



安利公益基金会
Amway Charity Foundation

PROMOTING THE HARMONIOUS DEVELOPMENT OF PEOPLE AND THE SOCIETY BY HELPING THE NEEDY

MESSAGE FROM THE CHAIRPERSON

Thanks to the support from our colleagues, volunteers and donors, it has been a fruitful two years since Amway Charity Foundation (ACF) was officially established in May 2011.

In June 2012, together with children at Langhezhen Central Primary School in Shiyan City, Hubei Province, I witnessed the 301st Spring Sprout Kitchen put into service. For the children, whose meals at the school previously consisted only of rice and beans, their reaction to the new kitchen was simple: the food was “delicious”! But their teachers noticed an immediate and positive change in their outlook and in their ability to focus and learn.

“Help people in need” is the simplest definition of charity, while the goal of a foundation is to make the help more effective, replicable and sustainable, and to enable a simple “good deed” to bring concrete results and long-lasting, positive change.

Over the past two years, more than one million children in rural China have benefitted from ACF projects. Each dollar of our investment leverages at least six dollars of additional public investment. We insist upon stringent and standardized management systems, effective models, and precise, comprehensive, and transparent supervision systems. Continuous development of these methods creates greater impact and lasting value.

As we help the children, we have also been growing: the “Spring Sprout Project” won the top philanthropic award — “China Charity Award”; ACF placed fourth in the “China Charity Organization Transparency List” released in January, 2012. Since its birth, ACF has been harnessing and channeling such support from all levels of society toward children in need. Thanks to our supporters, ACF and China’s philanthropy sector continue to develop and flourish.

The actual change in children’s lives inspires our work, and we are committed to cultivating even more change in the future. We will continue to act on our goal to provide equal opportunity for all China’s children. We will continue in our dedication to improve our professional working methods, promote sustainable programs, and lead organizational development. We will continue to be innovative, exploring new ideas and models, inviting public and private partners to join us in advancing China’s philanthropy. Amway Charity Foundation would like to offer sincere gratitude to all those who have contributed to this cause in the past. We encourage everyone to join us in building a bright future for all of China’s children.



Gan Chee Eng
ACF Chairperson



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CHINA'S RURAL CHILDREN

China has 71 million rural children of grade-school age. An overwhelming majority of them are undernourished in body and mind. They live in near poverty conditions and are not getting a proper education.

The Amway Charity Foundation plans to help 1.5 million children have warm nutritious meals through its kitchen project alone (see page 9). However, that's still only 2.1 percent of the children who need assistance. Only with the participation of more individuals and organizations can we service the needs of the ever-increasing population of vulnerable children in China who deserve a better life.

- 8 million newborn babies every year
- 110 million children under age 14
- 90,000 rural schools
- 71 million students between Grade 1-9
- 4,000 special schools for children of migrant workers who have come to cities



CHINA'S MIGRANT CHILDREN

A SPECIAL NEED

Modern China was built by migrant workers — farmers who moved to work in cities — but a majority of their children have been deprived of growth and education.



58 million children of migrant workers live in rural areas without parental care. Malnourishment and inferior education are two of the key concerns.

20 million migrant children grow up marginalized in the cities. Unequal education and the need for social integration are just two issues that require attention.





PROSPERITY IN CHINA

China's modern rise as the 2nd largest economy in the world leads to the impression that China is wealthy and should take care of its own children.

But the need remains for government agencies, non-profit organizations, citizens, and foundations to step forward and provide assistance. Private philanthropy is an important and emerging sector in China.

“Any achievement divided by 1.3 billion people is very small; any problem multiplied by 1.3 billion people is a huge problem.”

— Premier Wen Jia-bao



THE CHALLENGE

THE FACTS:

- Because of China's huge population, annual income is only US \$5,000 per capita, less than 1/8 the per capita income in the U.S.
- A recent government report shows that 592 townships have 128 million people living below the poverty line. Average annual income per capita in these areas is just US \$205.
- Government attention to children in need increases every year. Since 2010, the central government increased food subsidy to rural boarding children by US \$4.1 billion (based on a study Amway helped sponsor). This is still far from sufficient to address the magnitude of the issue.

The children can't wait! They are growing every day!





