cash received relating to business activities	6	510,052.94
Sub-total of cash inflows	7	35,243,530.67
Cash paid for donation or sponsorship	8	22,914,754.80
Cash paid to and on behalf of employees	9	1,738,104.06
Cash paid for goods and services	10	
Other cash paid relating to business activities	11	984,294.95
Sub-total of cash outflows	12	25,637,153.81
Net cash flows from business activities	13	9,606,376.86
Cash flows from investing activities:		
Cash received from disposal of investments	14	250,500,000.00
Cash received from returns on investments	15	1,941,267.69
Cash received from disposal of fixed assets and intangible assets	16	
Other cash received relating to investing activities	17	
Sub-total of cash inflows	18	252,441,267.69
Cash paid to acquire fixed assets and intangible assets	19	
Cash paid to acquire investments	20	197,500,000.00
Other cash paid relating to investing activities	21	
Sub-total of cash outflows	22	197,500,000.00
Net cash flows from investing activities	23	54,941,267.69
Cash flows from financing activities:		
Cash received from borrowings	24	
Other cash received relating to financing activities	25	
Sub-total of cash inflows	26	
Cash repayments of amount borrowed	27	
Cash payments for interest expenses	28	
Other cash payments relating to financing activities	29	
Sub-total of cash outflows	30	
Net cash flows from financing activities	31	
Effect of foreign exchange rate changes on cash	32	-8.65
Net increase in cash and cash equivalents	33	64,547,635.90

Cash

Type of Cash	Currency	Year-beginning book balance (RMB)	Year-end book balance (RMB)
Cash	RMB	0.00	0.00
Cash in bank	RMB	6,474,370.05	71,022,005.95
Other cash	RMB	0.00	0.00
Total		6,474,370.05	71,022,005.95

Business Activity Expenses

Items	Current year	Previous year
Expenses from donation	23,858,880.96	22,370,703.09
Expenses from offering services	0.00	0.00
Expenses from selling commodities	0.00	0.00
Expenses from government subsidies	0.00	0.00
Taxes and associated expenses	0.00	0.00
Total	23,858,880.96	22,370,703.09

Income from Donation

Items	Current year	Previous year
Restricted donations:	19,447,677.73	8,723,889.61
Monetary donations	19,447,677.73	8,723,889.61
Non-monetary donations	0.00	0.00
Unrestricted donations:	15,285,800.00	10,841,452.46
Monetary donations	15,285,800.00	10,841,452.46
Non-monetary donations	0.00	0.00
Total	34,733,477.73	19,565,342.07

Large Donations

The 2020 total donation income of ACF is RMB 34,733,477.73, incl. large donations (>5%) as listed below:

Donor	Current year			Purpose
	Restricted	Unrestricted	Total	
Amway (China) Co., Ltd	1,599,200.00	14,100,800.00	15,700,000.00	For public welfare programs and daily administrative expenses
Including: Monetary donation	1,599,200.00	14,100,800.00	15,700,000.00	
Non-monetary donation	0.00	0.00	0.00	
Amway employees	4,163,012.20	0.00	4,163,012.20	For health protection projects
Including: Monetary donation	4,163,012.20	0.00	4,163,012.20	
Non-monetary donation	0.00	0.00	0.00	
Total	5,762,212.20	14,100,800.00	19,863,012.20	

Governance

Credibility is the source of life for charity, which depends upon good governance. ACF believes that to achieve good governance, a professional foundation must be transparent, efficient, accountable, law-abiding, inclusive, proactive, responsible, respectful of consensus and responsive in daily operation and every project that it undertakes. For optimized management and with strong sense of responsibility and spirit of innovation, ACF constantly looks inward for self-reflection to become more united, competitive and energetic with more clearly defined roles and responsibilities.

Meetings and Resolutions of the Board of Trustees

According to the Regulations on the Management of Foundations and the ACF charter, the Board of Trustees convened two meetings and completed general election in 2020. In 2021, ACF will continue to work with all trustees and auditors to efficiently contribute its professional expertise in pursuit of health and equal development opportunity of children in China.

Major Payments to Public Welfare Programs

Item	Recipient	Amount	Share in annual public welfare expenses %	Purpose
Power of 5	China Charities Aid Foundation for Children	2,000,000.00	8.38	Donation for child nutrition and health education project
	China Children and Teenagers' Fund	1,000,000.00	4.19	Donation for Power of 5 Fund
	Jiahui Renhe (Beijing) Culture Communication Co., Ltd.	423,724.00	1.78	Power of 5 project film production expenses
	Beijing JoyBrand Consulting Co., Ltd.	337,277.12	1.41	Power of 5 project donor service expenses
Anti-Epidemic	Beijing United Charity Foundation	3,180,000.00	13.33	Donation of COVID-19 pandemic prevention supplies to Hubei
	Beijing Chunmiao Charity Foundation	3,248,000.00	13.61	Donation of COVID-19 pandemic prevention supplies to Hubei
Health Protection	China Charities Aid Foundation for Children	6,000,000.00	25.15	Donation for health protection projects and matching donations for 99 Charity

As known to the Audit Committee, the vendors mentioned above have no affiliation to any executive from Amway (China) Co., Ltd. or Amway Charity Foundation.