QUALITIES WHICH MAKE ACF UNIQUE AMONG CHARITY ORGANIZATIONS:

- Originated from a successful China based business
- Presence across the nation, urban and rural, which enables it to understand China's unique circumstances
- Relationships to leverage government capabilities
- "Know how" to implement projects, monitor progress, guide continuous improvement
- Ability to govern and manage fund use with high standards
- ACF is permitted to accept contributions inside and outside of China to increase project impact
- Donations to ACF are tax deductible



AMWAY CHARITY FOUNDATION: A UNIQUE SOLUTION

Amway Charity Foundation is the first foundation initiated and funded by a foreign multinational at its inception. ACF operates under the auspices of the Ministry of Civil Affairs (MCA), the highest authority for social welfare in China.

In 2011, Amway Charity Foundation completed its inaugural year at the center stage of Chinese philanthropy, setting a new standard in charitable community service in China.

ACF pioneers a unique approach – a new kind of public/private cooperation on a national scale, which has become a catalyst for partnerships, financial support, and volunteerism.



THE FOCUS:

SUPPORT THE COUNTRY'S MOST VULNERABLE CHILDREN THROUGH NUTRITION, EDUCATION AND VOLUNTEERISM.



ACF pursues a **range** of pro-active actions along three main **themes** supported by an open platform of **partners**.

The **range of actions** includes programs & projects, pilots & models, research, symposium and advocacy.

The **three main themes** are Children's Nutrition, Education and Volunteerism.

The **open platform of partners** includes government agencies, think tanks, non-government organizations, media, donors and volunteers.



“SPRING SPROUT” KITCHENS IN RURAL SCHOOLS

ACF works together with the China National Committee for the Care of Children and many local government authorities to build kitchens in village boarding schools so that the children can have warm nutritious meals.

This program is the most impactful program sponsored by ACF so far.

RESULTS:

- 754 kitchens were completed, covering 18 counties in 6 provinces
- 400 kitchen supervisors trained, 600 volunteers monitor for quality assurance
- 150,000 children now enjoy nutritious meals
- Named by MCA “Most Influential Charity Project in China” in 2011



SUPPORTING CHILDREN'S EDUCATION

“RAINBOW” VOLUNTEERS PROGRAM IN CENTRAL & WESTERN CHINA

In partnership with the Chinese Youth League, the “Rainbow Program” provides grants for projects identified by the volunteer teachers to enhance the children’s learning experience through books, musical instruments, computers and additional chalk boards.

RESULTS:

- 730 volunteer teachers taught in village schools in 19 provinces from 2003 to 2011 with Amway funding
- 155 educational enhancement projects identified and sponsored in 2011-2012 with another 100 in the pipeline
- 200,000 children have benefited
- Success of this program is seen in the China Youth League’s increased funding for it
- Many other donors are taking up the cause



“SUNSHINE” LIBRARIES WITH ACTIVITY CENTERS SUPPORT MIGRANT CHILDREN IN CITIES

In partnership with the China Young Pioneers National Working Committee, ACF helped build libraries and sponsored extracurricular programs in special schools for migrant children in cities.

These libraries and centers have brought attention to the need for educational support. This identification has helped change government policy so that migrant children are now being mainstreamed into regular schools.

RESULTS:

- Built 35 libraries
- Supported 88 extracurricular programs
- Benefited 50,000 children

INFLUENCING ROOT CAUSE



PILOT AND MODEL PROGRAMS

Philanthropic efforts are never at a standstill. New energy, new ideas, and new programs are important elements when it comes to keeping goals alive and to keeping objectives moving forward.

ACF supports government think tanks in research, pilot tests, consultation, and field observation before implementing full scale programs.

ACF is currently supporting 3 pilot/model programs:

- Village Early Childhood Development Centers (VECDC) to give “left behind” children of migrant workers a chance to receive kindergarten education
- Rainbow Dream Learning Center to breathe life into libraries and upgrade learning environments and contents for rural students in grades 1-9
- Sunshine Activities Centers to help migrant teenagers better integrate into urban communities



INFLUENCING ROOT CAUSE

RESHAPING THE CONCEPT OF PHILANTHROPY IN CHINA

We take great pride in modeling a new kind of platform to address deep social needs. We investigate and network with other organizations to find projects that could have a positive impact and that can encourage wide consensus and support.

We act as a powerful magnet to draw many charitable forces from our society. By understanding the root causes of social problems and engaging multiple audiences in solutions, we are in a position to make a difference.



ENCOURAGING VOLUNTEERISM

ACF encourages volunteerism in partnership with other organizations in China to help improve lives around the country.

For example, ACF taps Amway China's corporate volunteer team — the largest in China with more than 200 sub-groups and 68,000 registered volunteers. Amway China has provided volunteer service for a number of national events including the World Expo in Shanghai in 2010, the National Paralympics Games of China, and the Special Olympics World Games in Shanghai in 2007.

Also, in partnership with the China National Volunteers Association, ACF now includes an independent China Volunteers Fund to support grassroots volunteers projects and programs.





INFLUENCING ROOT CAUSE

FUNDING RESEARCH

ACF initiates and co-sponsors research with the government and other partners on ways to improve nutrition for the children in China.

ACF has conducted many seminars and forums on migrant children and commissioned research on nutritional improvements for students in the western provinces.

In 2007, The China Development Research Foundation (CDRF) launched a company-sponsored pilot program called the Nutrition Improvement Program for Rural Compulsory Education Students. Based on the results submitted, Premier Wen Jia-bao asked that attention be given to rural children. In 2010, the Chinese government allocated more than RMB 10 billion meal subsidies for rural boarding students.



RAISING PUBLIC AWARENESS

Educating the public on children's issues, project strategies and implementation is also a part of the ACF's effort to build philanthropy in China.

In addition to hosting public forums and working through the media to provide enlightening information, ACF invites targeted audiences to contribute and learn about the source and purpose of use for every cent donated. This transparency increases public confidence in philanthropy.

The ACF website also has a panoramic project map and project archive, so the public can easily learn about project progress.



PLATFORM FOR PARTICIPATION



GOVERNMENT MINISTRIES

The foundation of ACF program success is the participation of the China-based partners who have also made a priority of improving life for the children of migrant workers.

In addition to Provincial/County governments, partners include:

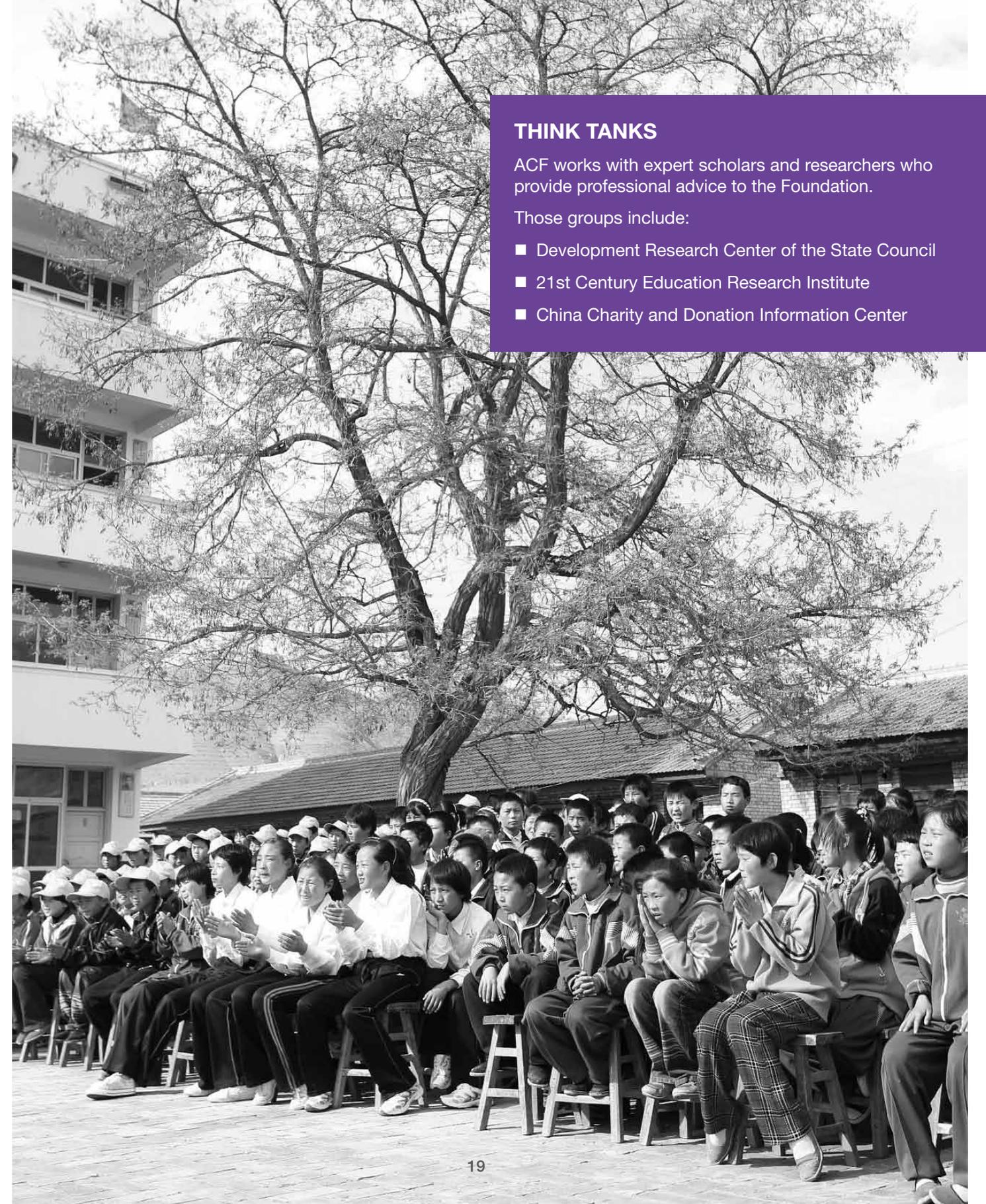
- Ministry of Civil Affairs
- Ministry of Health
- Ministry of Education
- China National Committee for the Care of the next generation
- Chinese Youth League
- China Young Pioneers National Working Committee
- China Volunteers Association