Related Transactions

Involved party: Amway (China) Co., Ltd.
 Legal representative: Paula Peng
 Relationship to ACF: Sponsor, major contributor of members of the Board of Trustees, main donor
 Nature of transaction: Donation
 Transaction amount: RMB 15.7 million
 Major litigation/arbitration: None
 Major assets bought or sold: None
 Historical employment or dismissal by professional institution: None
 Punitive action against board members or administrative personnel: None
 Crisis response/media response: None

Fully-Fledged Information Disclosure System

Openness and transparency are the most important foundation for ACF. Upholding its values of integrity and honesty, ACF always submits accurate, timely and complete reports on its work, activities and financial audit to the authorities and regulators regularly, in a proactive, open and credible manner. In addition, ACF voluntarily discloses to the public its donation income and expenses, project update, strategic direction and opinions. On the designated public journal by the Ministry of Civil Affairs, ACF publishes the key points from its annual inspection and actively participates in the civil organization review by the Ministry of Civil Affairs.

Channels for information disclosure:



Strict Internal Control

It is a definite trend that foundations will become more professional in the future. Only with professional management can we make sure that every raised penny is trackable and well spent. In this regard, ACF fully leverages the management strengths of its sponsor, Amway, to incorporate the management experience of a multinational company into its daily operation and project management. ACF is constantly improving its management systems of process, risk and brand, to enhance its compliance, lower management risks and enhance its influence.



Outlook

The year 2020 is one with special underlying meaning. The COVID-19 outbreak has profoundly changed everyone's life. Some even believe that human history will be defined by this divide as two eras: "Pre-Pandemic" and "Post-Pandemic". In a crisis of such scale, the awareness of health has reached an unprecedented level. More are willing to be "the first person responsible for personal health", and health has become a topic of extensive social concern.

To ACF, it is the due responsibility of public welfare organizations to respond to social crises, engage resources and help solve major social problems. In 2021, we will continue to practice our original intention and strive for fair development and healthy growth for children, striding towards the wonderful future we aspire to.

The year 2021 is the 10th year in the history of ACF. It is a critical point in time that marks not only the end of a chapter but also the beginning of a new journey. Redoubled efforts will be our tribute to the decade passed and the future ahead.

Launch Healthy Children Strategy

Over the decade, ACF has successively launched a number of child nutrition public welfare

projects, including the Spring Sprout Project and the Power of 5 Project. With greater government and public welfare investments, the issue of nutritional deficiency has been largely resolved and is no longer a core challenge hindering children's equal development. Nutritional awareness in rural areas has become the new bottleneck. ACF will support the national Healthy China strategy by making full use of its strengths and experience in child nutrition and education, expanding its scope of focus from nutritional improvement to overall health improvement of children. The Healthy Children Strategy is not a project in silo. Instead, it combines a series of future projects in line with ACF's new strategic direction of development in public welfare.

Launch New Project on Early Childhood Development

In 2021, the first new project of the Healthy Children Strategy will be officially launched. Focusing on the early development of children aged 0-6, the project aims to create "space for child growth" within rural households to facilitate the healthy growth of children via knowledge and parents' empowerment. The purpose is to create a "paradise at home" for children during their golden stage of physical growth and brain development with the help of the family. This is the first major ACF project aiming at public welfare within households.

Release Report on Chinese Child Nutrition and Development

The United Nations Children's Fund (UNICEF) points out that adequate nutrition is the cornerstone to children's survival, healthy growth and development. Child nutrition correlates strongly with child development, as child nutrition is an important basis and premise of child development. Upon the 10th anniversary of ACF, Nutrilite Institute of Children's Nutrition, together with China Nutrition Society, commissioned an expert team on nutrition, education, psychology and other aspects of child development to compile an assessment report on child nutrition development in China over the past decade based on publicly available data from research institutions and relevant government departments. The Report will be officially released in 2021 to inform the government, academia and public welfare organizations focusing on children.

Initiate Brand Promotion and Public Advocacy Activities

In the past ten years, the brand image of ACF has become increasingly mature with well-established credibility among the public. Upon the 10th anniversary, ACF will carry out a series of brand promotion activities, including public welfare forums and online campaigns, to enhance general perception of public welfare organizations, establish trust in charitable foundations and raise awareness of and support for children's charity, engaging more to join hands with ACF along the journey of public welfare.





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