THINK TANKS

ACF works with expert scholars and researchers who provide professional advice to the Foundation.

Those groups include:

- Development Research Center of the State Council
- 21st Century Education Research Institute
- China Charity and Donation Information Center



PLATFORM FOR PARTICIPATION



NON-GOVERNMENT ORGANIZATIONS

- China Development Research Foundation
- Adream Foundation
- Free Lunch for Children

With these partnerships in place, ACF is now reaching outside of China to gain expertise on the problem of poor nutrition. We're joining forces with global organizations that share interest in children's health and well-being.



DONORS

ACF is indebted to Amway China for the seed money of US \$15 million to start up the foundation and is thankful to generous donations from Amway Authorized Agents, Sales Representatives and Employees every year.

ACF is also a trusted recipient of private, corporate and foundation donations from inside and outside of China.

ACF welcomes additional funds from philanthropic organizations and individuals around the world to sustain, augment and expand the many charitable programs and projects undertaken in China.





THE GOALS THAT DRIVE US

VISION

Pool charitable efforts to help vulnerable children and create a better environment for them to live, learn and achieve

MISSION

Promote the harmonious development of people and the society by helping the needy

GOALS

- Deliver, or over-deliver, on program targets
- Foster a volunteer organization with high standards and dedication
- Promote the sustainable development of philanthropy in China through research, cooperation and exchange
- Expand fund sources domestically and from overseas
- Become the standard-bearer for excellence among charitable foundations in China



ACF has been honored by numerous organizations and societies for its dedication and success in the drive to improve the lives of children.



China Best Charity Promoter of 2011
(Presented by MCA's China Charity and Donation Information Center)



Most Influential Charity Project of China
(Presented by MCA)



Top 10 CSR Cases
Received for the Spring Sprout Project 2011
(Presented by China Association of Social Workers and Beijing Normal University)

AMWAY CHARITY FOUNDATION

was formed and funded by Amway China in 2011. It is the first foundation associated with a foreign multinational to be registered with the Ministry of Civil Affairs.



AMWAY

is one of the world's largest direct-selling companies, with sales of US \$11.3 billion in 2012. Founded in 1959 in Michigan by Jay Van Andel and Rich DeVos, today Amway operates in more than 80 countries and territories. More than 3 million Amway distributors sell the company's health, beauty and home products worldwide. Partnership and integrity are cornerstones of Amway. While regulations and customs may differ from one country to the next, the Amway promise to maintain the highest ethical standards is unwavering.

Amway, its employees, and distributors give generously to the communities in which it does business. The Amway One by One Campaign for Children has reached 9.5 million children through 2.5 million volunteer hours and contributions totaling US \$166 million over the past 10 years, helping children live better lives.

Amway

AMWAY CHINA

was founded in 1995 and is a well-respected and trusted name in China. It achieved sales of US \$4 Billion in 2011, putting it among the 100 largest companies in China. It has won numerous awards for achievement in every business category. In 2011, Amway China was one of 13 finalists and the only Chinese company to compete for the US Secretary of State Award for Corporate Excellence.



LOOKING AHEAD

ACF seeks to become the standard-bearer for excellence among charitable organizations and a driving force to promote the sound development of a charitable sector in China.





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ACF promises transparency. It has a public website that can be viewed in English or Chinese and is updated monthly. The website lists donors and project details including Google Map pins to each ACF project. ACF is subject to an annual Ministry of Civil Affairs audit and a voluntary additional audit by Ernst and Young.

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to help vulnerable children
and create a better environment
for them to live, learn and achieve**



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